



BUILDING A SUSTAINABLE ECOSYSTEM

Investors & Analysts
Presentation

H1 2022

FCMB GROUP PLC
WWW.FCMBGROUPPLC.COM



August 2022

AGENDA



01.

Introduction



02.

H1 2022 Results Overview



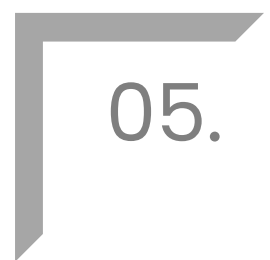
03.

Digital Business Review



04.

**The Banking Group:
*Performance Review***



05.

**Consumer Finance:
*Performance Review***



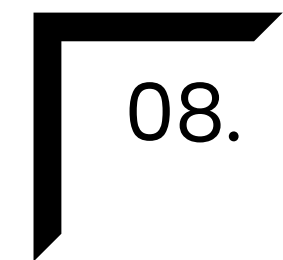
06.

**Investment Banking:
*Performance Review***



07.

**Investment Management:
*Performance Review***

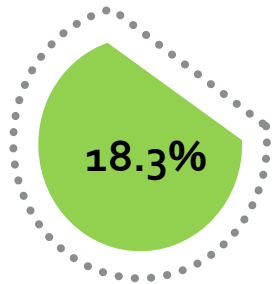


08.

Outlook

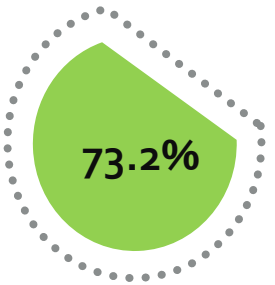
H1 2022 Results Highlights

Total Assets
N2.65 trillion



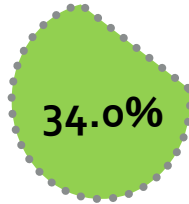
H1 21: N2.24 trillion

Profit before Tax
N15.4 billion



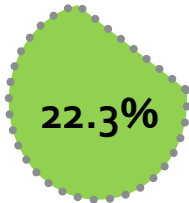
H1 21: N8.9 billion

Gross Earnings
N126.2 billion



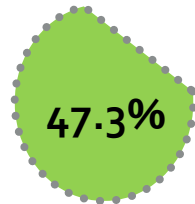
H1 21: N94.2 billion

Deposits
N1.64 trillion



H1 21: N1.34 trillion

Assets Under Management
N736.6 billion



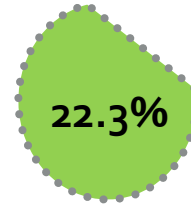
H1 21: N500.0 billion

Return on Average Equity
11.1%



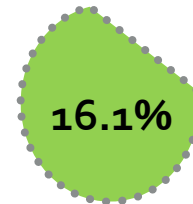
H1 21: 6.6%

Loans
N1.12 trillion



H1 21: N916.7 billion

Customers
10.1 million



H1 21: 8.7 million

Capital Adequacy
15.1%



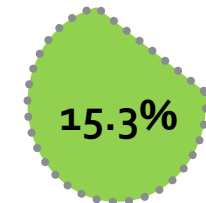
H1 21: 17.1%

Non-Performing Loans
4.6%



H1 21: 3.3%

Digital Customers
8.3 million



H1 21: 7.2 million

FCMB Group: Building an Ecosystem

The ecosystem we are building will contribute significantly to the inclusive growth of the communities we serve, and sustainable, efficient and accelerated growth of our platforms.



1a

Platforms: Our 4 operational platforms are gaining traction and profit growth. (Banking 84%, Consumer Finance 42%, Investment Banking 254% and Asset & Wealth Management 42%).

1b

Technology Platforms

TP1: A Borderless Banking Platform focused on inbound remittances, investments and payments serving the African diaspora and Global citizens in Nigeria.

TP2: Banking As A Service (BaaS). Starting with FCMB UK will enable our other Group of companies scale up revenue and extend this service to their customers.

2

Customers: We acquired over 900,000 customers in H1 2022, a 2x growth above H1 2021 with Group customer base crossing the 10 million mark.

3

Products

- I. **Lending:** Digital SME lending powering the growth in our SME business with profits growing by over N3.8bn YoY.
- II. **Treasury:** Growth in treasury sales and fixed income trading led to a N3.9bn YoY PBT growth.
- III. **Wealth:** Digital beginning to gain traction with over 60,000 customer acquired and N8.9bn AUM.
- IV. **Financial advisory/Capital Raise:** We raised and advised on investments of N294bn in H1 2022 from N264bn in H1 2021

4

3rd Party Products and Services

Insurance: N551m revenue generated from Insurance in H1 2022 (Up 10% from H1 2021).

Airtime & Data: N670m revenue generated from Airtime & Data sales in H1 2022 (Up 24% from H1 2021).

Lifestyle Services: Finalized partnership with a BNPL focused Fintech to embed credit in our customers' "purchase journey" for various 3rd party products and services accessible within our ecosystem. Commences August 2022.

5

Capital

Own Capital: Lending to agric. sector rose to N87.9bn in H1 2022 from N53.6bn in previous year. Deployed N6.3 billion loans to over 52,000 MSMEs at an average ticket size of N99,000, 77% of which were women.

3rd Party Capital from DFI's, Funds: \$50m from AFDB and \$17.3m from MasterCard both complementing our efforts towards improving financial inclusion.

6

Climate action: 150 branches (i.e., 73% of total branches) now on solar power as at H1 2022 further reducing our carbon footprint by ~ 60% YoY. Estimated diesel cost savings of ~ N64m monthly.

FCMB



H1 2022 Results Overview: FCMB Group Plc

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



- Overall, Group PBT grew by 73% YoY from N8.9b in H1 21 to N15.4b in H1 22.
- Net Interest Income increased by 14% QoQ and 40% YoY. The YoY growth was due to a 35% increase in interest income as our loan book grew by 22% YoY.
- Non-interest income also grew by 29% YoY largely driven by growth in service fees and commissions and trading income despite a decline in Foreign Exchange revenues. Trading income grew 132% YoY from higher volumes of fixed income instrument trades during the year.
- Operating expenses increased 12% and 19%, QoQ and YoY respectively, due to increased regulatory costs, investments in technology, and general inflationary pressures.
- Impairment charges grew 59% QoQ and 167% YoY on the back of increased provisions on risk assets as evidenced by the growth on our balance sheet.

N'm	1Q22	2Q22	%Δ QoQ	H1 21	H1 22	%Δ YoY
Revenue	55,692	65,465	17.5%	90,545	121,157	33.8%
Interest Income	46,690	51,397	10.1%	72,671	98,088	35.0%
Interest Expense	(18,542)	(19,378)	-4.5%	(29,673)	(37,920)	-27.8%
Net Interest Income	28,148	32,020	13.8%	42,998	60,167	39.9%
Non-Interest Income	9,002	14,067	56.3%	17,875	23,069	29.1%
- Net Fees & Commissions	7,617	9,384	23.2%	12,934	17,001	31.4%
- Trading Income	2,509	3,620	44.2%	2,639	6,129	132.3%
- FX Income	(1,380)	43	103.1%	1,331	(1,337)	-200.5%
- Others	256	1,020	298.4%	971	1,276	31.4%
Operating Income	37,150	46,087	24.1%	60,972	83,237	36.5%
Operating Expenses	(27,004)	(30,107)	-11.5%	(47,953)	(57,111)	-19.1%
Net impairment loss on financial assets	(4,127)	(6,570)	-59.2%	(4,009)	(10,697)	-166.8%
PBT	6,019	9,410	56.3%	8,911	15,429	73.2%
PAT	5,166	8,337	61.4%	7,557	13,663	80.8%

- We recorded strong Q2 RoAE of 13.5%, bringing our HY RoAE to 11.1% as a direct result of our growth in profitability.
- Net-Interest Margin increased by 7.2% and 8.0% QoQ and YoY respectively driven by a growth in earning assets yield.
- Cost to Income ratio also improved by 10.1% and 12.9% QoQ and YoY respectively.

Performance Index		1Q22	2Q22	%Δ QoQ	H1 21	H1 22	%Δ YoY
Operating	Return on Average Equity	8.5%	13.5%	61.4%	6.6%	11.1%	68.1%
	Return on Average Assets	0.8%	1.3%	66.0%	0.7%	1.1%	53.4%
	Loan/Deposit Ratio	65.8%	60.3%	-8.3%	70.0%	60.3%	-13.8%
	Loan/Funding Ratio	55.7%	50.9%	-8.6%	53.3%	50.9%	-4.4%
	Cost/Income Ratio	72.7%	65.3%	-10.1%	78.8%	68.6%	-12.9%
	Net Interest Margin	7.1%	7.7%	7.2%	6.7%	7.2%	8.0%
	NPL/Total Loans	4.7%	4.6%	-2.1%	3.3%	4.6%	39.4%
	Coverage Ratio	105.5%	97.9%	-7.2%	171.5%	97.9%	-42.9%
	NII/Operating Income	24.2%	30.5%	26.0%	29.4%	27.7%	-5.7%
	Financial Leverage	90.0%	90.5%	0.0%	90.0%	90.5%	0.5%
Cost of Risk	1.1%	1.5%	33.6%	1.1%	1.9%	72.7%	
Capital & Liquidity	Capital Adequacy Ratio	15.8%	15.1%	-4.4%	17.1%	15.1%	-11.5%
	Liquidity Ratio	32.1%	30.7%	-4.4%	35.7%	30.7%	-14.0%
Investment	Share Price	3.40	3.46	1.8%	3.10	3.46	11.6%
	NAV(N'B)	249.1	252.9	1.5%	234.50	252.9	7.8%
	Dividend (Kobo)	-	-	-	-	-	-
	EPS (Kobo)	26.09	68.99	156.5%	38.16	68.99	80.8%
Others	Opex (N'B)	27.0	30.1	11.5%	48.0	57.1	19.0%
	Risk Assets (net) (N'B)	1,100.7	1,120.9	1.8%	916.7	1,120.9	22.3%
	Customer Deposits (N'B)	1,571.5	1,637.1	4.2%	1,338.5	1,637.1	22.3%

