



FCMB Group Plc

**Investors & Analysts
Presentation**

FY 2021

April 2021

AGENDA

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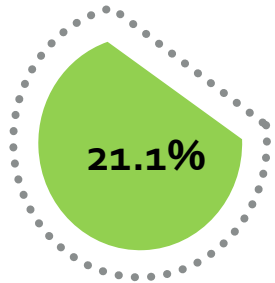
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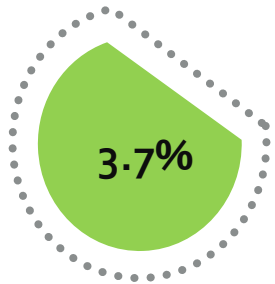
FY21 Results Highlights

Total Assets
N2.5 trillion



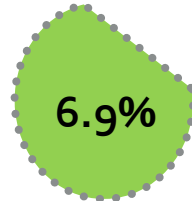
FY20: N2.1 trillion

Profit before Tax
N22.7 billion



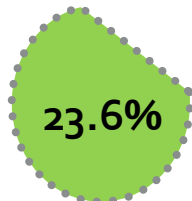
FY20: N21.9 billion

Gross Earnings
N212.0 billion



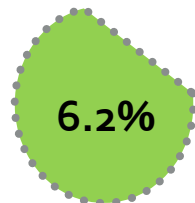
FY20: N198.4 billion

Deposits
N1.6 trillion



FY20: N1.3 trillion

Assets Under Management
N525.8 billion



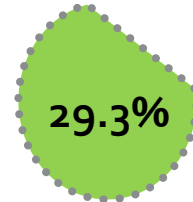
FY20: N495.2 billion

Return on Average Equity
8.9%



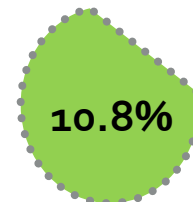
FY20: 9.2%

Loans
N1.1 trillion



FY20: N822.8 billion

Customers
9.2 million



FY20: 8.3 million

Capital Adequacy
16.2%



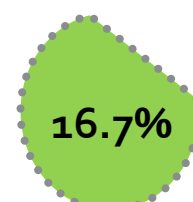
FY20: 17.7%

Non-Performing Loans
4.1%



FY20: 3.3%

Digital Customers
7.7 million



FY20: 6.6 million



Innovation - Key Results:



Digital Revenue

- ✓ **N26.1bn** generated from digital payments and lending activities for FY21. Up 93% from revenues of N13.6bn reported in FY20.
- ✓ Digital now accounts for **12.4%** of Gross Earnings driven by Digital lending, Mobile App and Cards.
- ✓ Transaction Vol. on mobile up **37.5%** from FY2020.



Digital Loans

- ✓ Over **N149bn** disbursed to **843K** customers during the year.
- ✓ Total portfolio size (**60.8bn**) grew by **242%** year on year.
- ✓ Digital lending now accounts for **51%** of digital revenues.



Digital Customers

- ✓ **7.7 million** digital customers up **16.7%** from 6.6 million (Dec. 2020).
- ✓ Supported by simplified onboarding from the bank and pension business and adoption of new digital lending products



Key Results:



Diversification

- ✓ Customer strength, across our group of companies, grew by 10.8% YoY from 8.3 million as at Dec. 2020 to 9.2 million as at Dec. 2021.
- ✓ The Banking Group now accounts for 69% of PBT whilst the other subsidiaries in the Group now contribute 31% of Profits as at FY 2021.
- ✓ Increased contribution from Investment Management Group riding on larger scale in our Pensions business.



Ecosystem

- ✓ Our Group structure will enable us deliver exponential growth by bringing multiple platforms and players together to build an ecosystem of customers (**currently 9.2 million**), partners and an extensive range of products including innovative digital solutions.



FY21 Results Overview: FCMB Group Plc

Mr. Deji Fayose: Chief Financial Officer - FCMB Group Plc

- Overall FY21 performance improved YoY on the back of improved non-interest income earnings;
- Non-interest income grew by 23.7%* Year-on-Year largely driven by growth in electronic fees and commissions income from our digital channels and trading Income from higher volumes of fixed income instrument trades during the year.
- The Group maintained robust capital and liquidity buffers through the year, closing at 16.2% and 34.8% respectively.

Performance Index		1Q21	2Q21	3Q21	4Q21	%Δ QoQ	FY20	FY21	%Δ YoY
Operating	Return on Average Equity	6.3%	7.1%	10.7%	12.0%	11.6%	9.2%	8.9%	-3.1%
	Return on Average Assets	0.7%	0.8%	1.1%	1.2%	12.0%	1.1%	0.9%	-12.7%
	Loan/Funding Ratio	67.8%	70.0%	66.4%	65.0%	-2.1%	66.0%	65.0%	-1.5%
	Loan/Deposit Ratio	53.0%	53.3%	52.1%	54.8%	5.2%	51.2%	54.8%	7.0%
	Cost/Income Ratio	79.5%	78.1%	69.8%	63.0%	9.1%	65.6%	69.9%	6.5%
	Net Interest Margin	7.1%	6.8%	7.0%	7.8%	11.0%	8.1%	7.0%	-13.9%
	NPL/Total Loans	3.2%	3.3%	3.2%	4.0%	23.7%	3.3%	4.1%	20.5%
	Coverage Ratio	178.9%	171.5%	146.4%	112.5%	-23.2%	177.3%	112.5%	-36.6%
	NII/Operating Income	27.8%	30.9%	38.1%	41.8%	9.7%	29.4%	34.0%	15.6%
	Financial Leverage	0.9	0.9	0.9	0.9	0.0%	0.9	0.9	1.4%
Cost of Risk	1.1%	1.1%	0.2%	1.6%	930.8%	1.8%	1.0%	-45.8%	
Capital & Liquidity	Capital Adequacy Ratio	17.8%	17.1%	16.7%	16.2%	-2.8%	17.7%	16.2%	-8.5%
	Liquidity Ratio	33.5%	35.7%	33.1%	34.8%	5.1%	34.2%	34.8%	1.8%
Investment	Share Price	2.90	3.35	2.89	3.00	3.8%	3.3	3.0	-9.9%
	NAV(N'B)	229.1	234.5	236.0	243.8	3.3%	227.1	243.8	7.3%
	Dividend (Kobo)	0.0	0.0	0.0	20	n/a	15	20	33.3%
	EPS (Kobo)	18.04	20.12	31.55	35.91	13.8%	98.1	104.6	6.6%
Others	Opex (N'B)	23.4	24.6	25.3	23.0	-9.1%	84.3	96.2	14.0%
	Risk Assets (net) (N'B)	886.1	916.7	967.6	1,063.6	9.9%	822.8	1063.6	29.3%
	Customer Deposits (N'B)	1,324.4	1,338.5	1,408.3	1,554.4	10.4%	1,257.1	1,554.4	23.6%

*Includes modification loss

- Group PBT recorded a 55% growth between H1 2021 and H2 2021 (N8.9b to N13.8b), to close at N22.7b.
- Net Interest Income increased 14% QoQ and grew marginally by 0.2% YoY. This was due to a decline on net revenue from funds (NRFF) on the back of increase in funding costs during the year.
- Operating expenses increased 12% and 14%, QoQ and YoY respectively, due to increased regulatory costs and general inflationary pressures.
- Impairment charges increased 162% QoQ, however recorded a 28% YoY decrease due to improved loan recovery efforts.

N'm	1Q21	2Q21	3Q21	4Q21	%Δ QoQ	FY20	FY21	%Δ YoY
Revenue	43,190	51,038	55,239	62,545	13.2%	199,439	212,012	6.3%
Interest Income	33,029	39,642	43,080	46,291	7.5%	151,023	162,042	7.3%
Interest Expense	(11,801)	(17,871)	(20,687)	(20,768)	0.4%	(60,266)	(71,128)	18.0%
Net Interest Income	21,228	21,770	22,393	25,523	14.0%	90,758	90,914	0.2%
Non-Interest Income	8,161	9,713	13,790	15,122	9.7%	37,808	46,787	23.7%
- Net Fees & Commissions	5,658	7,276	7,313	8,507	16.3%	19,555	28,753	47.0%
- Trading Income	1,540	1,099	3,972	2,757	-30.6%	7,118	9,367	31.6%
- FX Income	799	531	1,416	3,392	139.6%	10,011	6,138	-38.7%
- Others	164	808	1,091	466	-57.3%	1,124	2,528	125.0%
Operating Income	29,389	31,484	36,183	36,989	2.2%	127,498	134,045	5.1%
Operating Expenses	(23,369)	(24,584)	(25,271)	(22,961)	12.3%	(84,346)	(96,185)	14.0%
Net impairment loss on financial assets	(1,794)	(2,215)	(4,081)	(7,148)	162.4%	(21,239)	(15,238)	-28.3%
PBT	4,226	4,685	6,831	6,975	2.1%	21,912	22,717	3.7%
PAT	3,572	3,985	6,248	7,112	13.8%	19,610	20,917	6.7%

- Our Banking Group remained the largest contributor to overall PBT, contributing 69%.
- The consumer finance business recorded a 14% contribution driven by growth and increased traction from the business.
- We expect to see increased contribution from our Operating Companies in 2022 and beyond as we continue to leverage on Group synergies to create a diversified and sustainable income structure.

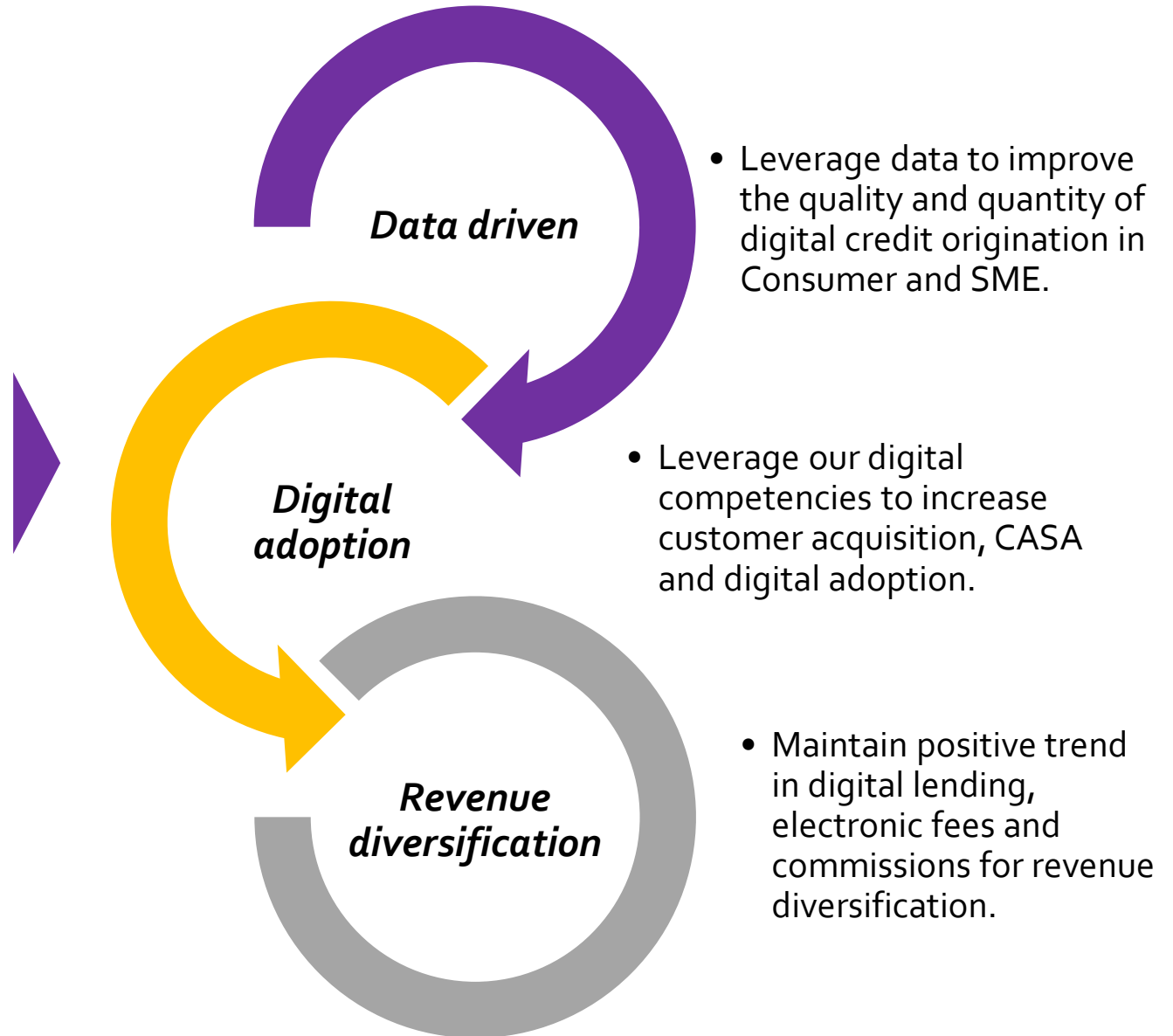
N'm	1Q21	2Q21	3Q21	4Q21	FY21	% Contribution
Banking Group	2,731	3,196	5,067	4,699	15,693	69%
FCMB Ltd	2,715	3,084	5,234	4,187	15,221	67%
FCMB UK Ltd	30	133	(162)	460	460	2%
FCMB Microfinance Ltd	(14)	(21)	(5)	51	11	0%
Consumer Finance	739	752	933	765	3,189	14%
Credit Direct Limited	739	752	933	765	3,189	14%
Investment Banking	56	128	217	738	1,140	5%
FCMB Capital Markets Ltd	37	93	(13)	169	286	1%
CSL Stockbrokers Ltd (ex FCMB-AM)	19	35	231	569	854	4%
Investment Management	582	613	615	679	2,490	11%
FCMB Pensions Ltd	354	391	427	423	1,595	7%
FCMB Asset Management Ltd	212	207	172	249	840	4%
FCMB Trustees Ltd	16	16	15	8	55	0%
FCMB Group Plc (Separate)	2,492	(6)	(1)	2,623	5,108	22%
Intercompany Adjustments	(2,374)	0	(0)	(2,529)	(4,903)	-22%
FCMB Group Plc (consolidated)	4,226	4,684	6,831	6,975	22,717	100%