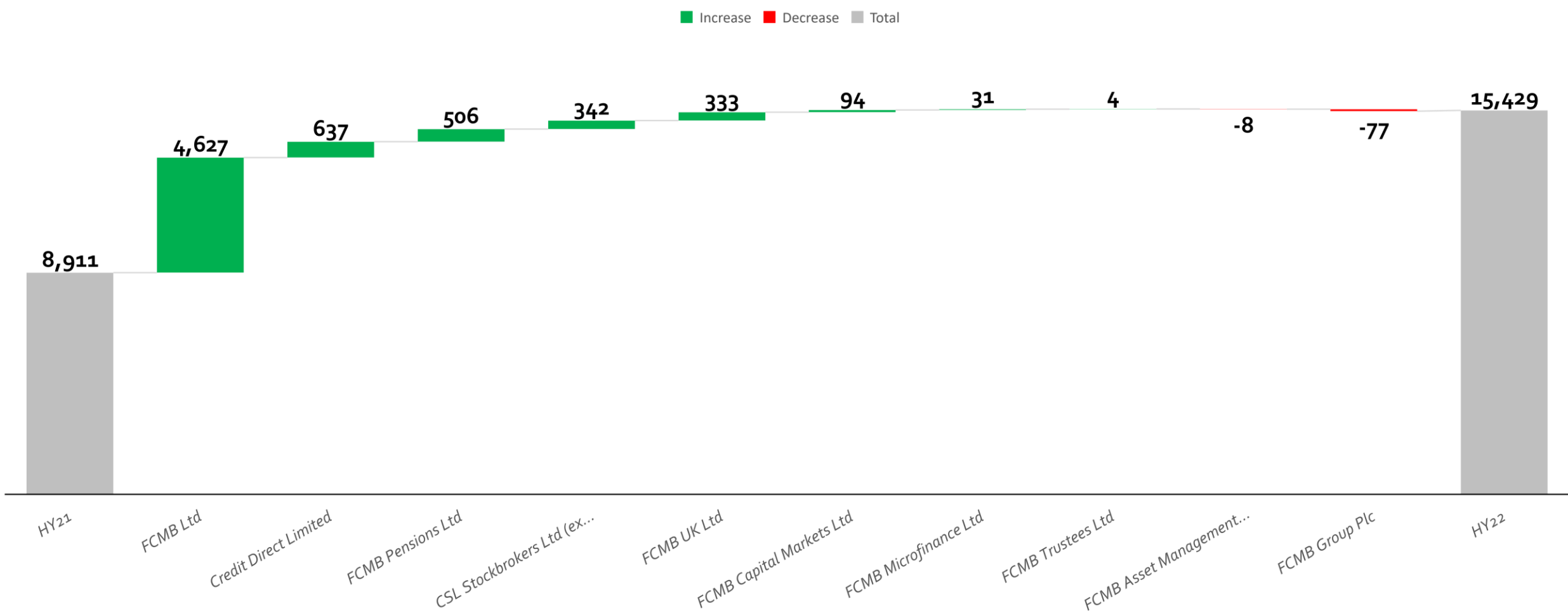
N'm	1Q22	2Q22	%Δ QoQ	H1 21	H1 22	%Δ YoY	% Contribution
Banking Group	3,836	7,081	85%	5,927	10,918	84%	71%
FCMB Ltd	3,649	6,778	86%	5,800	10,427	80%	68%
FCMB UK Ltd	188	307	63%	162	495	206%	3%
FCMB Microfinance Ltd	(1)	(4)	-300%	(35)	(4)	-89%	0%
Consumer Finance	1,048	1,080	3%	1,491	2,128	43%	14%
Credit Direct Limited	1,048	1,080	3%	1,491	2,128	43%	14%
Investment Banking	421	231	-45%	184	651	254%	4%
FCMB Capital Markets Ltd	131	124	-5%	131	225	72%	1%
CSL Stockbrokers Ltd (ex FCMB-AM)	290	106	-63%	54	396	633%	3%
Investment Management	726	971	34%	1,196	1,697	42%	11%
FCMB Pensions Ltd	532	719	35%	745	1,251	68%	8%
FCMB Asset Management Ltd	184	227	23%	419	411	-2%	3%
FCMB Trustees Ltd	10	25	150%	31	35	13%	0%
FCMB Group Plc (Separate)	804	1,363	70%	2,486	2,168	-13%	14%
Intercompany Adjustments	(810)	(1,316)	-62%	(2,374)	(2,133)	-10%	-14%
FCMB Group Plc (consolidated)	6,019	9,410	56%	8,911	15,429	73%	100%

All our operating companies recorded strong double-digit YoY growth as follows; Banking Group 84%, Consumer Finance 43%, Investment Management 42%, and Investment Banking 254%.

The Banking Group contributed 71% of Group profits, whilst our other non-banking subsidiaries contributed 29% (Consumer Finance 14%, Investment Management 11%, and Investment Banking 4%).

H1 22 PBT Waterfall

■ Increase ■ Decrease ■ Total



FCMB



Digital Business Review: FCMB Group Plc

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





Digital Revenue

- ✓ **N17.3bn** generated from digital payments and lending activities in H1 22, a 51% growth from for H1 21.
- ✓ Digital now accounts for **14%** of Gross Earnings driven by lending and payments.



Digital Loans

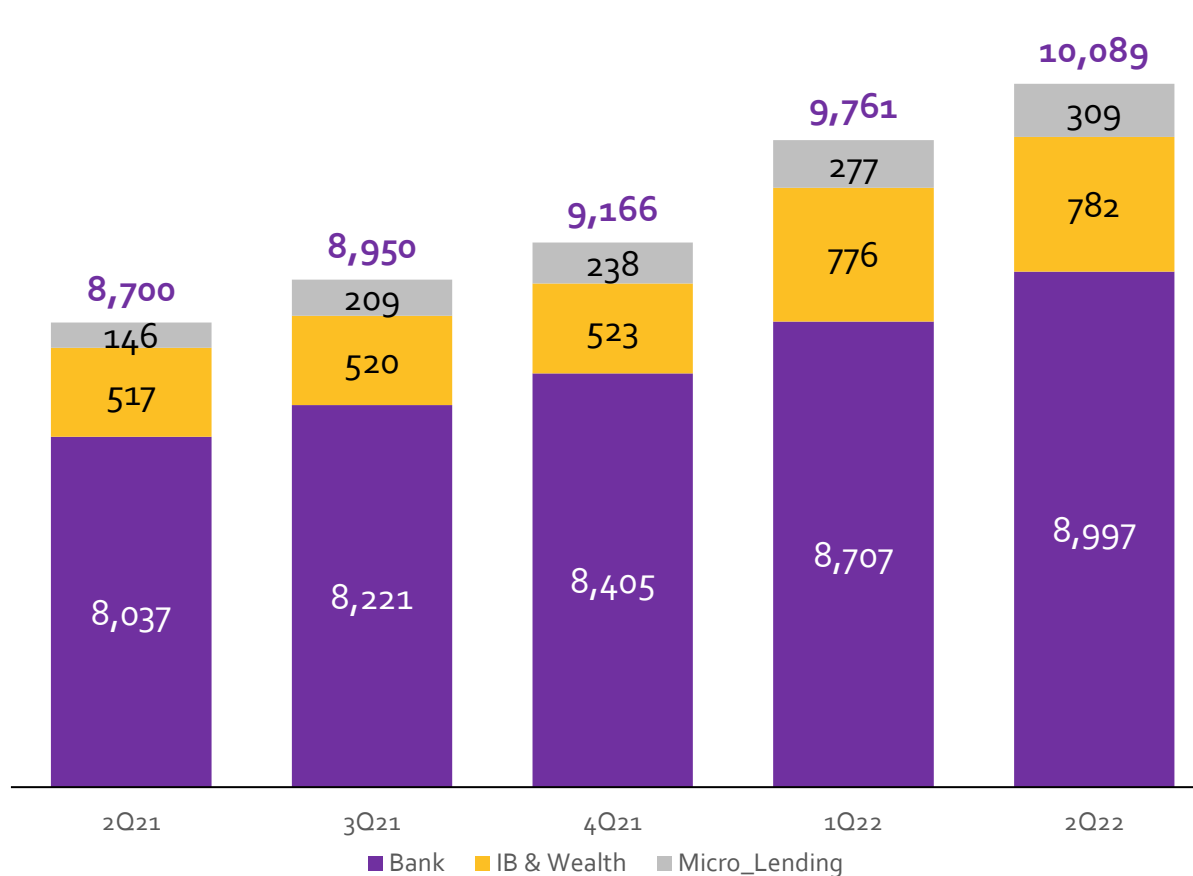
- ✓ Over **N114bn** disbursed to **455,000** customers as at H1 22.
- ✓ Total portfolio size (**N74.0bn**) grew by **111%** from H1 21.
- ✓ Digital lending now accounts for **61%** of digital revenues.



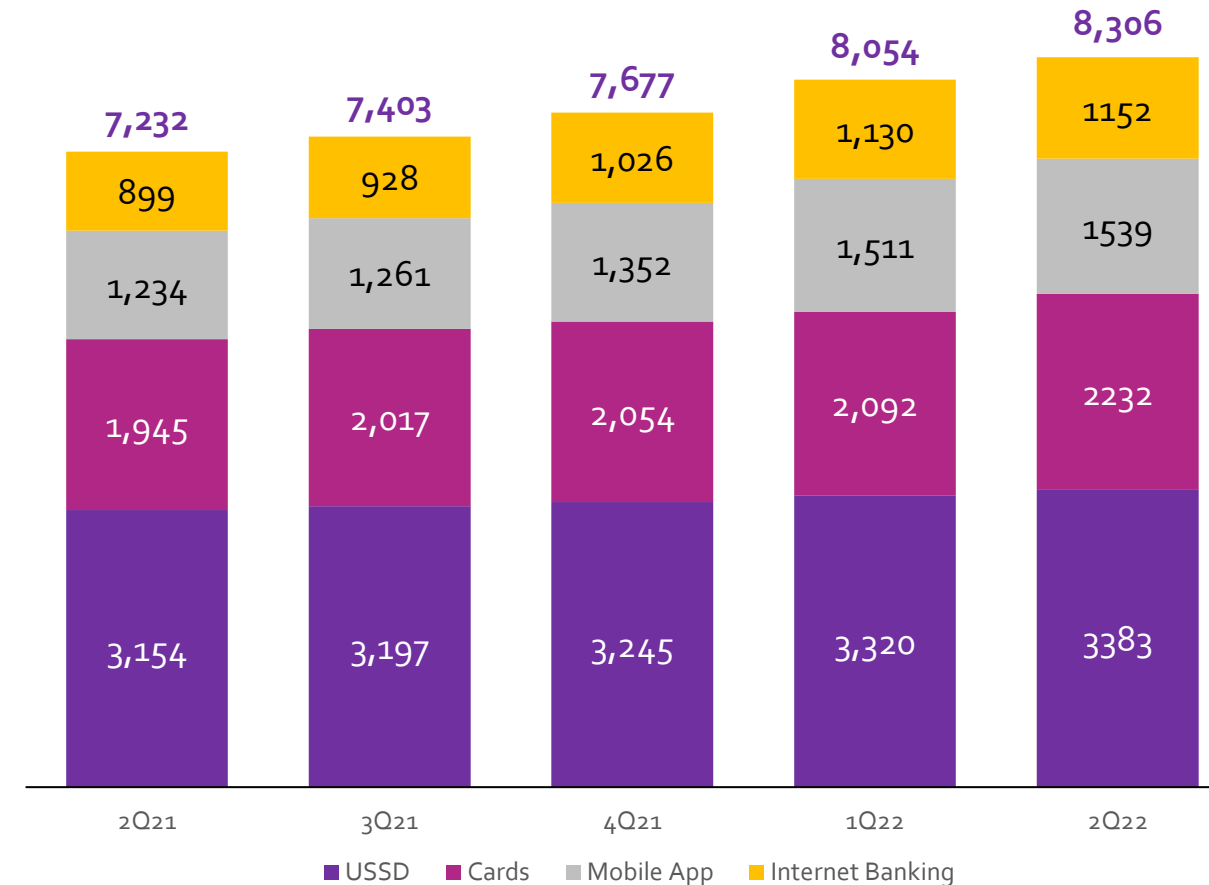
Digital Customers

- ✓ **8.3 million** digital customers up **15.3%** from 7.2 million (June. 2021).

Customer Acquisition Trend ('000)

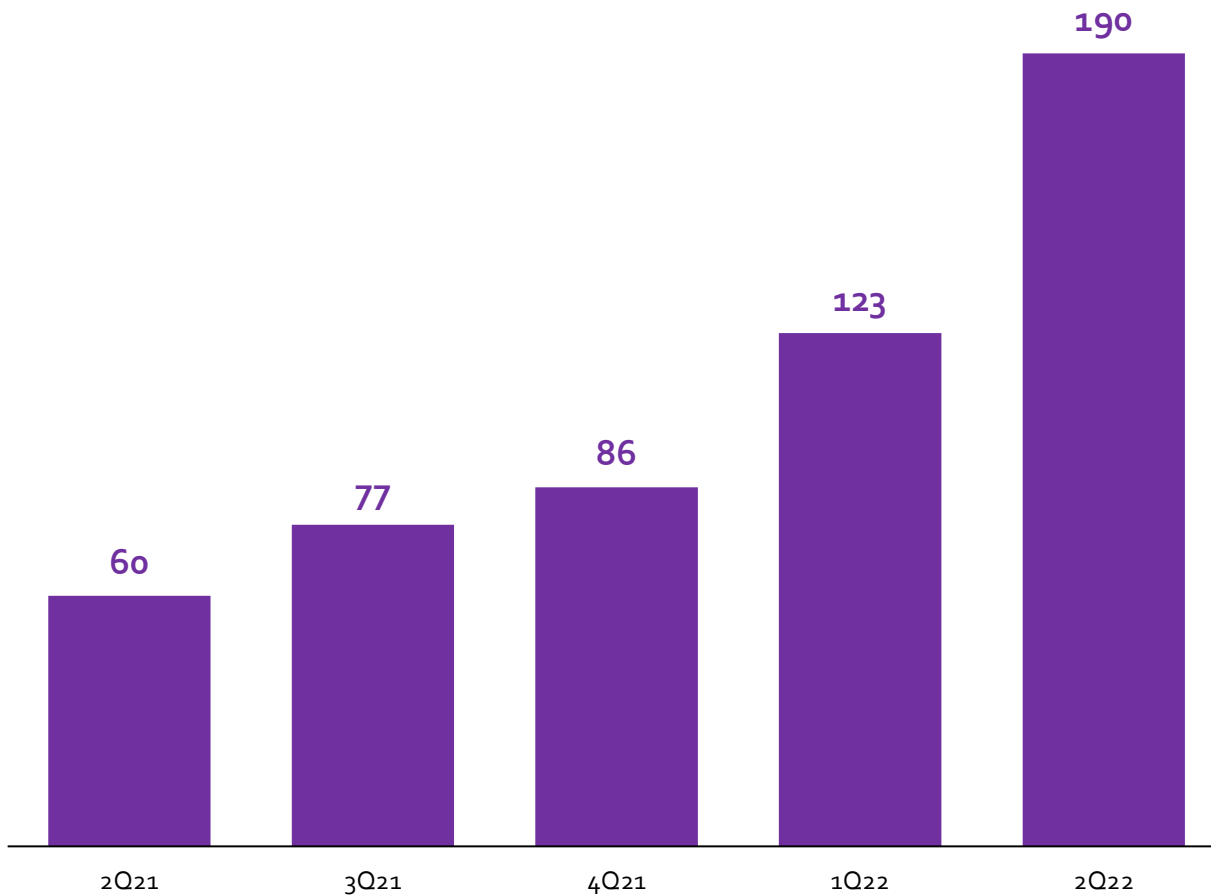


Digital Adoption By Products Trend ('000)

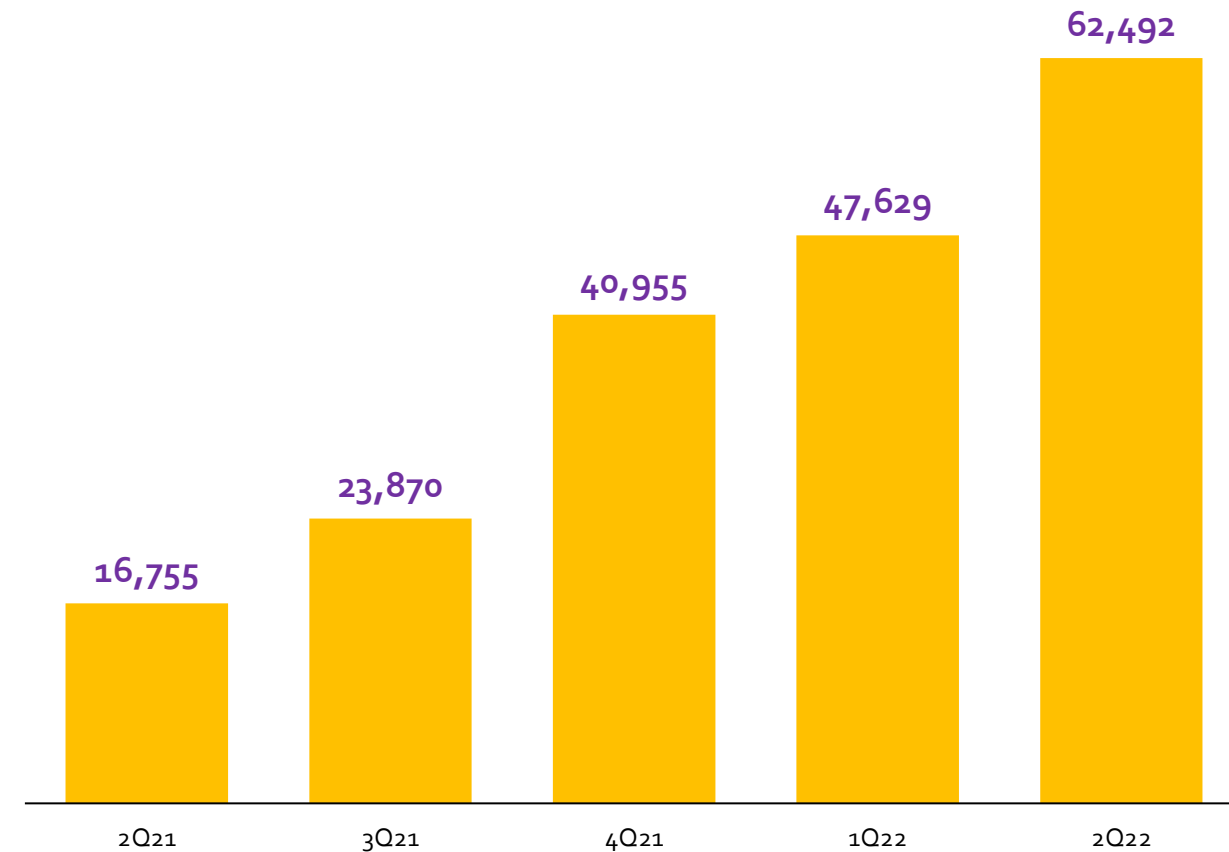


Consistent growth in customer acquisition QoQ, crossing the 10 million customer mark as at June 2022. Increased cross-selling of digital products, digital lending products in the retail and SME Sectors continues to drive increased adoption of digital channels by customers.