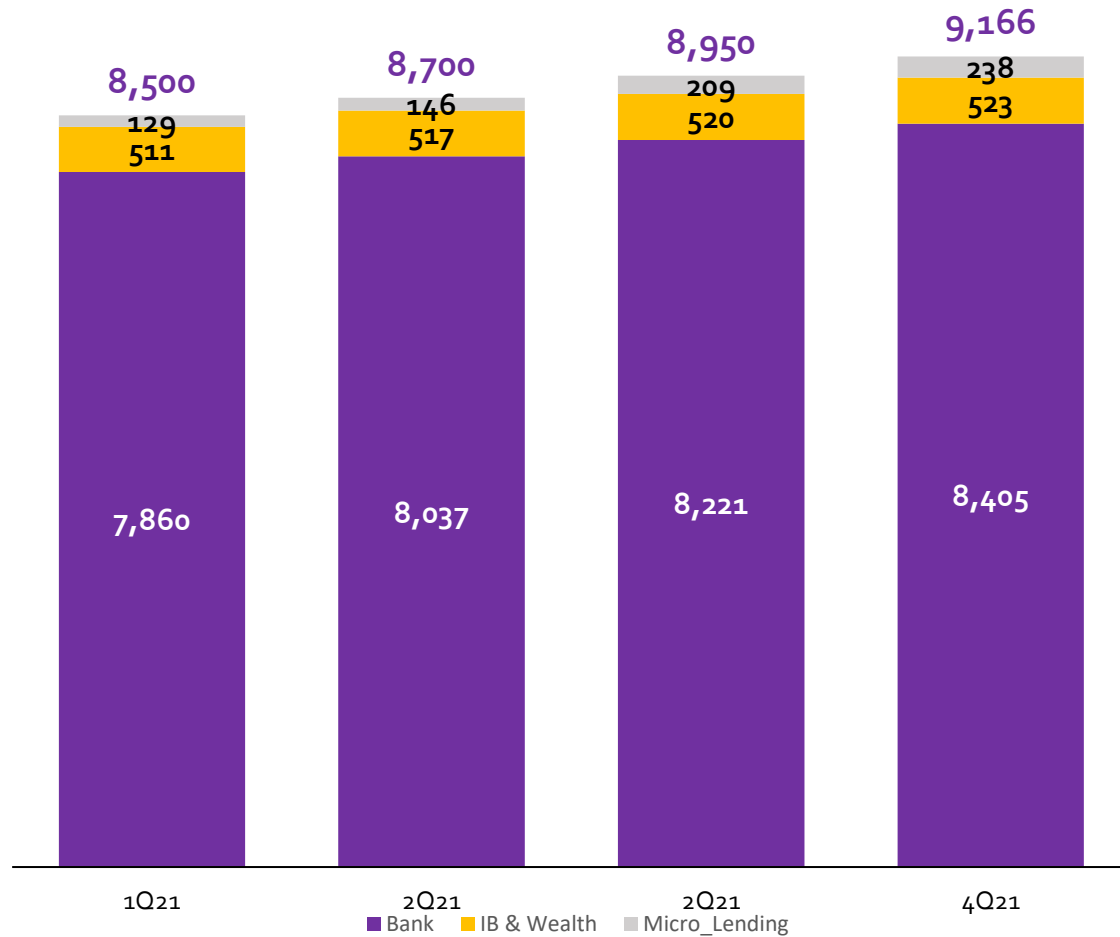
Digital Business Review: FCMB Group Plc

Mr. Gbolahan Joshua: Chief Operating Officer - FCMB Group Plc

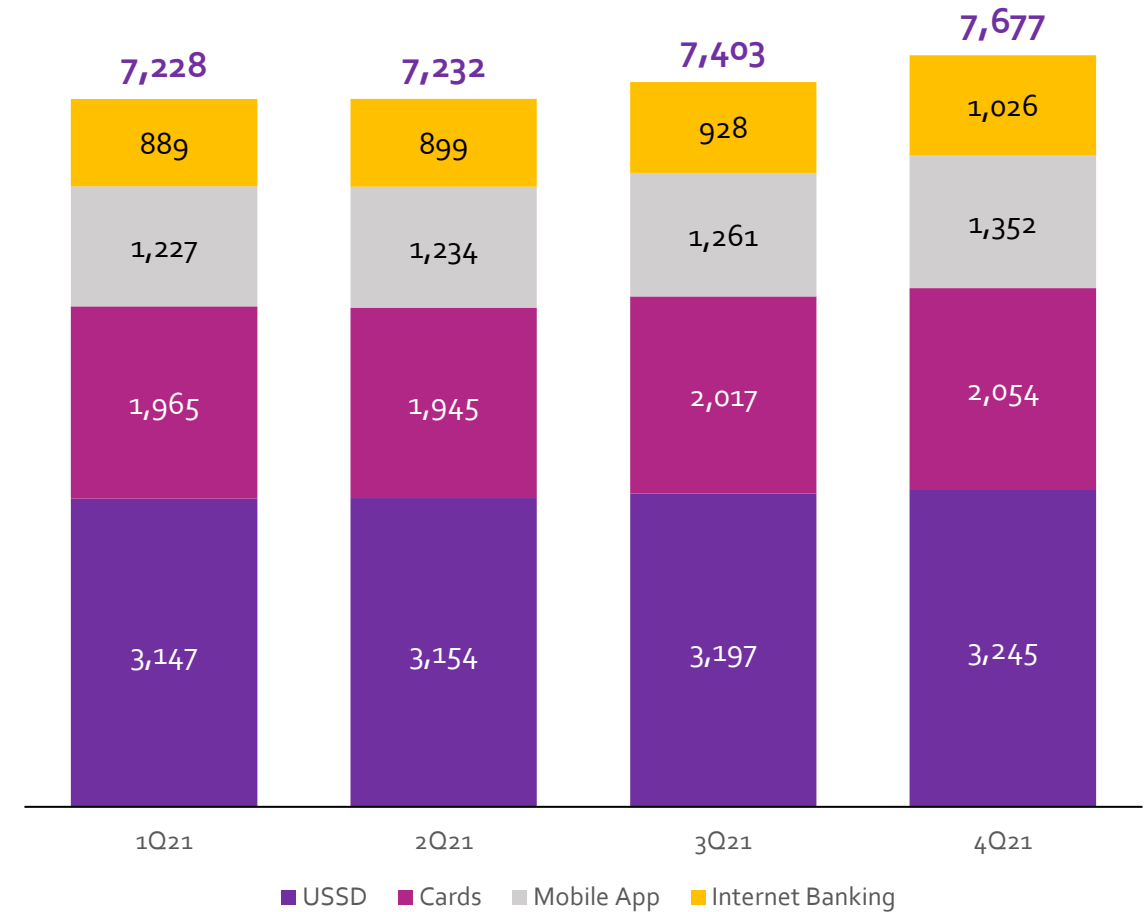
Our focus remains unchanged: To increase the digitisation of our products and services across payments, remittances, customer acquisition, consumer and SME lending.



Customer Acquisition Trend ('000)

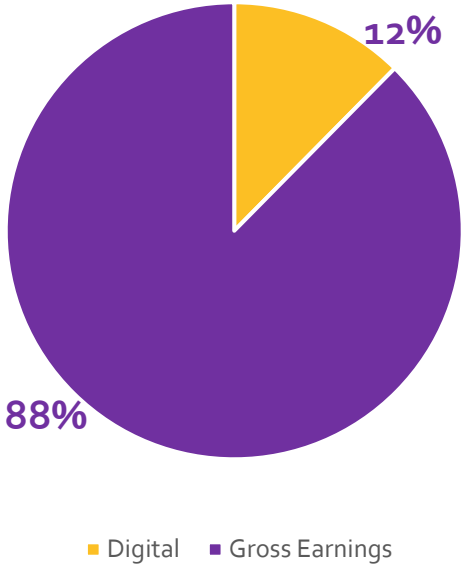


Digital Adoption By Products Trend ('000)

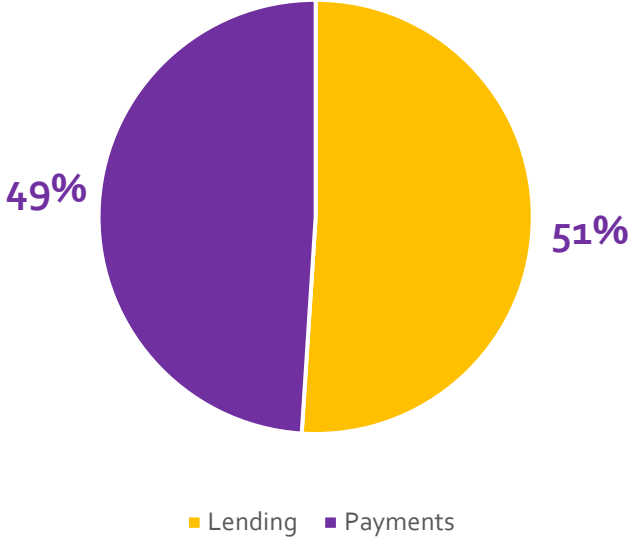


Consistent growth in customer acquisition with increased cross-selling of digital products, digital lending products in the retail and SME Sectors also driving increased adoption of digital channels by customers. Over 11% (98k) of new customers acquired in 2021 came from our agency banking business.

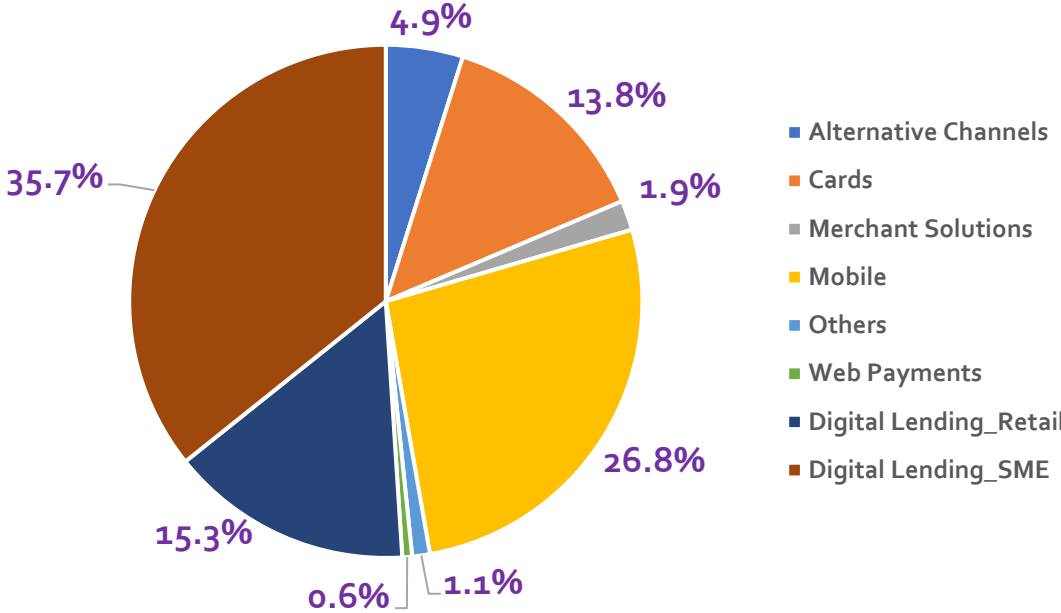
Digital Contribution to Gross Earnings



Digital Revenue Split FY21



Breakdown of Digital Revenue By Product



Digital revenue of N26.1bn - with Payments contributing N12.8bn and Lending N13.4bn.

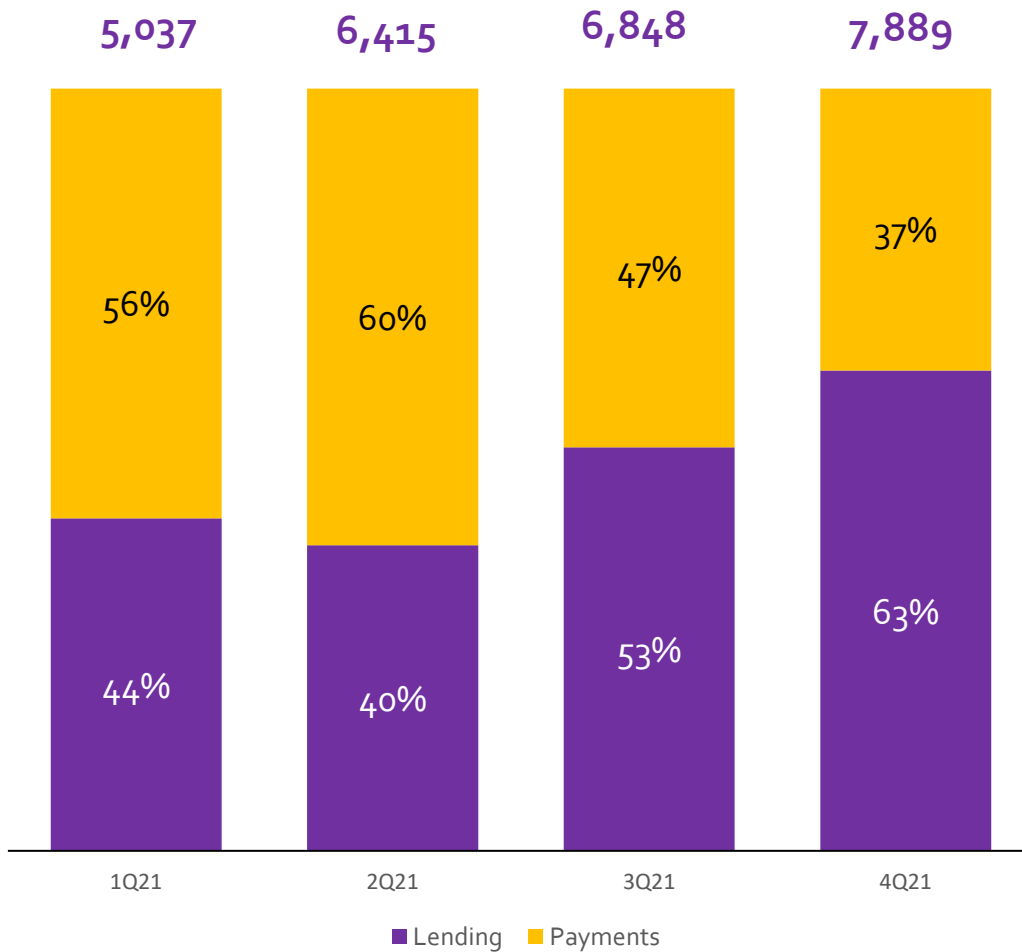


Mobile, Cards and Digital Lending are the key drivers of digital revenues and account for up 92% of revenues. We expect to see greater traction in lending revenues going forward.

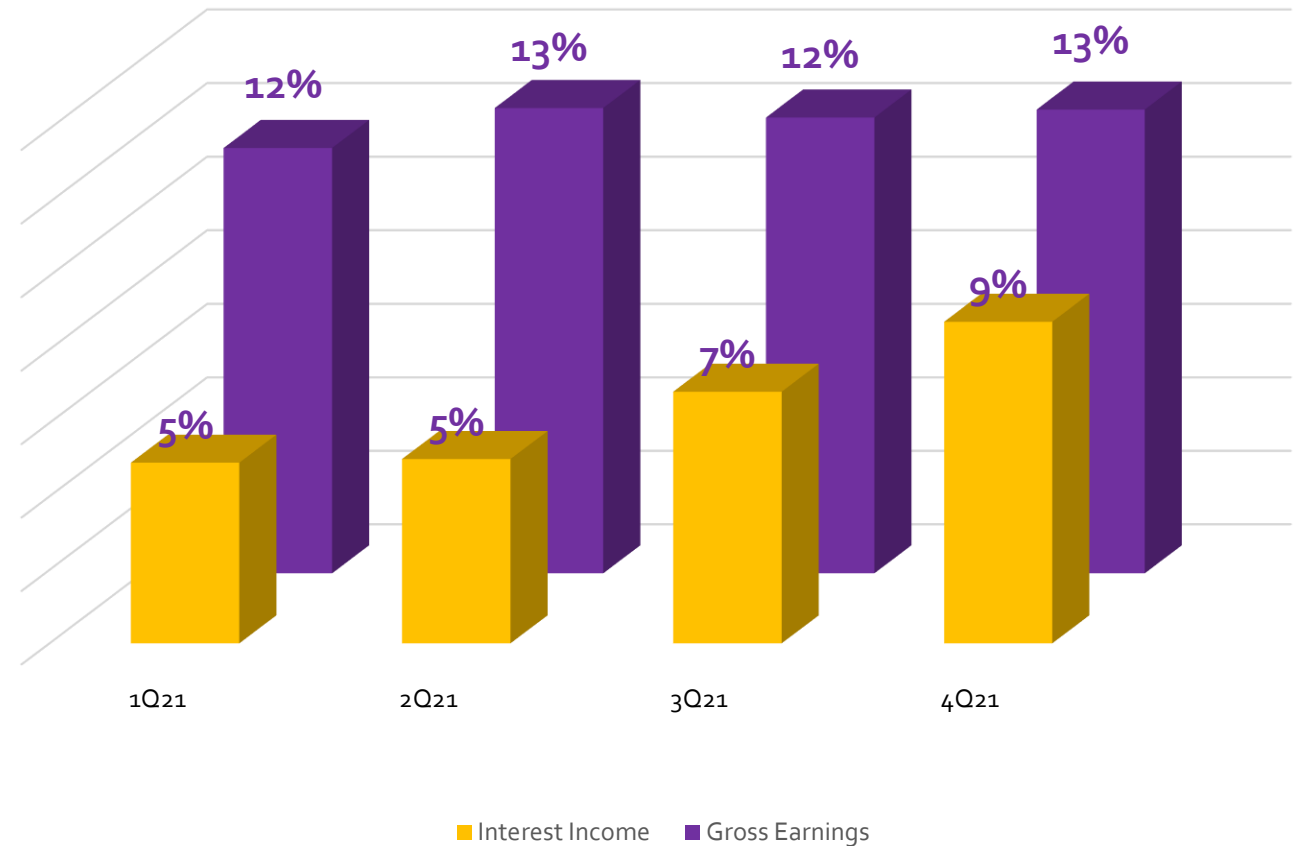


We also continue to see increased traction in revenue from Merchant Solutions in line with our focus on replicating the retail side's success to our SME Business. Merchant Solutions now contribute ~3% of digital revenue from 1% reported in 9M21.

Digital Revenue Trend (In Millions)

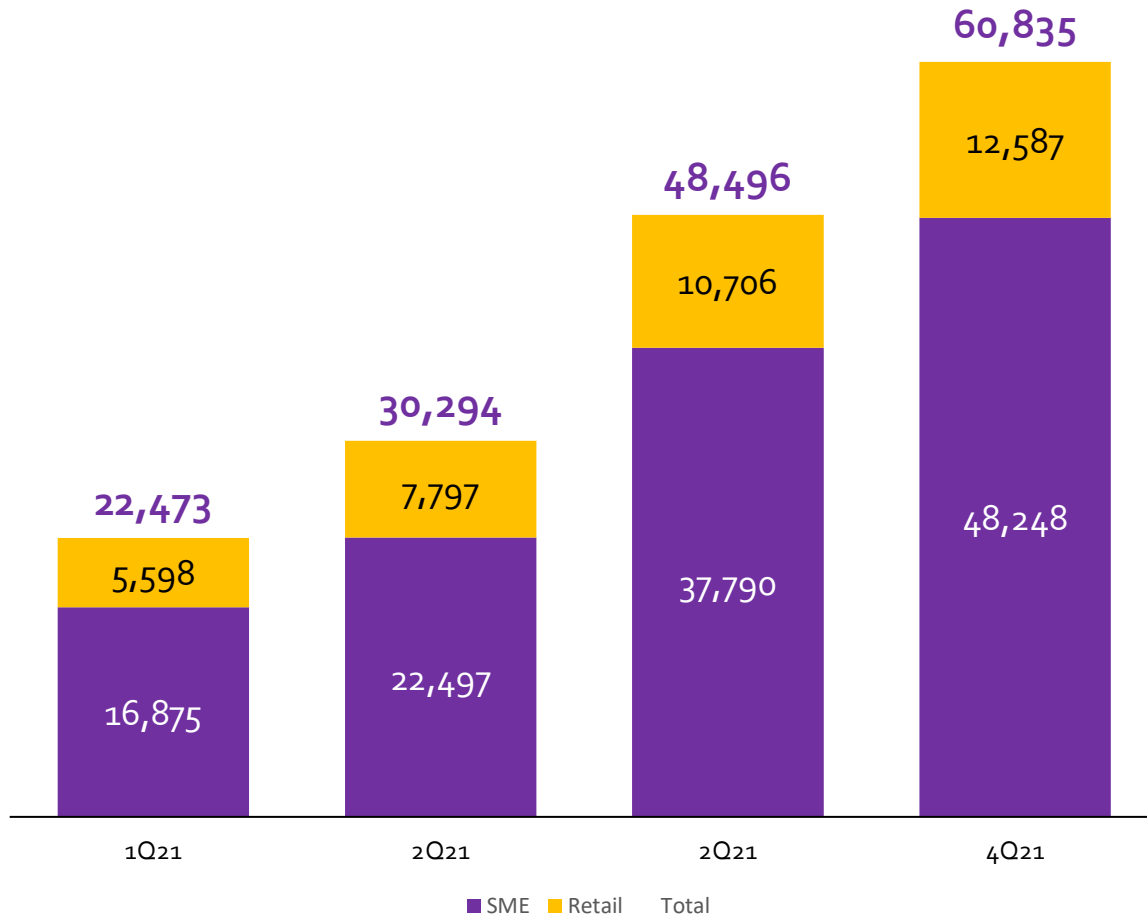


Digital Contribution To Interest Income & Gross Earnings

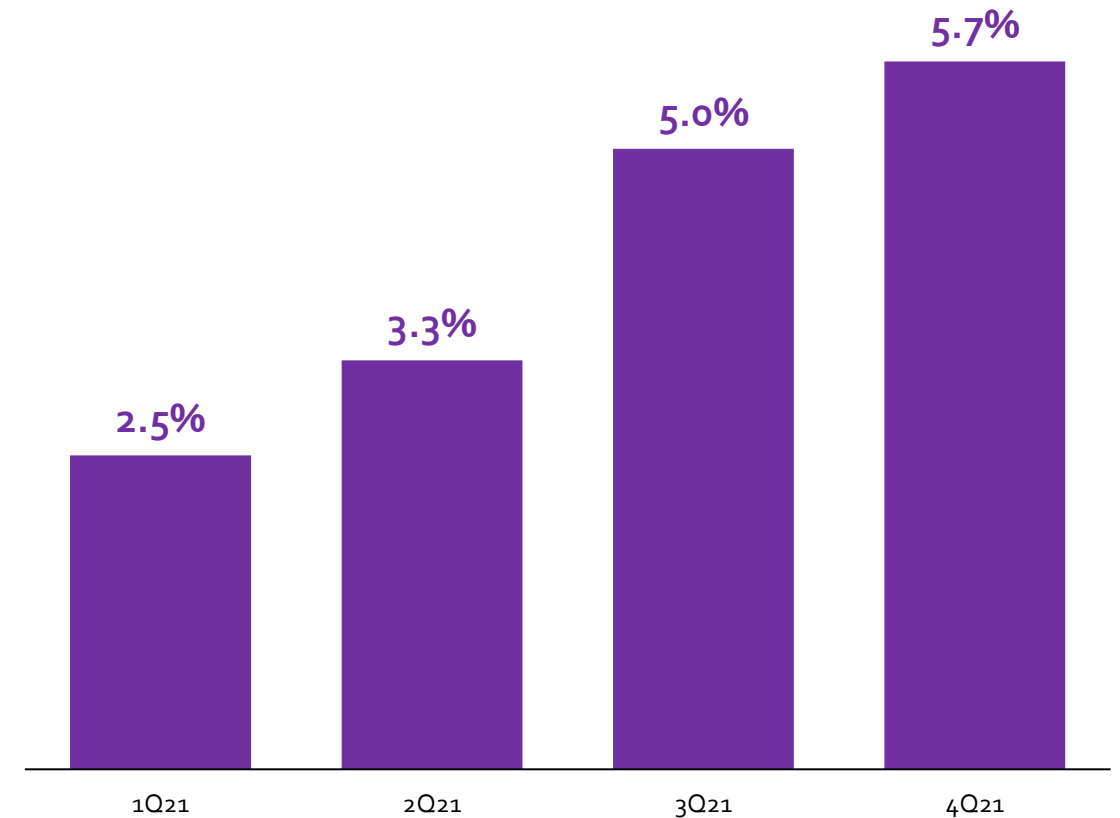


- Consistent quarterly growth in digital revenue driven by increased adoption on our digital channels and increased origination & repeat transactions on our digital lending products.

Digital Loans Trend (in billions)

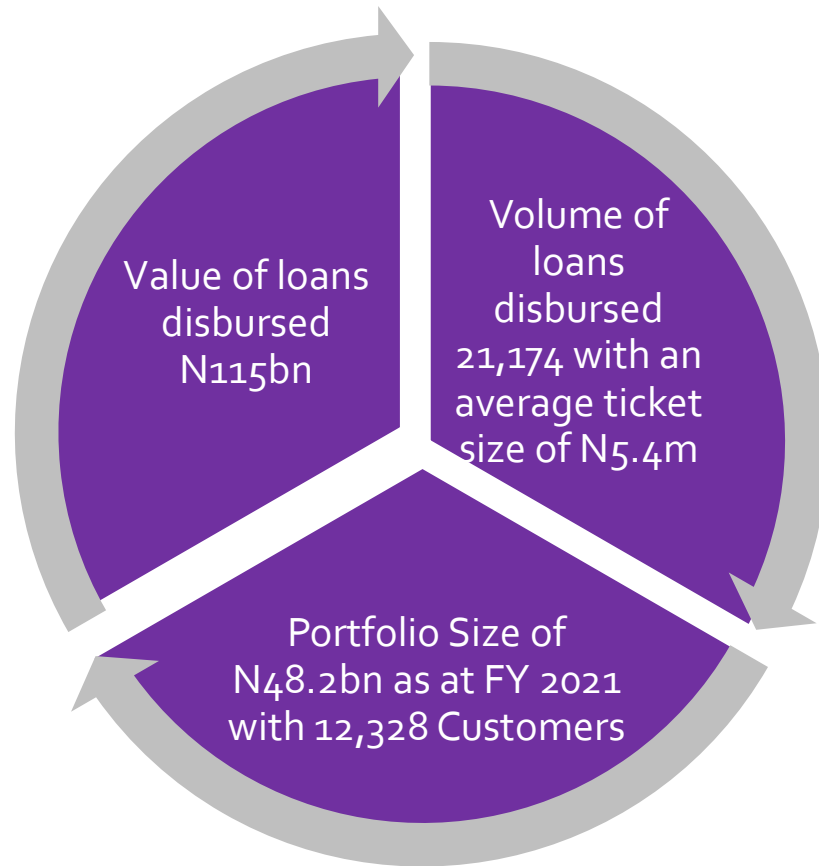


Digital Loans Contribution To Total Loans Trend

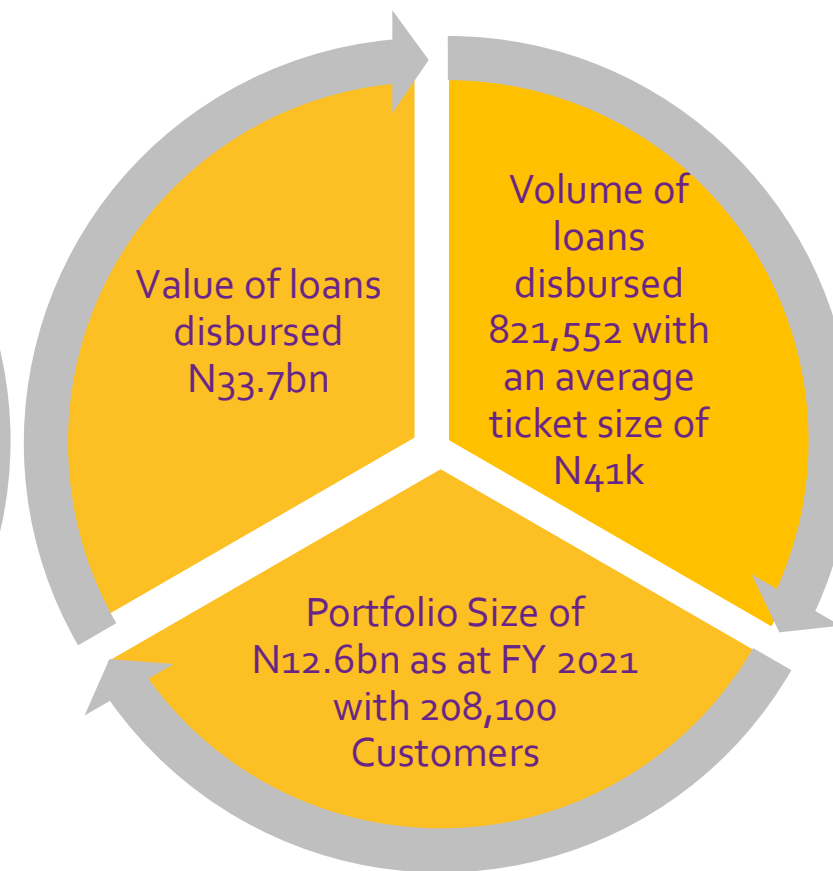


Digital loans grew by over 242% from N17.8bn in Dec 2020 to N60.8bn in Dec 2021 accounting for 5.7% of the Total Loan Portfolio and contributing 18.3% (N44 bn) of the total loan growth (N240.9bn) from Jan – Dec 2021