Agency Banking Revenue N' m

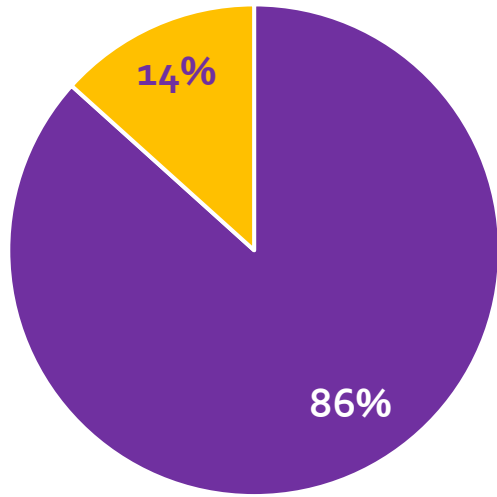


Customer Acquisition Trend



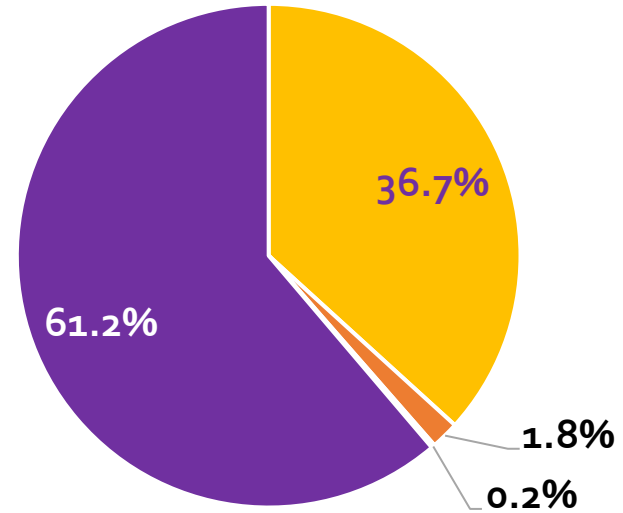
Our agency banking business remains a key focus for the Group and accounted for 12% of customer acquisition in H1 2022. Agency revenues grew by 54% QoQ, however we expect a temporary slowdown in Q3 as we introduced lower transaction limits whilst implementing new operational risk management measures. We expect revenue growth to rebound in Q4.

Digital Contribution to Gross Earnings



■ Gross Earnings ■ Digital Revenue

Digital Revenue Split



■ Payments ■ Agency ■ Wealth ■ Lending



Digital revenue of N17.3bn accounts for 14% of gross earnings with Lending at N10.6b contributing the largest share of revenues as at H1 22.

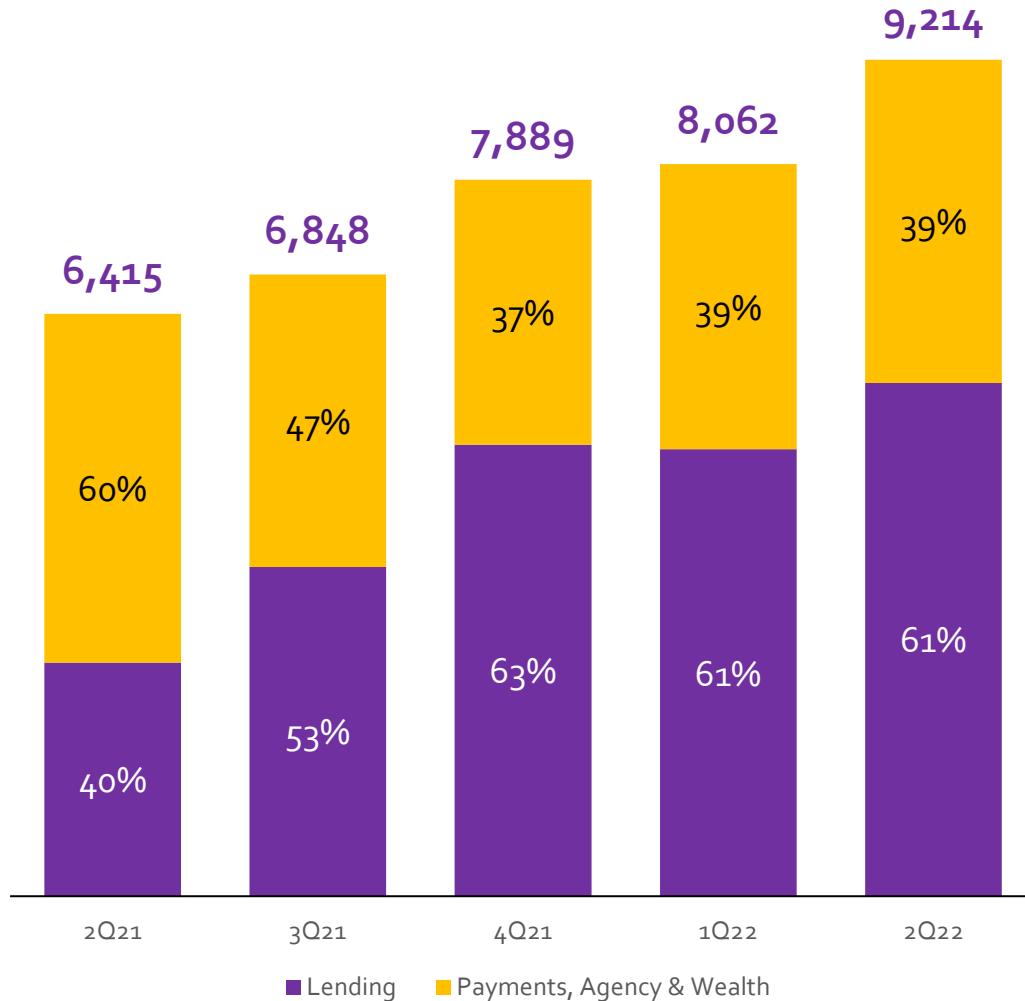


Digital lending and Payments remain the key drivers of digital revenues and account for up to 97.9% of digital revenues.

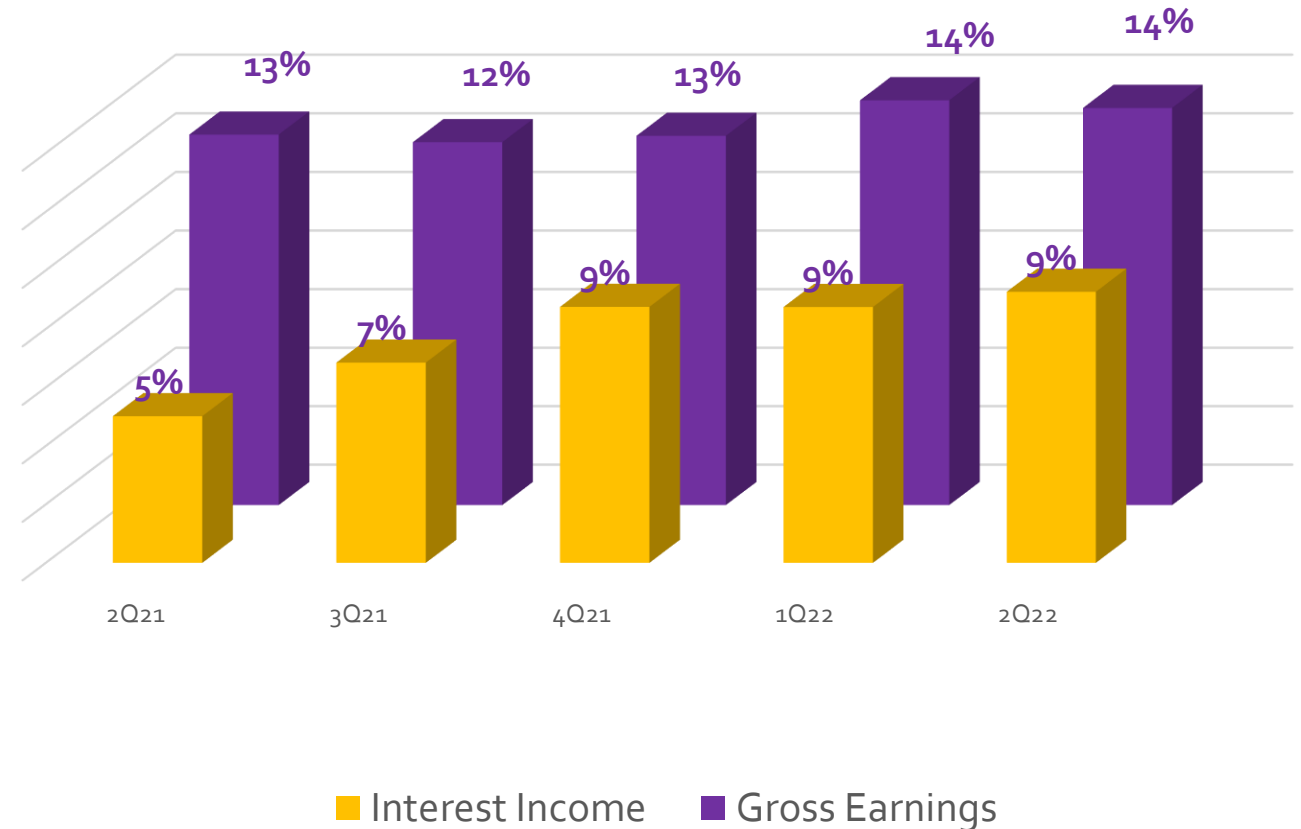


Digital loans to SME's grew by 13% QoQ and 268% YoY in line with our focus to our digital-led Retail and SME Banking Priorities.