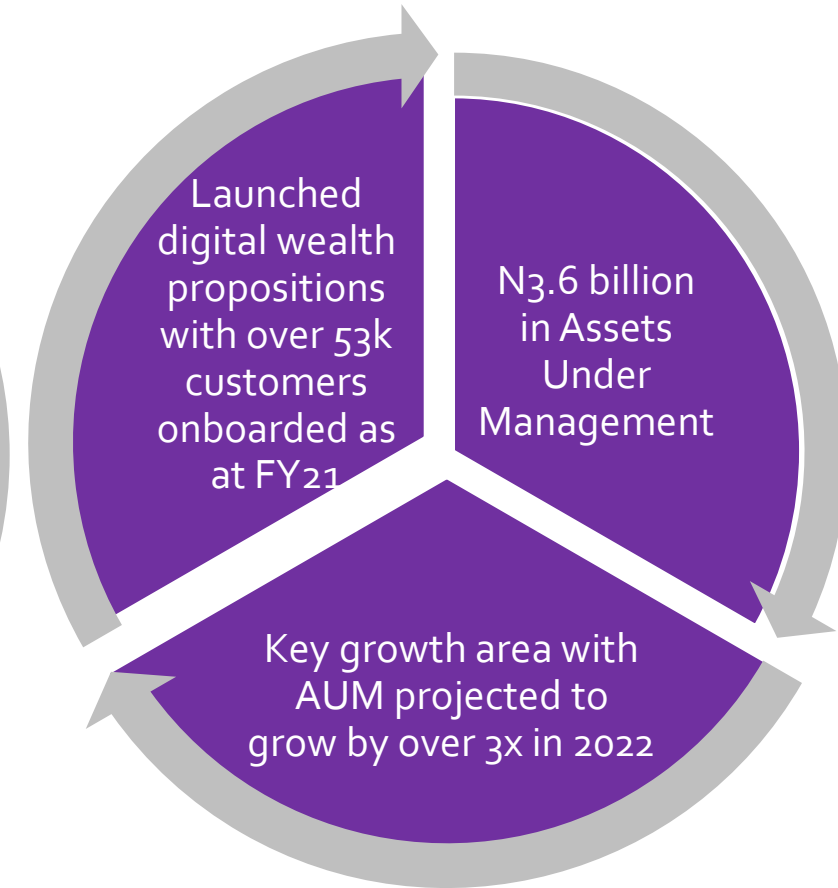
SME Digital Loans - FY 2021 Highlights



Retail Digital Loans - FY 2021 Highlights



Digital Wealth - FY 2021 Highlights





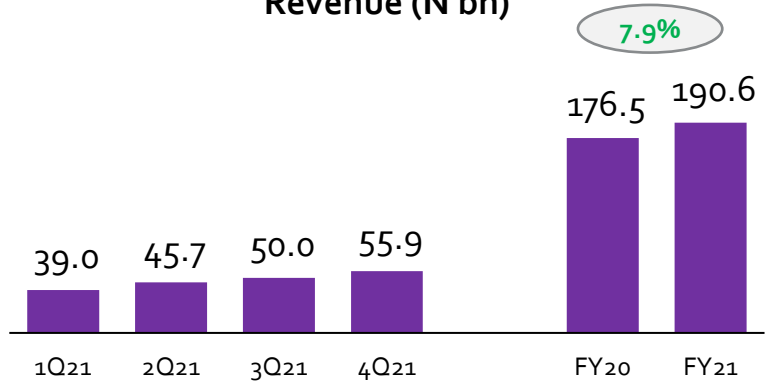
Group Performance Review: The Banking Group

Mrs. Yemisi Edun: Managing Director - FCMB Ltd

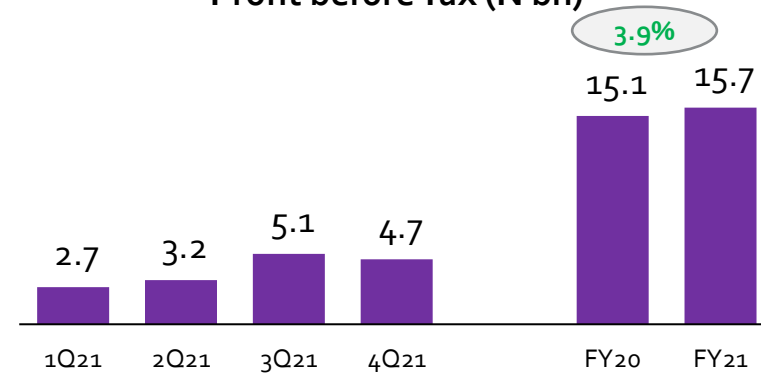


Banking Group: FY21 Key Metrics

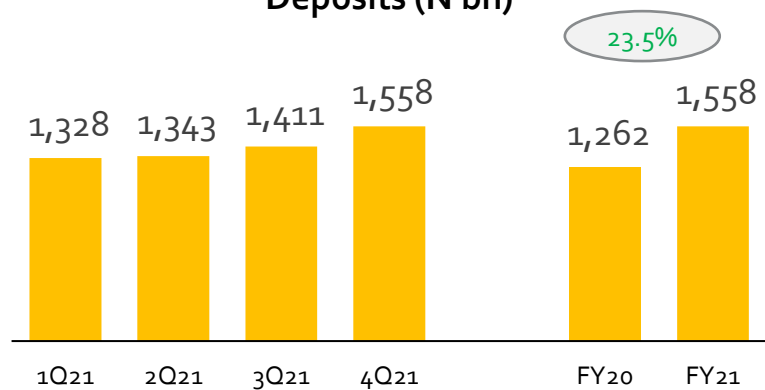
Revenue (N'bn)



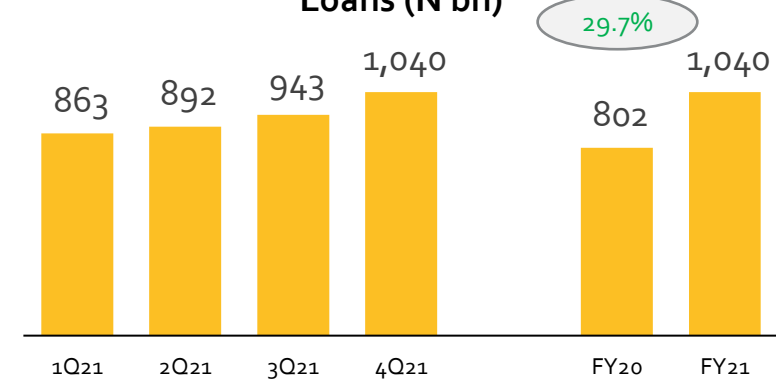
Profit before Tax (N'bn)



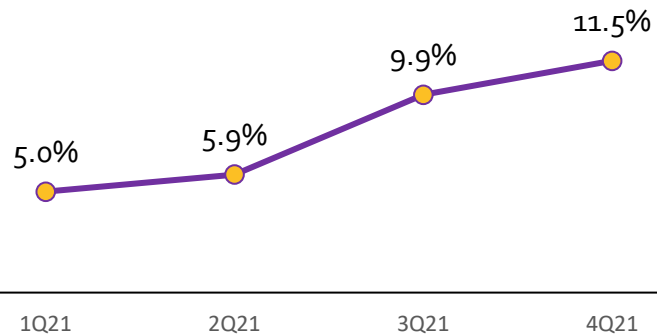
Deposits (N'bn)



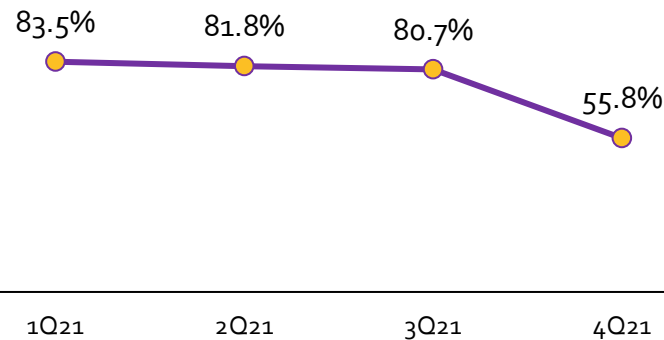
Loans (N'bn)



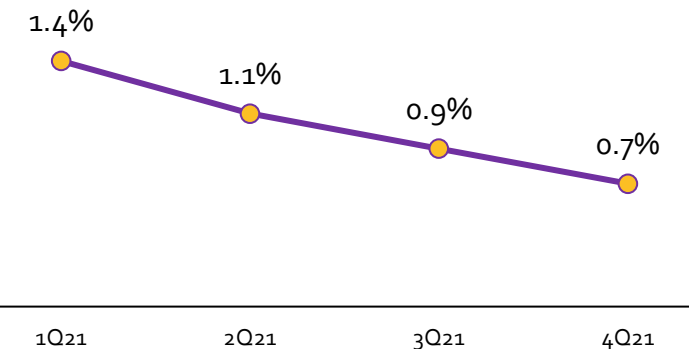
RoAE



CIR

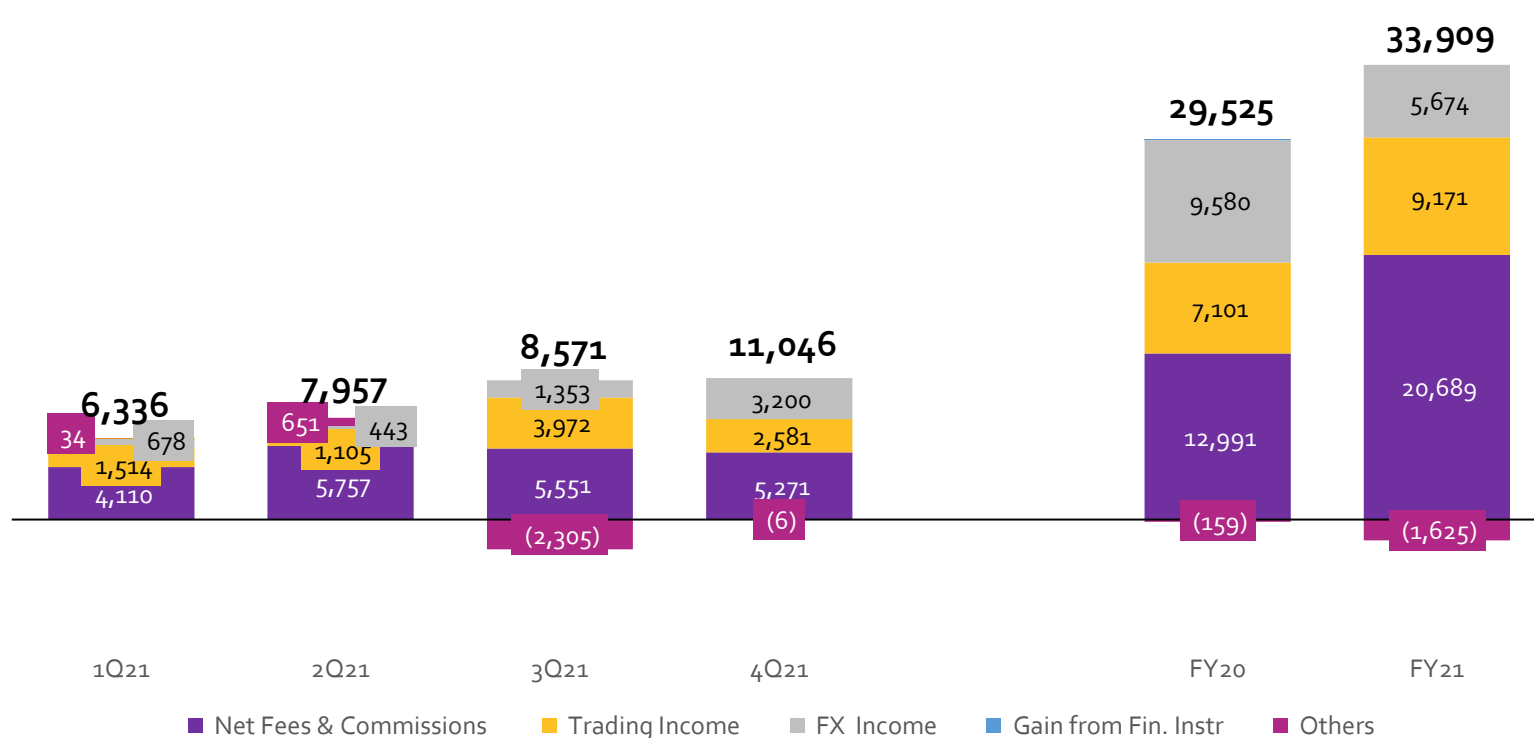


CoR



- PBT declined **7.3%** QoQ largely due to impairment charges absorbed in Q4. YoY, PBT increased **3.9%** supported by improvements in Non-interest income by **14.8%**
- Net Interest Income increased **15.6%** QoQ driven by an increase in interest income from growth in loans and advances in Q4 and remained relatively stable YoY at N80.3 billion.
- Non-Interest Income increased **28.9%** QoQ driven by an increase in FX Income from revaluation gains in Q4. YoY growth of **14.8%** was driven largely by an increase in fees and commissions as we continued to record traction from transacting customer activities on our platforms.
- Operating expenses decreased **17.4%** QoQ due to the accelerated amortization of the regulatory cost (AMCON levy) in line with IFRS. However, increased **14.0%** YoY as a result of regulatory costs, technology enhancement costs coupled with the double-digit inflationary environment.
- Drop in CIR in Q4 was as a result of regulatory cost that were fully taken as at Q3.
- Risk Assets grew **10.3%** QoQ and **29.7%** YoY, while Customer Deposits also increased **10.4%** QoQ and **23.5%** YoY respectively.

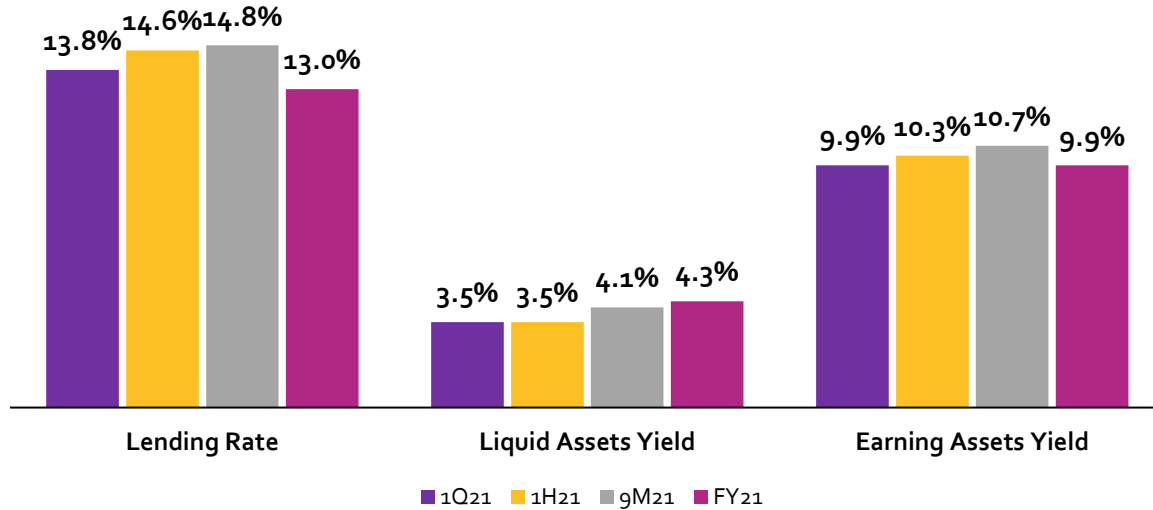
N'm	1Q21	2Q21	3Q21	4Q21	%Δ QoQ	FY20	FY21	%Δ YoY
Revenue	42,060	48,969	51,408	48,172	-6.3%	176,649	190,609	7.7%
Interest Income	30,782	36,113	39,903	43,110	8.0%	139,054	149,908	7.8%
Interest Expense	(11,861)	(17,188)	(20,216)	(20,358)	0.7%	(58,506)	(69,623)	19.0%
Net Interest Income	18,921	18,925	19,687	22,752	15.6%	80,547	80,285	-0.3%
Non-Interest Income	6,336	7,957	8,571	11,046	28.9%	29,525	33,909	14.8%
- Net Fees & Commissions	4,110	5,757	5,551	5,271	-5.1%	12,991	20,689	59.3%
- Trading Income	1,514	1,105	3,972	2,581	-35.0%	7,101	9,171	29.2%
- FX Income	678	443	1,353	3,200	136.4%	9,580	5,674	-40.8%
- Net gains/(losses) from fin. instruments at fair value	-	-	-	-	-	13	-	-
- Others	34	651	(2,305)	(6)	-99.8%	(159)	(1,625)	919.6%
Operating Income	25,256	26,882	28,258	33,798	19.6%	110,072	114,195	3.7%
Operating Expenses	(21,089)	(21,997)	(22,756)	(18,799)	-17.4%	(74,274)	(84,642)	14.0%
Net impairment loss on financial assets	(1,436)	(1,689)	(435)	(10,300)	2266.5%	(20,691)	(13,860)	-32.2%
PBT	2,731	3,196	5,067	4,699	-7.3%	15,108	15,693	3.9%
PAT	3,017	3,457	5,611	6,008	7.1%	14,526	16,187	11.4%
Balance Sheet (N'B)								
Customer Deposits	1,328	1,343	1,411	1,558	10.4%	1,262	1,558	23.5%
Risk Assets	863	892	943	1,040	10.3%	802	1,040	29.7%



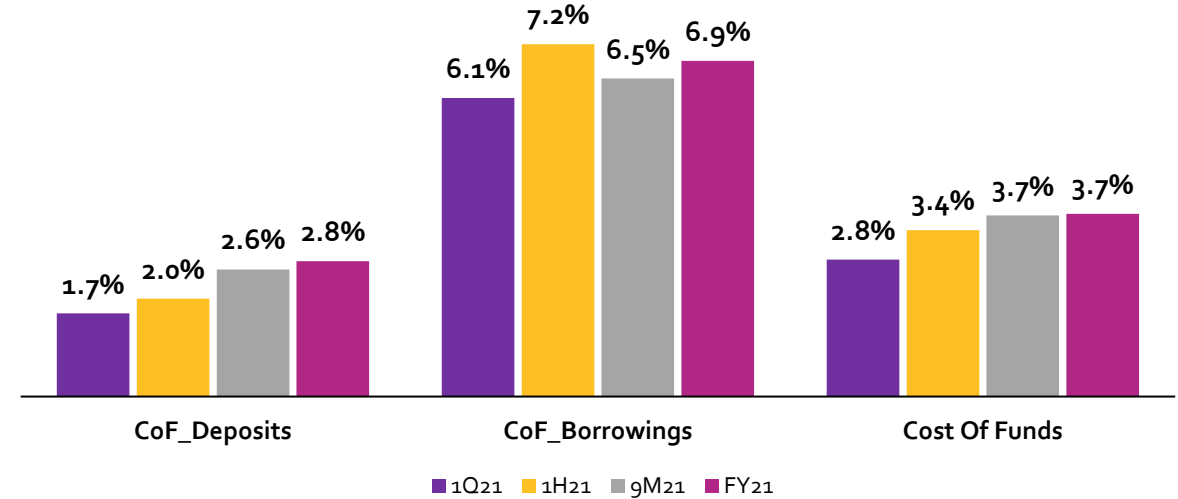
	%Δ QoQ	%Δ YoY
Net Fees & Commissions	-5.1%	59.3%
Trading Income	-35.0%	29.2%
FX Income	136.4%	-40.8%
Dividend income	-56.0%	62.1%
Others	91.2%	-277.1%
Non-Interest Income	28.9%	14.8%

- Overall, YoY growth in Non-Interest Revenue by 14.8% was driven by growth in net fees & commissions and trading Income.
- Net fees and commissions grew by 59.3% YoY driven by growth in electronic fees and commissions, but declined 5.1% QoQ;
- Trading income grew by 29.2% YoY. However, decreased 35.0% QoQ due to low trading activities in government-backed securities in Q4;
- FX income increased by 136.4% QoQ due to increase in FX Income from revaluation gain in Q4, however declined by 40.8% YoY;
- Others grew 91.2% QoQ but declined 277.1% YoY due to loss recognized as a result of restructured facilities.

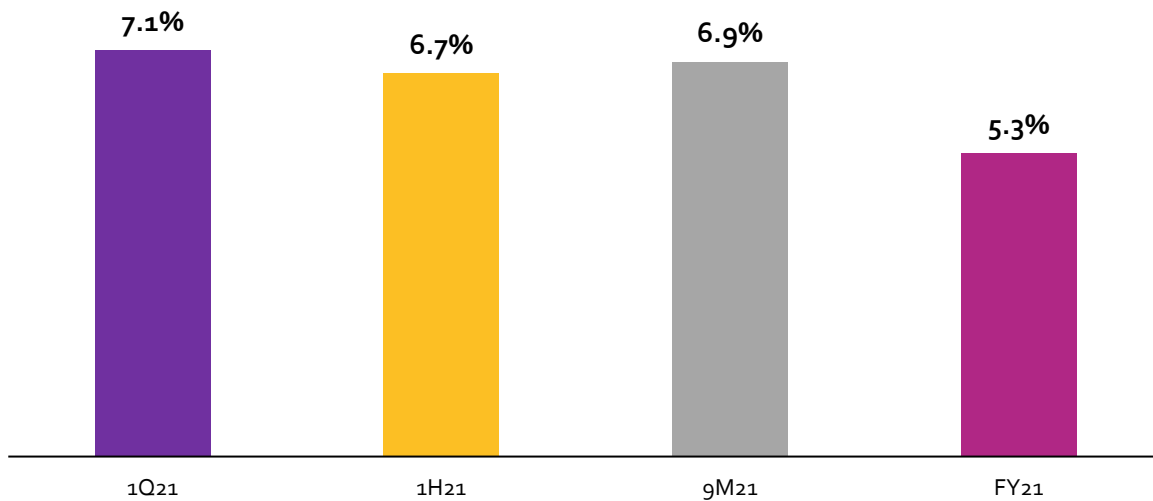
Earning Assets Yield Trend



Funding Cost Trend

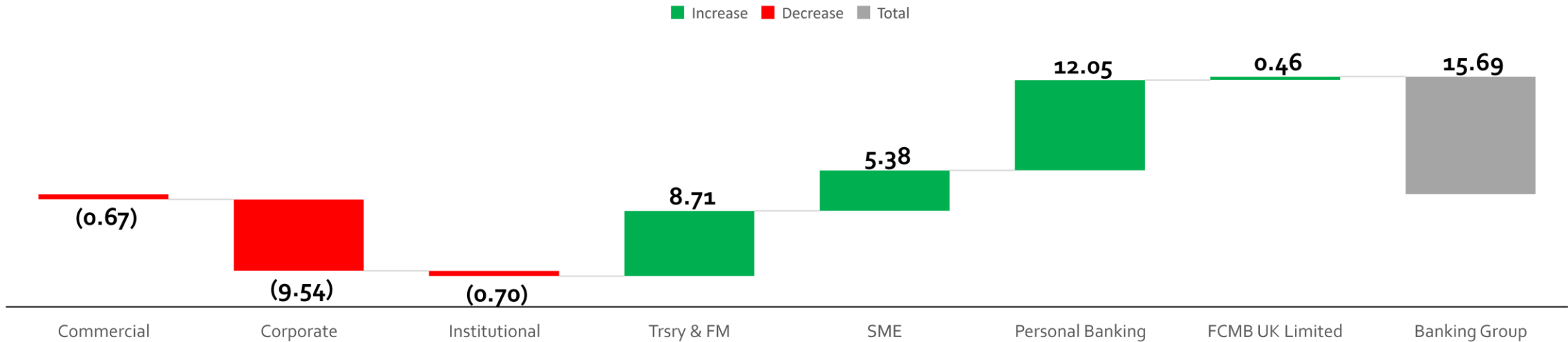


Net Interest Income (NIM) Trend



- NIM pressure is due to the moderated yield on Liquid Assets on the back of lower yields of FGN Fixed Income instruments and steady increase in funding costs.

PBT Distribution by Business Segment



Personal Banking

- The Personal Banking segment contributed 77% PBT as we remain on course with our strategy of using innovation and technology to increase retail transactions.
- Has a strong deposit base with a stable liability mix, which continues to position the business for sustainable growth and profitability.
- We have also seen the growing acceptance of our innovative propositions and strategy designed with a “Customer First” approach and digital agility.

SME Banking

- Contributed 34% to PBT, driven mainly by growth in net interest income.
- Growth is supported by the automation of the SME lending platform.

Treasury & Financial Markets

- Contributed 56% to PBT.

Institutional Banking

- Institutional Banking segment has a negative contribution of 4% and it’s being refocused for improved performance.

Corporate Banking

- Corporate Banking has a negative contribution of 61% due to impairment and compressed margins. The segment is being repositioned for stronger assets quality growth and leveraging on automation for better performance.

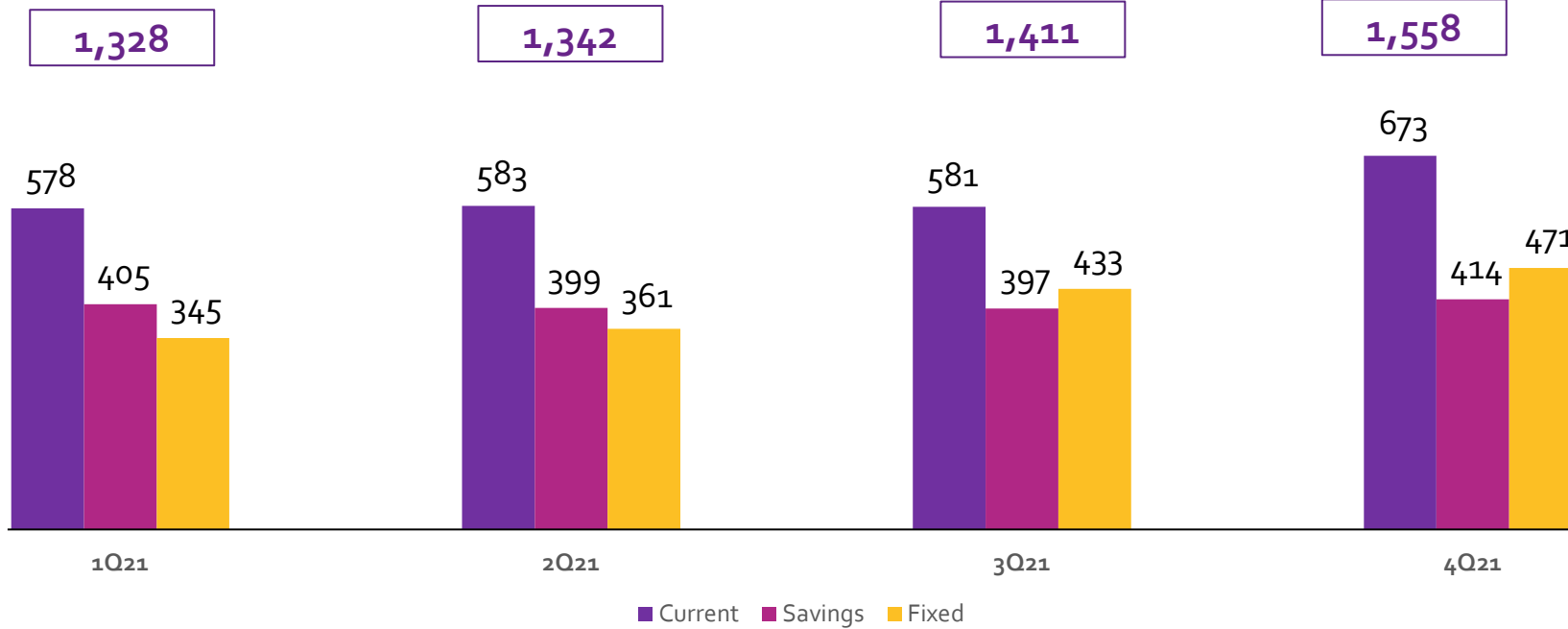
Commercial Banking

- Commercial banking has a negative contribution of 4% majorly due to impairment from the oil & gas service sector. It is expected to return to positive contribution during the year 2022.