Digital Revenue Trend (In Millions)

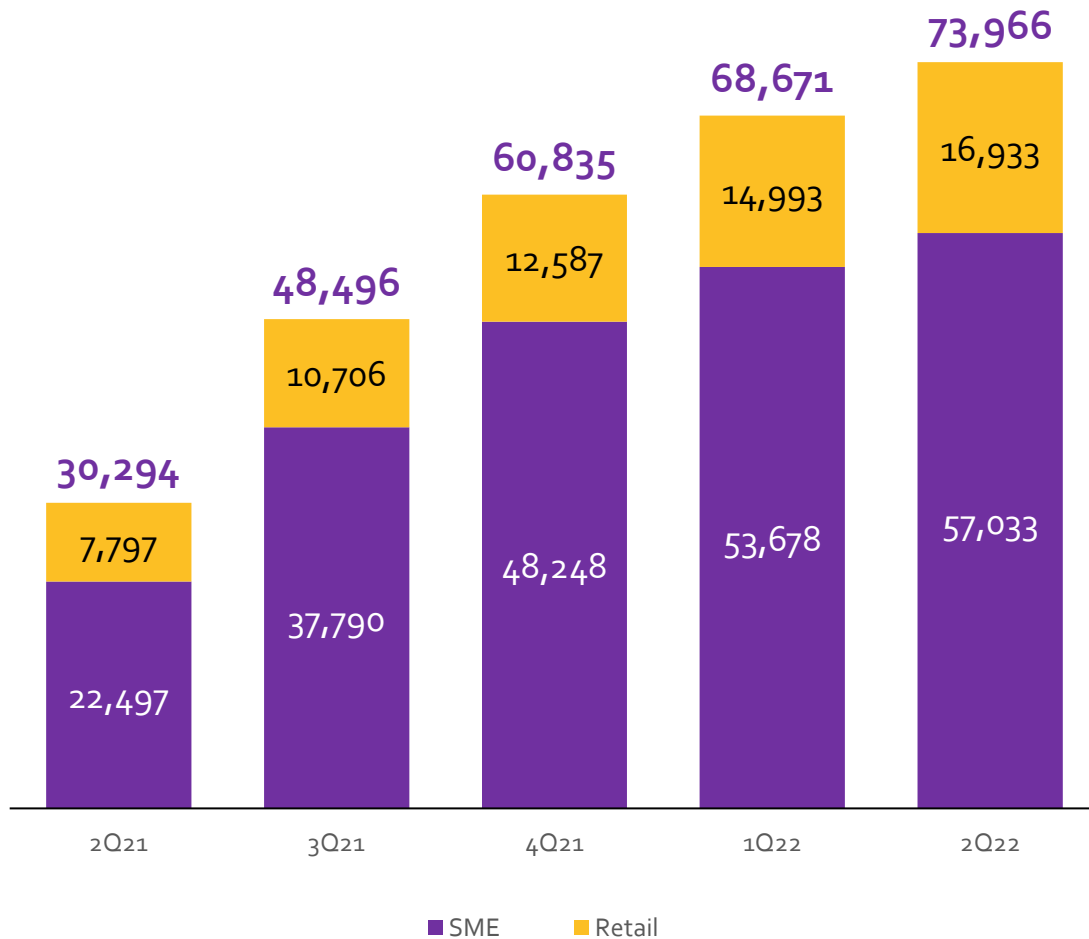


Digital Contribution To Interest Income & Gross Earnings

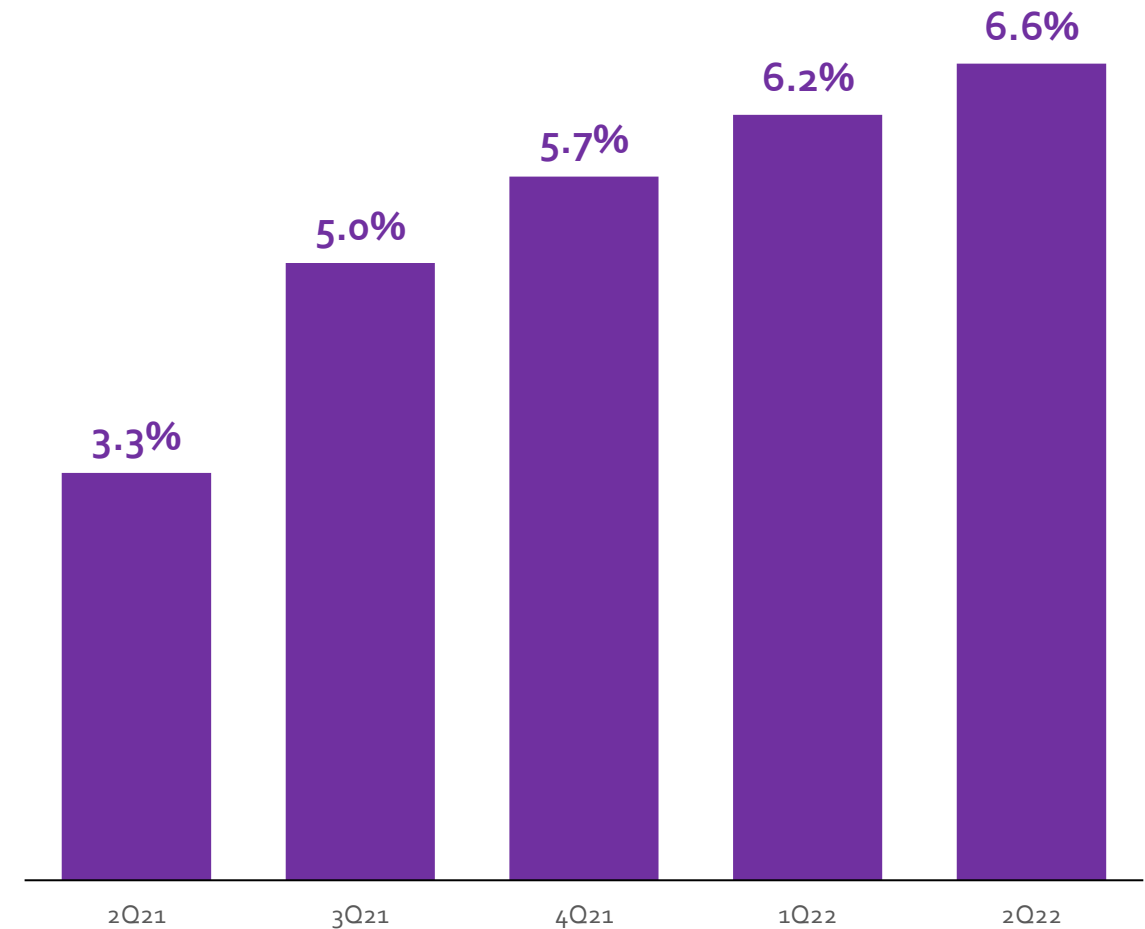


- Consistent quarterly growth in digital revenue driven by increased adoption on our digital channels and increased origination & repeat transactions on our digital lending products.

Digital Loans Trend (in billions)

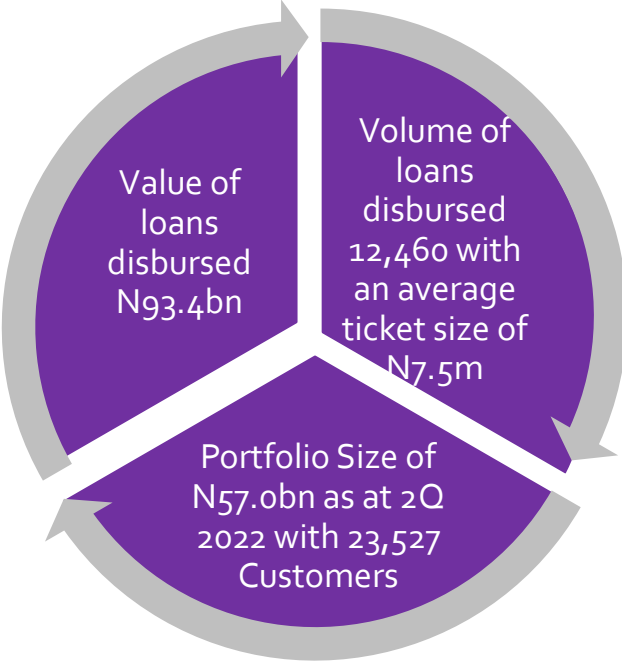


Digital Loans Contribution To Total Loans Trend

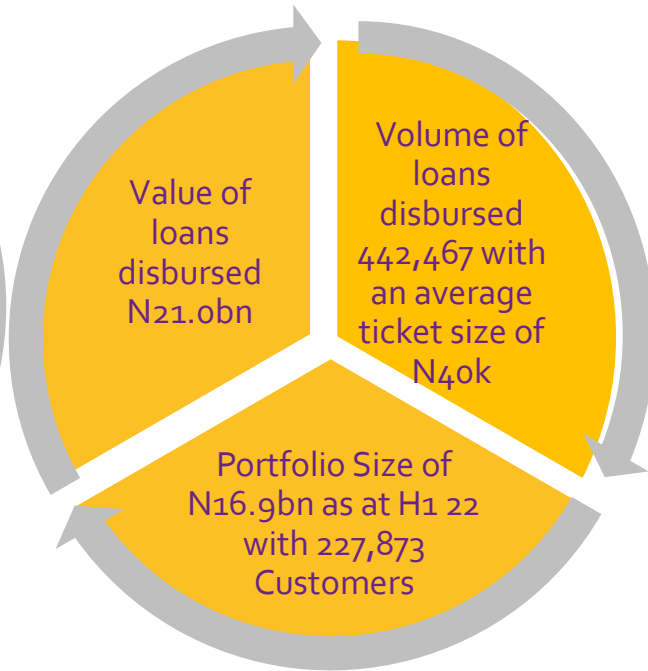


Digital loans grew by over 144% from N30.3bn in 2Q 2021 to N74.0bn in 2Q22 accounting for 6.6% of the Total Loan Portfolio and contributing 21% (N43.8bn) of the total loan growth (N204.3bn) from 2Q21 – 2Q22.