FCMB UK

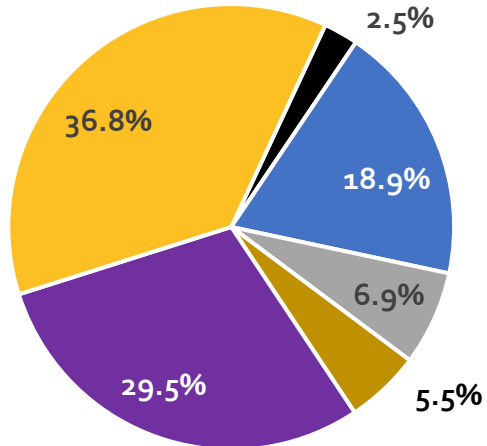
- FCMB UK Limited contributed 3% to PBT.

Customer Deposits (N'bn)



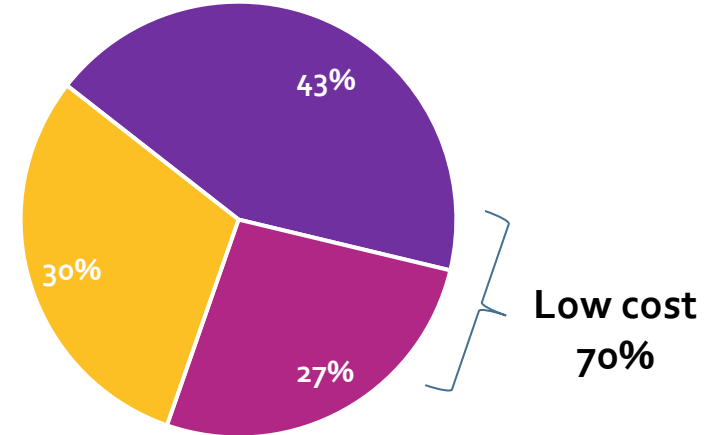
- Total deposits rose **10.4%** QoQ and **23.5%** YoY, driven by CASA deposits, as a result of our sustained focus on retail banking.
- Low-cost deposits now account for **70%** of our total deposits. Low-cost deposits grew by **11.1%** and **10.9%** QoQ and YoY respectively.
- Retail (Personal and SME Banking) deposits which now constitutes about **66.3%** of total deposits grew **8.1%** QoQ and **19.6%** YoY.

By Business Segment

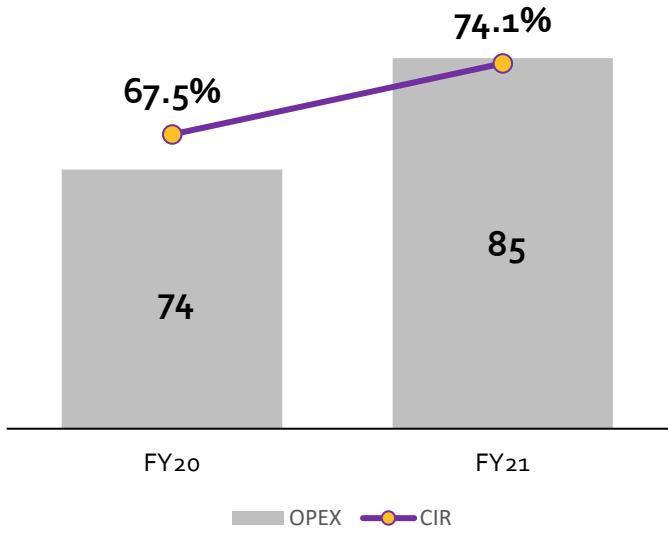
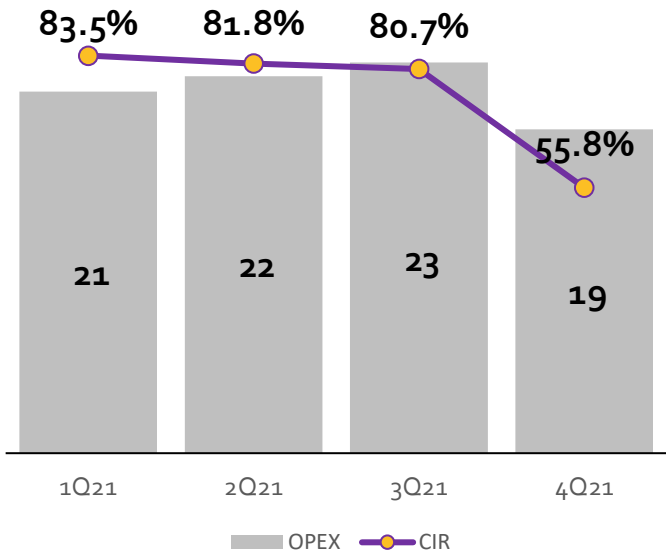


■ Commercial ■ Corporate ■ Institutional ■ Trsry & FM ■ SME ■ Personal Banking

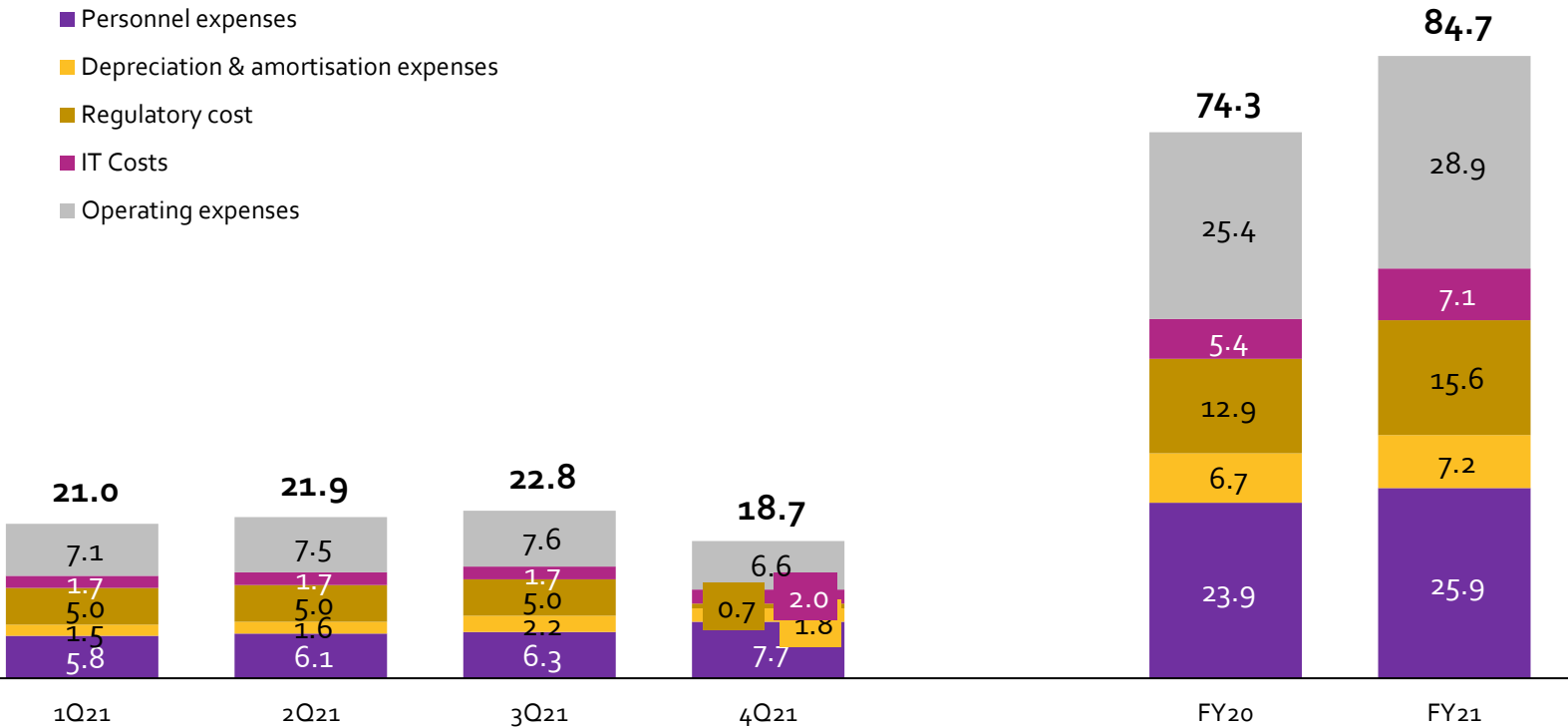
By Type



■ Current ■ Savings ■ Fixed



- Personnel expenses
- Depreciation & amortisation expenses
- Regulatory cost
- IT Costs
- Operating expenses



Analysis

- Operating expenses decreased **17.4%** QoQ due to the accelerated amortization of the regulatory cost (AMCON levy) in line with IFRS. However, increased **14.0%** YoY as a result of regulatory costs, technology enhancement costs and induced donation supports, coupled with the double-digit inflationary environment.
- Regulatory costs (NDIC & AMCON) grew **21.3%** YoY and accounted for **18.5%** of OPEX in FY21.
- Technology costs grew **30.8%** YoY and accounted for **8.3%** of OPEX in FY21.

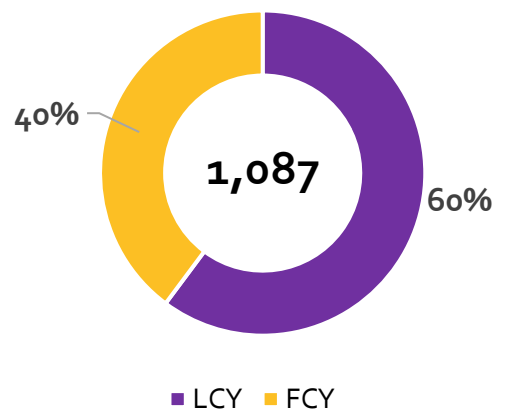
Reduction Plans

- Internal processing realignment and automation.
- Resources reallocation for optimization of performance.
- Focus remains on driving efficiencies and reducing cost-to-serve.

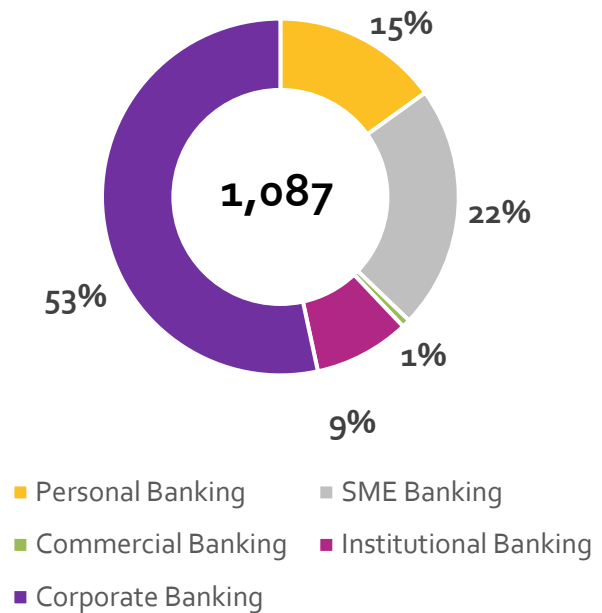


Diversified Loan Portfolio: Improved Concentration in Corporate banking loans QoQ. SME gained 2% QoQ share of total portfolio driven by growth in Digital loan Product. 29.1% growth YoY was largely from Commerce, Individual and Manufacturing.

By Currency



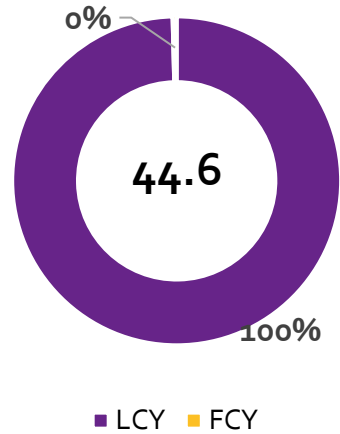
By Business Segment



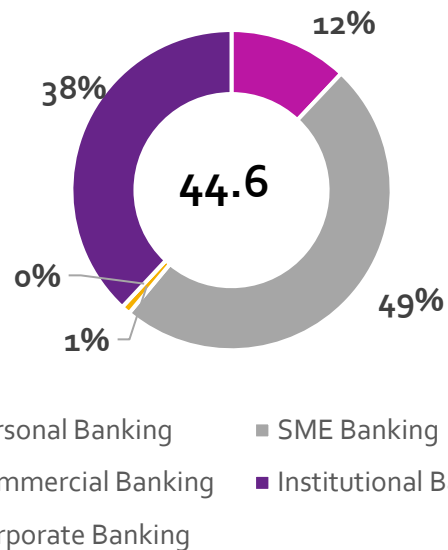
Industry Sector	Dec. 20	Mar. 21	Jun. 21	Sep. 21	Dec. 21	% Distr.
Agriculture	60,828	59,092	53,564	53,305	78,907	7.3%
Commerce	51,425	65,251	72,650	102,719	132,272	12.2%
Construction	414	1,003	1,545	1,554	1,629	0.1%
Education	2,606	2,575	3,108	5,308	6,220	0.6%
Finance & Insurance	67,692	74,780	73,564	87,755	83,108	7.6%
General – Others	9,798	12,578	13,419	14,169	12,876	1.2%
Government	10,714	22,217	26,342	28,691	28,441	2.6%
Individual - Bank	110,063	117,683	125,922	135,270	146,031	13.4%
Information & Communications	19,501	18,235	18,258	15,215	13,531	1.2%
Manufacturing	91,389	103,305	110,411	99,500	113,925	10.5%
Oil & Gas-Downstream	61,398	67,560	71,897	67,175	81,935	7.5%
Oil & Gas-Upstream	143,058	147,978	144,153	146,295	148,710	13.7%
Oil & Gas Services	46,910	47,934	50,009	50,976	52,358	4.8%
Power & Energy	61,414	61,148	65,143	65,332	64,228	5.9%
Professional Services	881	775	3,245	3,647	3,982	0.4%
Real Estate	99,068	99,940	101,452	101,741	112,437	10.3%
Transportation & Logistics	5,230	5,273	5,200	7,174	6,870	0.6%
Total	842,389	907,327	939,882	985,826	1,087,460	100.0%

Non-Performing Loans: 45 % QoQ growth in NPL is largely driven by deterioration in the Oil & Gas Services and Manufacturing sector.