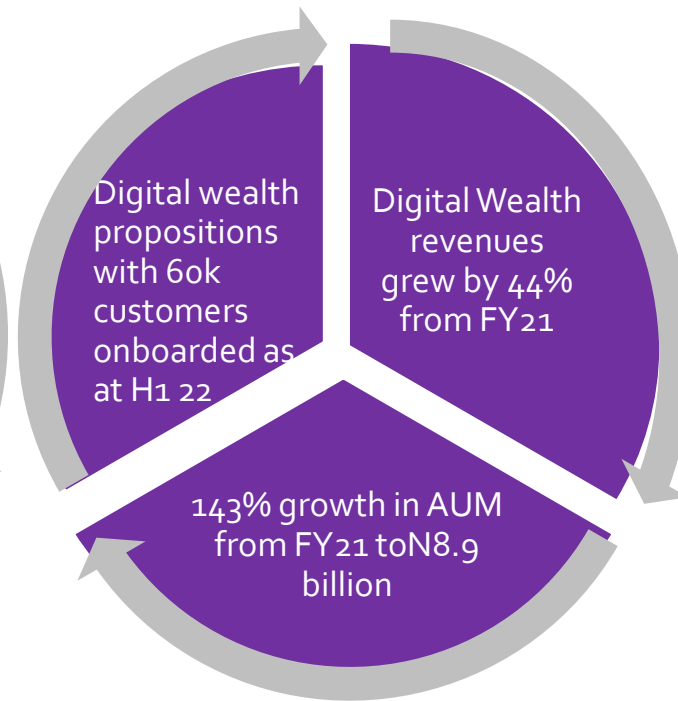
SME Digital Loans H1 22 Highlights



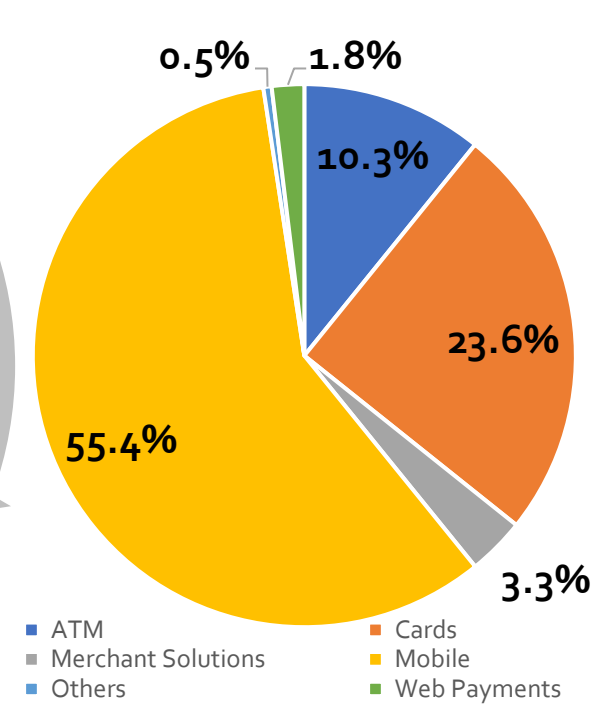
Retail Digital Loans H1 22 Highlights



Digital Wealth H1 2022 Highlights



Digital Payments H1 22 Highlights





Group Performance Review: The Banking Group

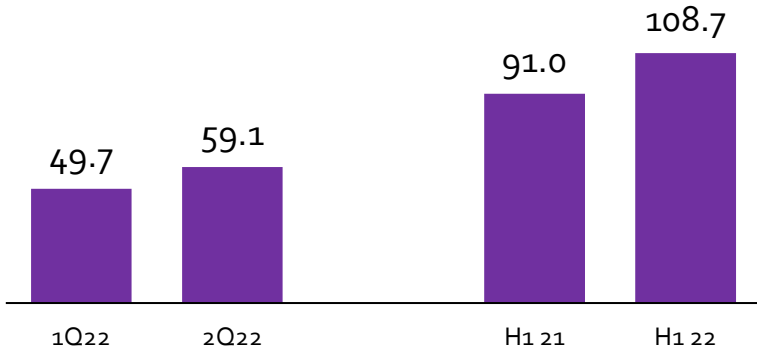
Mrs. Yemisi Edun: Managing Director - FCMB Ltd



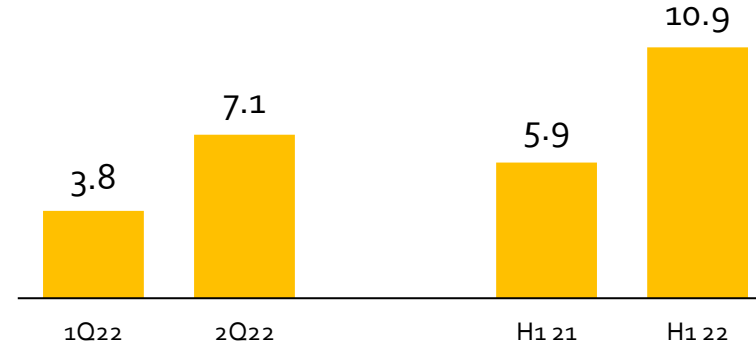


Banking Group: 2Q22 Key Metrics

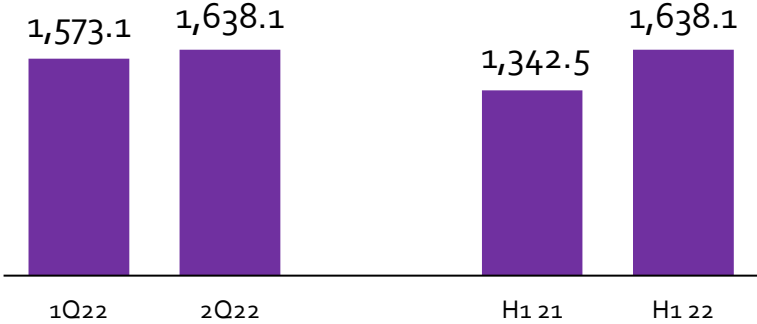
Revenue (N' bn)



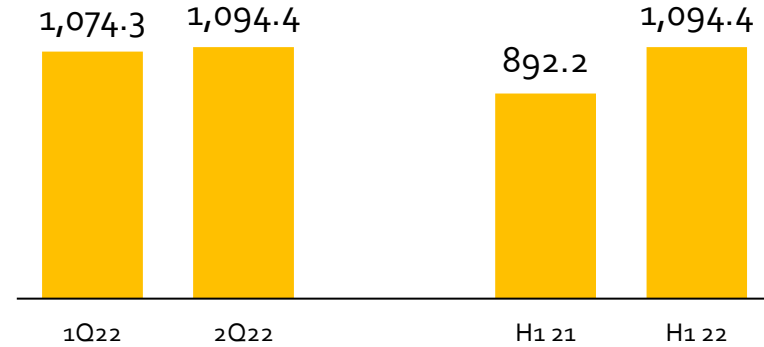
Profit before Tax (N' bn)



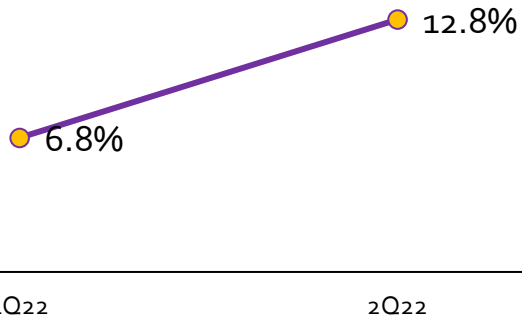
Deposits (N' bn)



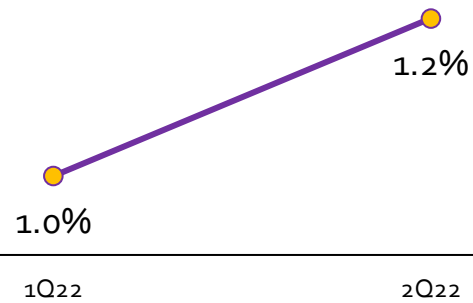
Loans (N' bn)



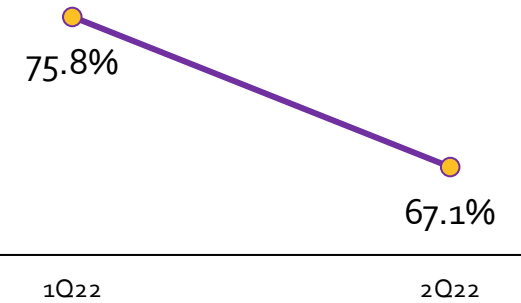
RoAE



CoR

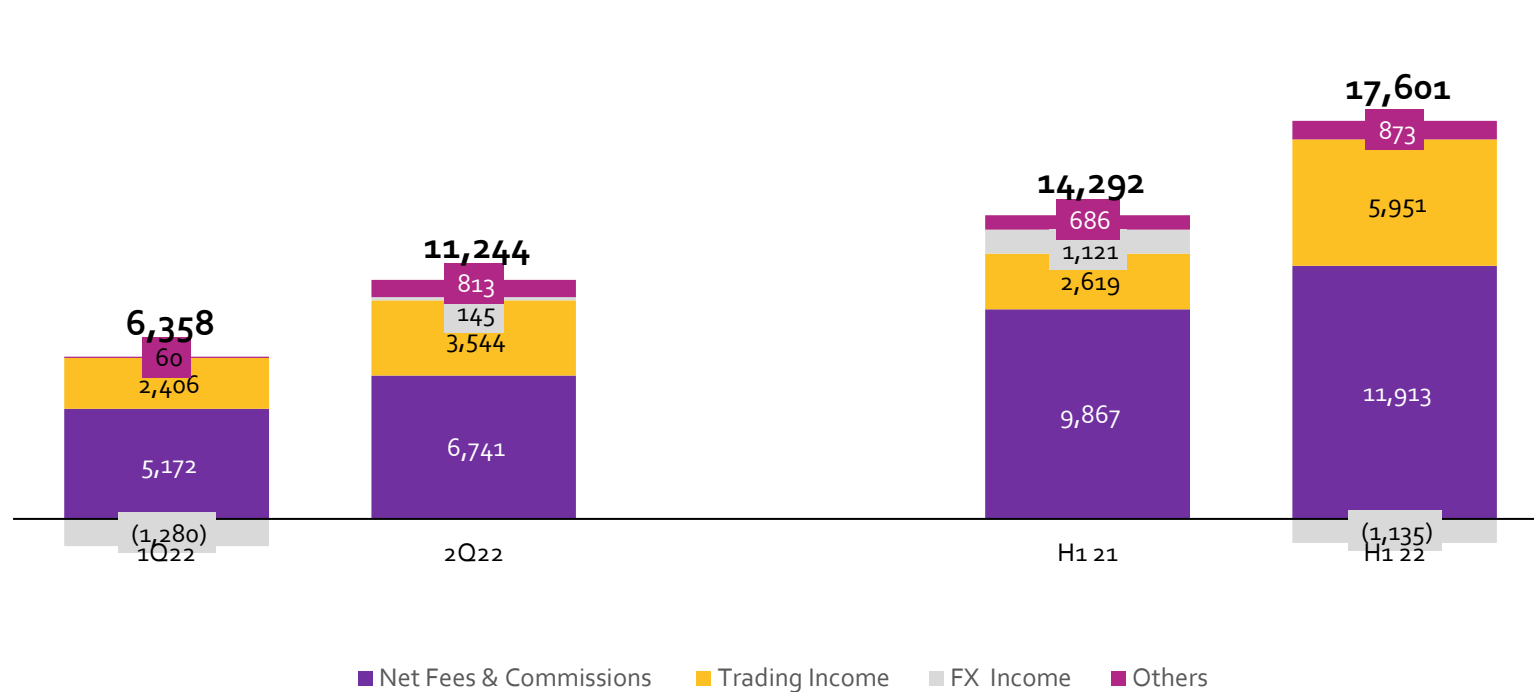


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- PBT grew **85%** QoQ and **84%** YoY largely due to a growth in Net interest income and Non-interest income.
- Net Interest Income improved by **15%** QoQ and **44%** YoY driven by a 10% QoQ and 36% YoY growth in interest income. YoY growth in net-interest income was supported by a growth in interest income driven by growth in loans and advances.
- Non-Interest Income also increased **77%** QoQ and **23%** YoY. QoQ growth was driven by increase in fees & commissions, trading income and FX income while YoY growth was driven by an increase in fees & commissions and trading income despite a decrease in FX income.
- Operating expenses increased **13%** QoQ and **19%** YoY due an increase in regulatory cost, and IT maintenance costs coupled with the double-digit inflationary environment and currency devaluation.
- Risk Assets (net) grew by **4%** QoQ and **22%** YoY, while Customer Deposits also increased **2%** QoQ and **23%** YoY respectively.

N'm	1Q22	2Q22	%Δ QoQ	H1 21	H1 22	%Δ YoY
Revenue	49,663	59,075	19%	91,029	108,738	19%
Interest Income	43,305	47,832	10%	66,895	91,137	36%
Interest Expense	(17,906)	(18,723)	5%	(29,049)	(36,629)	26%
Net Interest Income	25,399	29,109	15%	37,846	54,508	44%
Non-Interest Income	6,361	11,244	77%	14,292	17,601	23%
- Net Fees & Commissions	5,172	6,741	30%	9,867	11,913	21%
- Trading Income	2,406	3,544	47%	2,619	5,951	127%
- FX Income	(1,324)	145	-111%	1,121	(1,135)	201%
- Others	104	813	682%	686	873	27%
Operating Income	31,757	40,352	27%	52,139	72,109	38%
Operating Expenses	(24,070)	(27,090)	13%	(43,087)	(51,159)	19%
Net impairment loss on financial assets	(3,851)	(6,181)	61%	(3,125)	(10,032)	221%
PBT	3,836	7,081	85%	5,927	10,918	84%
PAT	3,614	6,857	90%	5,477	10,472	91%
Balance Sheet (N'B)						
Customer Deposits	1,573	1,638	4%	1,343	1,638	22%
Risk Assets	1,074	1,094	2%	892	1,094	23%

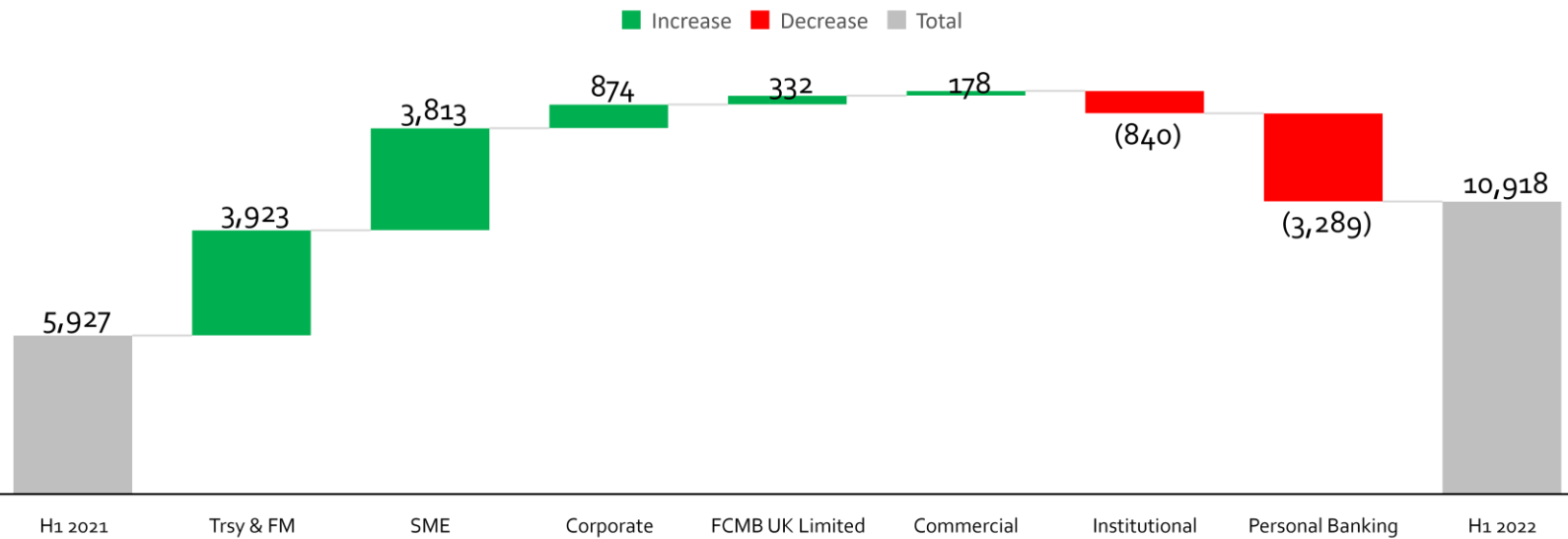


	%Δ QoQ	%Δ YoY
Net Fees & Commissions	30.3%	20.7%
Trading Income	47.3%	127.2%
FX Income	-111.3%	-201.3%
Others	681.7%	27.3%
Non-Interest Income	76.8%	23.2%

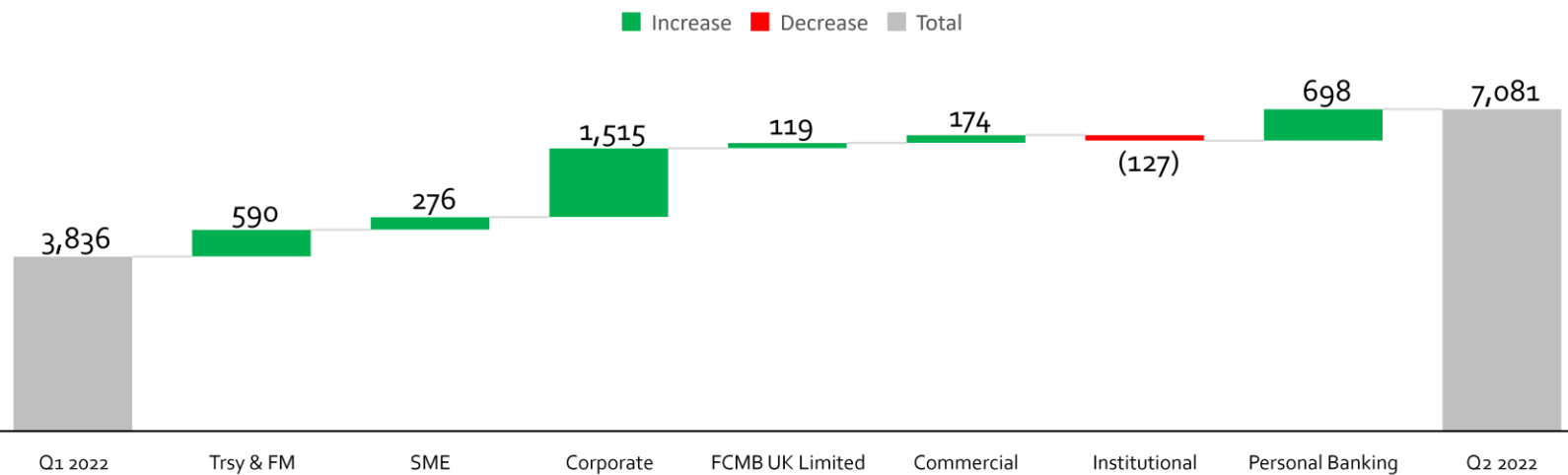
- Net fees and commissions grew by 30% QoQ and 21% YoY driven by growth in electronic fees and commissions;
- Trading income grew by 47% QoQ and 127% YoY due to higher trading activities in government-backed securities;
- FX income decreased by 111% QoQ and 201% YoY due to FX revaluation loss;
- Other income increased 682% QoQ and 27% YoY.