By Currency



By Business Segment

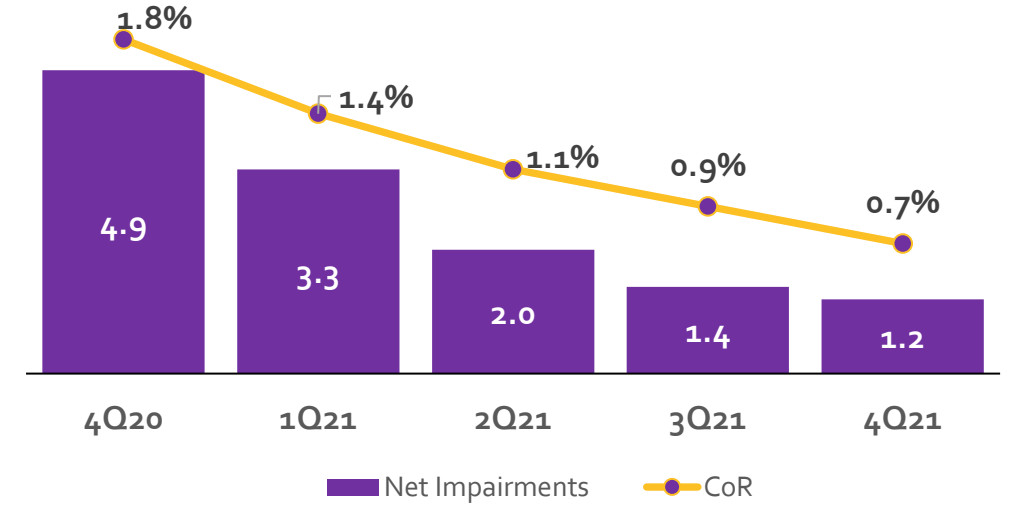


By Sector	Dec. 2020		Sep. 2021		Dec. 2021	
	NPL	NPL%	NPL	NPL%	NPL	NPL%
Agriculture	760.6	1.3%	893.8	1.6%	1,405.3	1.8%
Commerce	3,573.5	6.9%	2,637.2	2.8%	3,962.5	3.0%
Construction	1.6	0.4%	-	0.0%	2.5	0.2%
Education	89.3	3.4%	92.7	1.7%	137.7	2.2%
Finance & Insurance	38.6	0.1%	10.0	0.0%	9.1	0.0%
General – Others	532.1	5.4%	163.3	1.2%	83.8	0.7%
Government	0.0	0.0%	0.0	0.0%	0.0	0.0%
Individual - Bank	5,842.5	5.3%	3,609.4	2.7%	4,269.2	2.9%
Information & Communications	1,660.7	8.5%	1,945.8	12.8%	-	0.0%
Manufacturing	152.8	0.2%	8,140.9	7.8%	11,692.7	10.3%
Oil & Gas – Downstream	5,739.0	9.3%	5,068.3	7.5%	4,965.4	6.1%
Oil & Gas – Upstream	977.3	0.7%	1,115.5	0.8%	-	0.0%
Oil & Gas Services	0.3	0.0%	41.8	0.1%	10,566.1	20.2%
Power & Energy	-	0.0%	-	0.0%	-	0.0%
Professional Services	27.0	3.1%	26.1	0.7%	-	0.0%
Real Estate	5,955.2	6.0%	7,037.6	6.9%	7,584.1	6.7%
Transportation & Logistics	0.0	0.6%	-	0.0%	3.2	0.0%
Total	25,350.6	3.3%	30,782.2	3.4%	44,681.5	4.0%

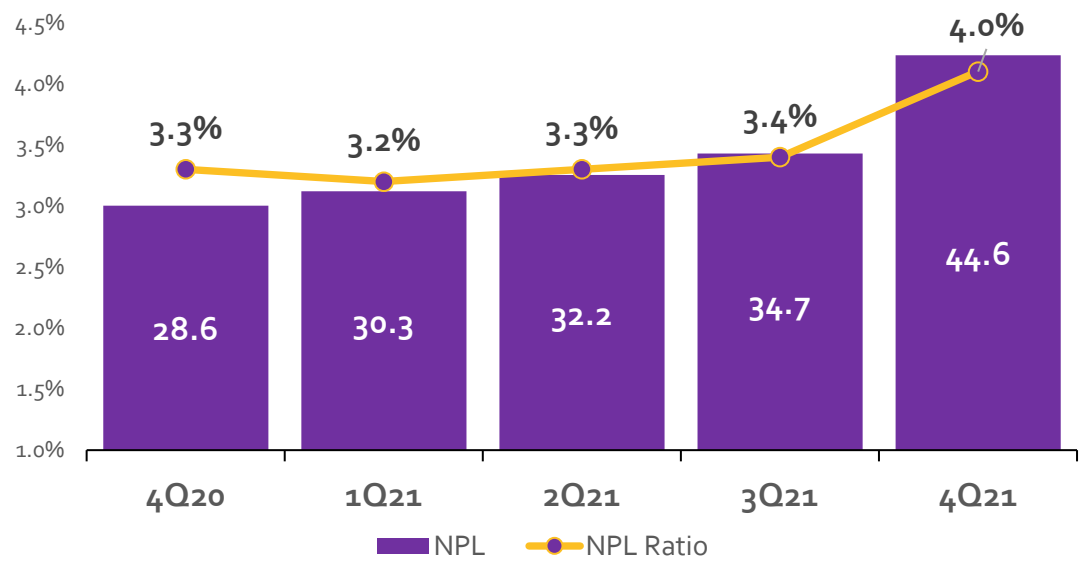
NPL ratio deteriorated, while net Impairment charge & COR improved due to Recovery

- Recorded QoQ improvements in Net Impairments on Loans and while CoR dropped further by 20bps QoQ.
- 27% QoQ growth in NPL is largely driven by deterioration in the Oil & Gas Services and Manufacturing sector. However, we saw improvements in other Oil & Gas sectors.
- Accumulate Impairments also dropped further for the 2nd consecutive quarter, while NPL coverage declined.

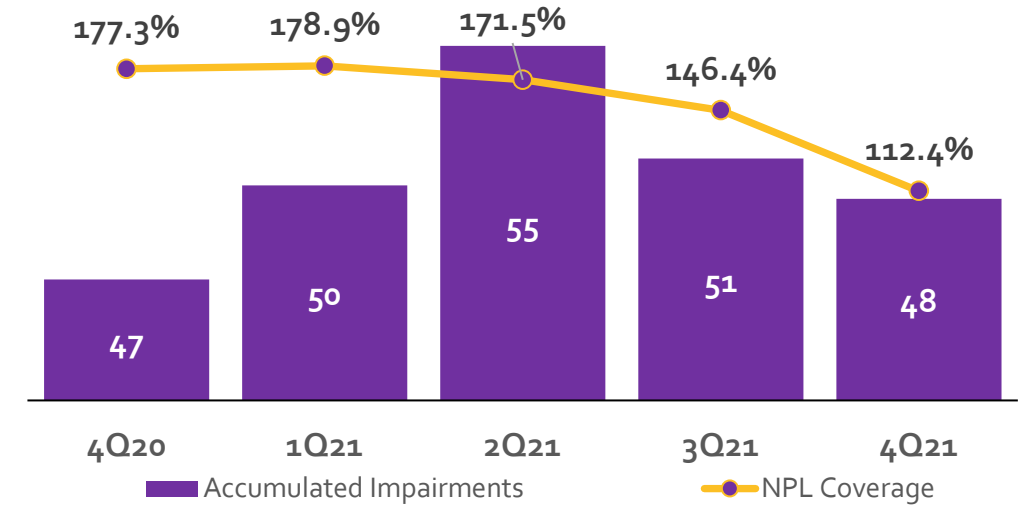
Net impairment charges on loans (N'B) & Cost-of-risk



NPL (N'B) & NPL Ratio



Accumulated Impairments (N'B) & NPL Coverage





Group Performance Review: Consumer Finance

Mr. Akinwande Ademosu: Managing Director - CDL

- Loan disbursement expanded by 18% YoY to N28.2 billion in 2021.
- PBT for our consumer finance business (CDL) grew 32% QoQ and 20% YoY to N3.2 billion. This was sustained by a growth in NII and moderated operating expenses.
- Net Interest Income remained unchanged QoQ while growing by 4.0% YoY.
- Non-Interest Income grew by 46.0% QoQ and declined 4% YoY attributed to a decline in fees and commissions.
- Operating expenses remained steady QoQ, however declined by 5% YoY.
- In terms of asset quality, the business recorded a 77% and 22% improvement in net impairment QoQ and YoY respectively supported by our robust risk management framework.
- Today our digital channels account for nearly 25% of global sales, up from 4% in the previous year.

N'm	1Q21	2Q21	3Q21	4Q21	%Δ QoQ	FY20	FY21	%Δ YoY
Revenue	2,333	2,841	2,584	2,632	2%	10,038	10,391	4%
Interest Income	2,544	3,078	3,040	3,067	1%	11,518	11,729	2%
Interest Expense	(385)	(415)	(575)	(607)	6%	(2,147)	(1,982)	-8%
Net Interest Income	2,159	2,663	2,466	2,460	0%	9,371	9,747	4%
Non-Interest Income	174	178	118	173	46%	667	644	-4%
- Net Fees & Commissions	61	41	44	90	107%	373	235	-37%
- Others	113	138	75	83	11%	294	408	39%
Operating Income	2,333	2,841	2,584	2,632	2%	10,038	10,391	4%
Operating Expenses	(1,185)	(1,423)	(1,402)	(1,400)	0%	(5,715)	(5,411)	-5%
Net impairment loss on financial assets	(469)	(501)	(285)	(65)	-77%	(1,691)	(1,320)	-22%
PBT	614	853	829	1,093	32%	2,666	3,189	20%
PAT	411	572	555	732	32%	1,758	2,007	14%

Performance Index		1Q21	2Q21	3Q21	4Q21	%Δ QoQ	FY20	FY21	%Δ YoY
Operating	Return on Average Equity	20%	27%	24%	37%	23%	20%	29%	42%
	Return on Average Assets	8%	8%	8%	10%	8%	5%	8%	53%
	Loan/Deposit Ratio	149%	140%	118%	135%	-3%	140%	135%	-3%
	Loan/Funding Ratio	149%	140%	118%	135%	-3%	140%	135%	-3%
	Cost/Income Ratio	51%	50%	54%	53%	2%	56%	52%	-8%
	Net Interest Margin	18%	21%	19%	21%	4%	21%	20%	-2%
	NPL/Total Loans	15%	13%	14%	6%	-27%	13%	6%	-55%
	Coverage Ratio	89%	111%	113%	128%	13%	93%	128%	38%
	NII/Operating Income	7%	6%	5%	7%	-4%	7%	6%	-11%
	Financial Leverage	1.5%	1.5%	1.4%	1.4%	-2%	1.4%	1.4%	-3%
	Cost of Risk	8%	8%	4%	0%	-64%	13%	5%	-59%
	Cost of funds	9%	10%	13%	15%	19%	17%	12%	-27%
Capital & Liquidity	Capital Adequacy Ratio	32%	31%	34%	28%	30%	29%	28%	-4%
	Liquidity Ratio	127%	127%	126%	123%	110%	124%	123%	-1%
Others	Opex (N'B)	1,185	1,423	1,402	1,400	6%	6,119	5,411	-12%
	Risk Assets (net) (N'B)	25,691	27,261	26,884	26,333	1%	23,848	26,333	10%

- Recorded strong profitability ratios for FY21 as RoAE improved significantly.

- In terms of asset quality, NPL/Total Loans ratio also improved, dropping by 55% YoY.

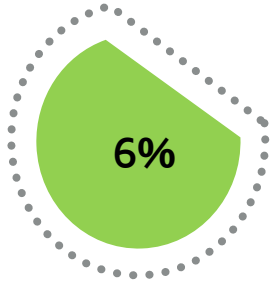
- The business also maintained good liquidity and capital buffers through the year.



Group Performance Review: Investment Banking

Mr. Femi Badeji: Executive Director FCMB Group Plc

Profit before Tax
N1.14 billion



FY20: N1.07 billion

Gross Earnings
N2.7 billion



FY20: N3.8 billion

Non-Interest Income
2.6 billion



FY20: 3.6 billion

Operating Expenses
1.8 billion



FY20: 2.7 billion

CIR
64.6%



FY20: 70.7%

Return on Average Equity
20.8%



FY20: 24.4%

- PBT for the investment banking business grew by 239% QoQ and 6% YoY. The QoQ growth was driven by strong capital markets activity which led to an increase in Capital Raising/ Advisory Fees and Brokerage Commissions by 376% and 63% respectively.
- The Capital Markets business continued its growth trajectory, executing key market transactions during the year. This contributed to an increase in Capital Raising and Advisory Fees by 31% YoY.
- The value of stockbroking trades declined by 47% from N95.9bn in FY2020 to N50.9bn in FY2021 mainly driven by low foreign institutional investor activity in the market during the year. This contributed significantly to the 42% decline in Brokerage Commissions YoY.
- YoY, CIR improved by 600bps as Operating Expenses declined 35% driven largely by a decline in commission expenses, professional fees and staffing costs.

N'm	1Q21	2Q21	3Q21	4Q21	%Δ QoQ	FY20	FY21	%Δ YoY
Gross earnings	427	485	452	1,367	202%	3,845	2,730	-29%
Interest Income	30	36	51	45	-13%	281	162	-42%
Net Interest Income	30	36	51	45	-13%	281	162	-42%
Non-Interest Income	397	449	401	1322	230%	3,564	2,568	-28%
Capital Raising/Advisory Fees	143	129	88	419	376%	596	779	31%
Brokerage Commissions	196	128	503	822	63%	2,855	1,648	-42%
Trading Income	24	(7)	(1)	13	2408%	38	28	-25%
Other Income	34	200	(190)	68	136%	75	113	50%
Operating Income	427	485	452	1,367	202%	3,845	2,730	-29%
Operating Expenses	(371)	(357)	(390)	(647)	66%	(2,717)	(1,765)	-35%
PBT	56	128	217	738	239%	1,070	1,140	6%
PAT	41	82	164	537	227%	922	823	-11%
Key Ratios								
CIR	87%	74%	86%	47%	-45%	71%	65%	-9%
Return on Average Equity	4.3%	8.5%	1.1%	3.4%	226%	24%	21%	-14%
Return on Average Assets	2.5%	4.8%	0.6%	2.0%	235%	14%	12%	-14%



Group Performance Review: Investment Management

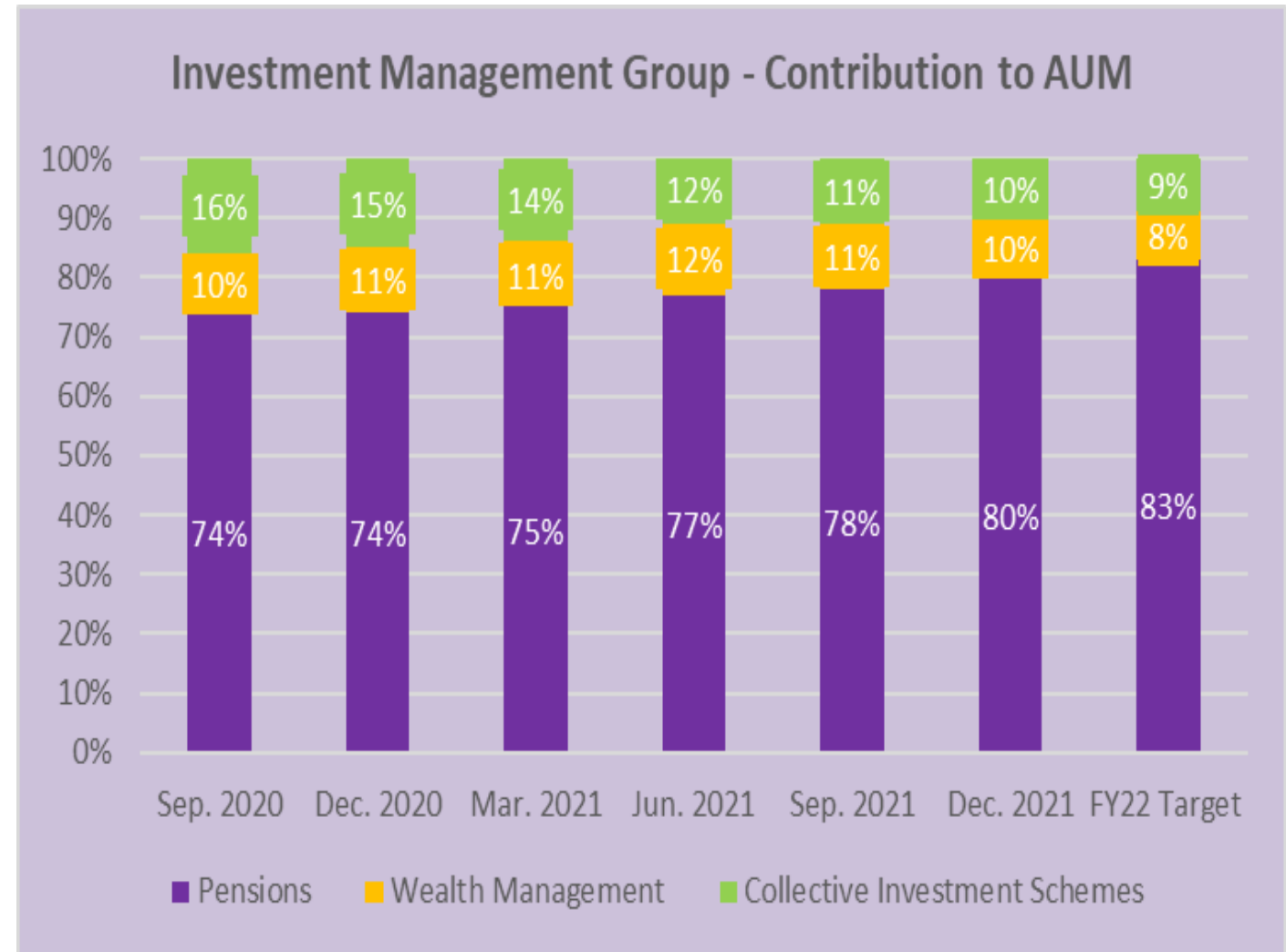
Mr. James Ilori Chief Executive Officer: FCMB Asset Management Ltd

- Assets Under Management grew by 6.5% year-on-year, to N526 billion, with investment return accounting for majority of the increase. The addition of AllCO Pensions' AUM would have resulted in an increase of 38%, to N681 billion;
- Our Pensions business, ex AllCO, contributed 80% of AUM in 2021, compared with 74% of AUM in 2020;
- The number of Retirement Savings Accounts grew by 4% year-on-year, to 468,834. Also, Registrations via our digital Platform accounted for 55% of the growth in Retirement Savings Accounts;
- We were net recipients of funds from the transfer window, with a net inflow of close to N4 billion. The figure remained positive, at N1.3 billion, net of AllCO's position;
- We achieved a 22% year-on-year growth in PBT, which was driven by growth in AUM, higher average fee income on AUM (ex-Pensions), Finance Income, and process automation leading to cost efficiencies.

N'm	1Q21	2Q21	3Q21	4Q21	%Δ QoQ	FY20	FY21	%Δ YoY
Gross earnings	1,211	1,259	1,285	1,575	23%	4,553	5,329	17%
Net Interest Income	26	48	74	77	4%	151	226	50%
Non-Interest Income	1,184	1,210	1,211	1,497	24%	4,402	5,103	16%
-Advisory Fees	27	27	26	21	-20%	116	101	-13%
-Brokerage Commission	20	1	22	36	60%	52	79	53%
-Asset Management Fees	1,124	1,161	1,148	1,233	7%	4,139	4,666	13%
-Others	13	21	14	208	1351%	95	256	170%
Operating Income	1,211	1,259	1,285	1,575	23%	4,553	5,329	17%
Operating Expenses	(628)	(645)	(670)	(887)	32%	(2,515)	(2,831)	13%
Net gains/(losses) from fin. instruments at fair value	0	0	0	(8)	n/a	(2)	(8)	322%
PBT	582	613	614	679	11%	2,036	2,490	22%
PAT	412	434	475	412	-13%	1,398	1,733	24%
AUM	496,697	499,980	510,376	525,750	1%	495,220	525,750	6%
ROAE	32%	32%	24%	29%	21%	30%	34%	13%
CIR	52%	51%	52%	56%	8%	55%	53%	-4%

Our focus will be on the following, in 2022:

- AllCO Pensions integration: The impact of the AllCO Pensions acquisition on AUM and PBT of our Pensions business will be fully captured from this year. We expect an increase in AUM of N182 billion, Cost reduction from synergies of N1.1 billion, and additional PBT of N1.3 billion;
- Digital distribution: This will become an even more important part of our product distribution strategy and is expected to aid AUM and Revenue growth and Cost minimization;
- Alternative Assets: We plan to launch our first Fund in Alternative Assets, later this year. This will further diversify the sources of revenue for the Division





Outlook

Mr. Ladi Balogun: Group Chief Executive - FCMB Group Plc

Platforms

Today we have 2 primary platforms: FCMB (for banking and investment mgt), and CDL (consumer finance for non-fcmb customers). We will be launching 2 new digital platforms this year. Our platforms are used to acquire customers, manage their experience and give them access to our products and 3rd party products.

Lending

Our competence in digital lending will be consolidated across the group and scaled as we leverage the data we gather in our ecosystem.

Payments

Payments will be at the center of our ecosystem as we acquire more customers, introduce new channels and support merchants with loan products to drive utilization, and launch our own online payment gateway to support our customers.

Investment Management

Drive AUM growth via digital wealth products available on multiple platforms and new institutional products (particularly in the alternative asset space).

Channels

A concerted effort will be made to shift all of the group's products and services to mobile, web and agency channels and make these channels available to ecosystem partners.

Our Customers

We will acquire over 1.5 million customers across the group to cross 10 million total customers and target a cross sell ratio average of >2 products per customer.

Wholesale & Investment banking

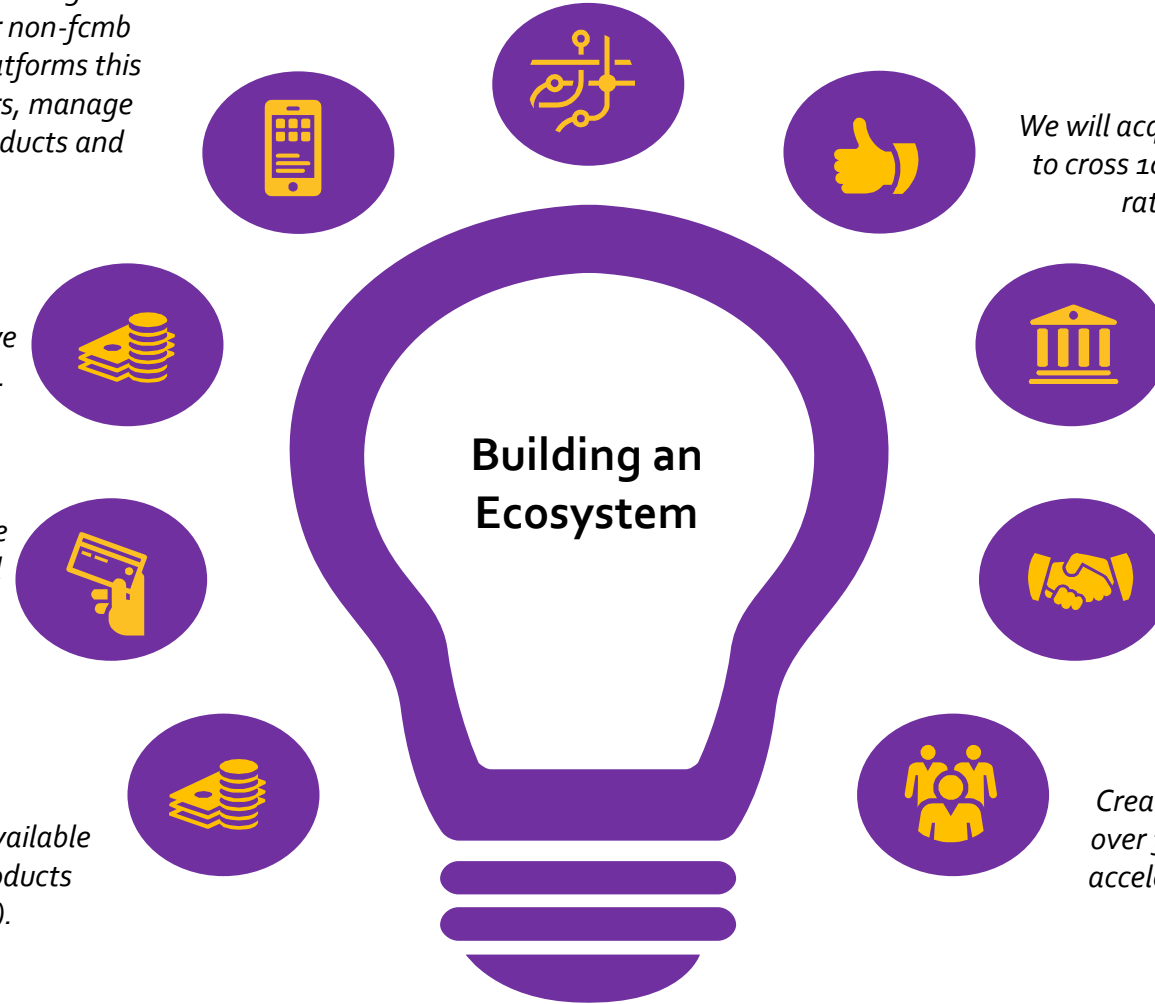
Supporting the growth of corporate, commercial and institutional customers by plugging them into our ecosystem of suppliers, investors and distributors/customers.

Partnerships

Leveraging our growing open API platform to create partnerships to extend our product offerings to more customers and move towards the creation of a marketplace for 3rd party products.

Employees

Creating a great place to work and transform our over 3000 employees to technology evangelists to accelerate digital adoption and support customers digital adoption



Building an Ecosystem

2022 Forecast: PBT growth of >25% on the back of improved earnings and performance across our Operating Companies driven by:

Acquisition of additional 1.5 million+ transacting customers across the group, leveraging on our digital platforms.

Non-Interest Income growth of $\geq 25\%$ driven by electronic banking fees and commissions from growth in transacting customers and our asset management business.

Maintain deposit growth trajectory of $\geq 20\%$.

Continued growth in digital lending.

Achieve profitability by Q4 in corporate, commercial and institutional banking by growing balance sheet, transactional and investment banking activities

Projected AUM growth of $\geq 50\%$ and consequent profit accretion from our Pensions business.

Cost of Risk and NPLs to be relatively stable; not exceeding a 30bps and 70bps increase respectively.

Modest cost growth as we continue to execute our digital transformation plans.