- Personal Banking (H1 22 PBT N3.4bn)** PBT declined YoY by N3.3bn, driven largely by an increase in operating costs (N2.7bn), impairments (N263m) and a one-off writeback session charge (N1.7bn). However, PBT grew by No.7bn in 2Q22 and is expected to improve in subsequent quarters.
- SME Banking (H1 22 PBT N5.7bn)** We continue to see traction as we remain on course with our strategy of using innovation and technology to drive the business. YoY, PBT grew by N3.8bn and No.3bn QoQ.
- Treasury & Financial Markets (H1 22 PBT N4.6bn)** PBT grew by N3.9bn YoY and No.6bn QoQ driven by treasury sales and fixed income trading.
- Corporate Banking (H1 22 PBT -N1.7bn)** though the business is still loss making, we have seen a significant reduction in losses, with losses declining by No.9bn YoY and N1.5bn QoQ. The segment is being repositioned and we expect it to become profitable by the end of the year.
- Commercial Banking (H1 22 PBT No.2bn)** returned to profitability in 2Q22, with profits growing by No.2bn YoY and QoQ.
- Institutional Banking (H1 22 PBT -N1.7bn)** PBT declined No.8bn YoY and No.2bn QoQ. The segment is being repositioned to return to profitability by the end of the year.

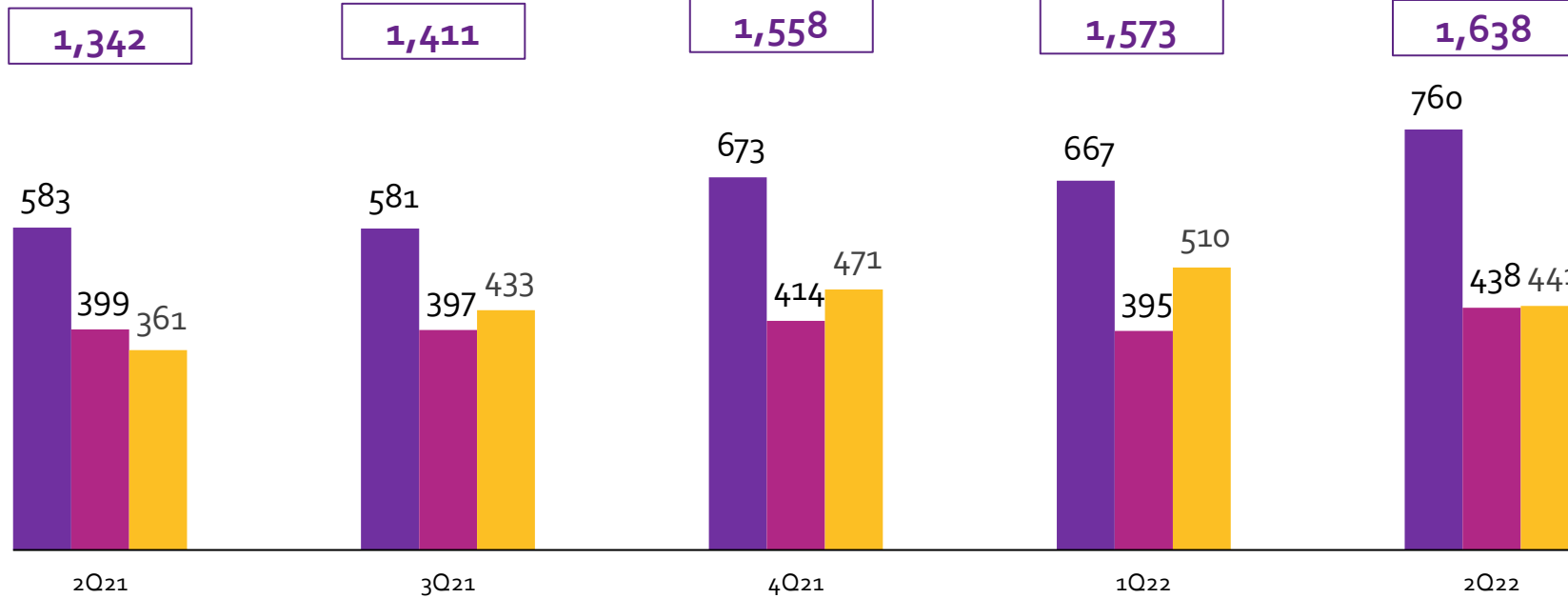
Banking Group: H1 22 PBT Waterfall



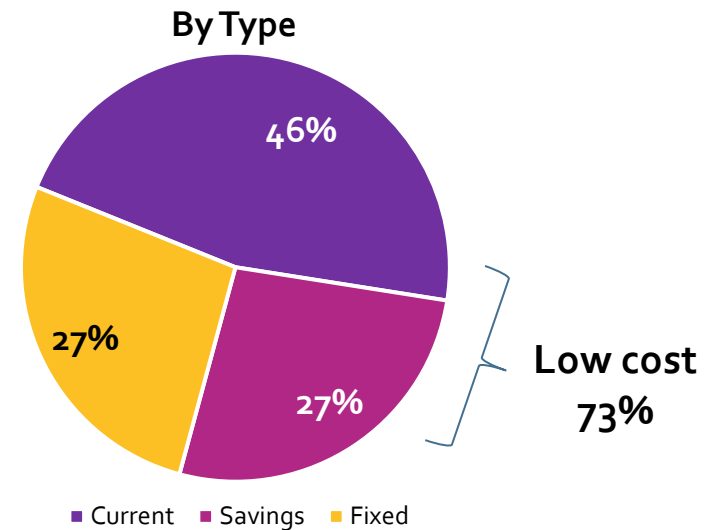
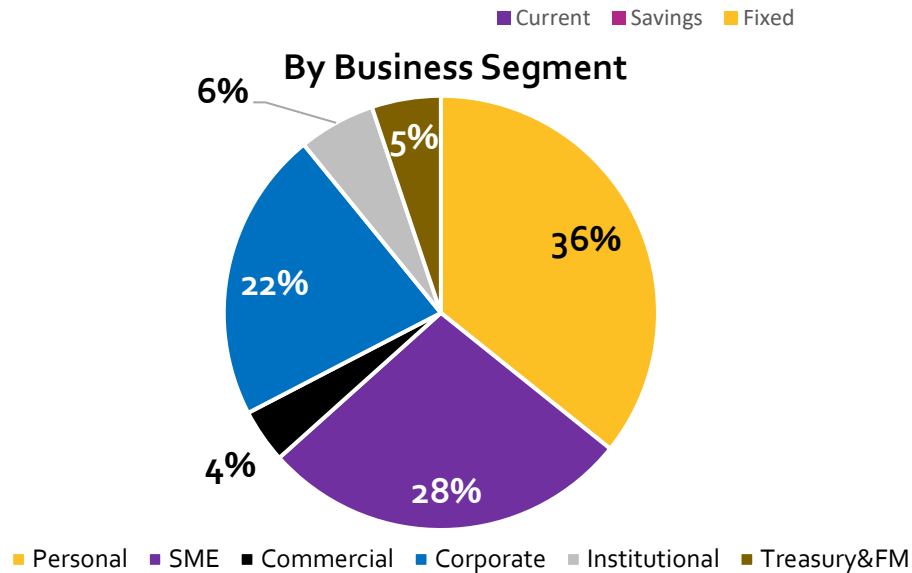
Banking Group: Q2 22 PBT Waterfall

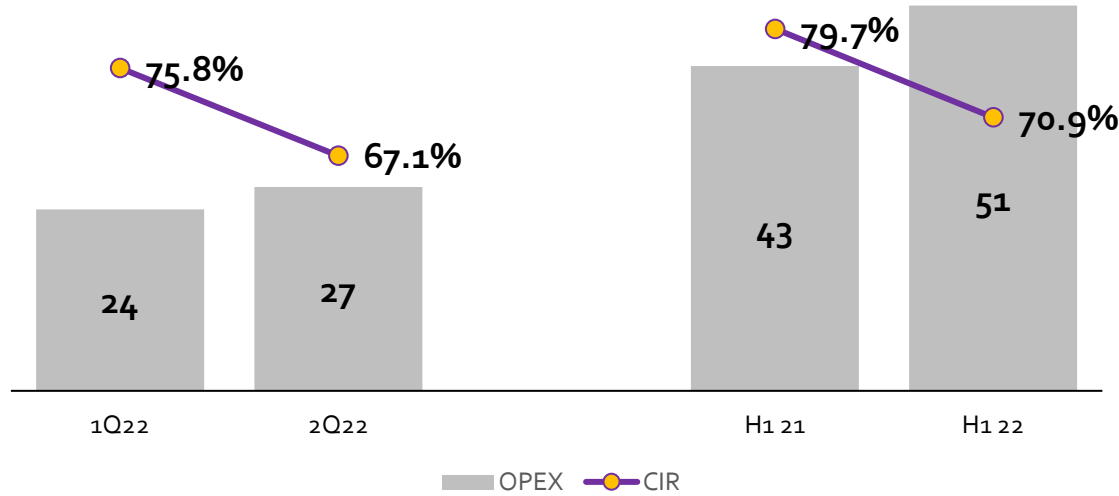


Customer Deposits (N'bn)



- Total deposits rose **4%** QoQ and **22%** YoY.
- Low-cost deposits now account for **73%** of our total deposits. Low-cost deposits grew by **13%** QoQ and **22%** YoY.
- Retail (Personal and SME Banking) deposits which now constitutes about **63%** of total deposits declined marginally by **0.4%** QoQ and grew **13%** YoY.



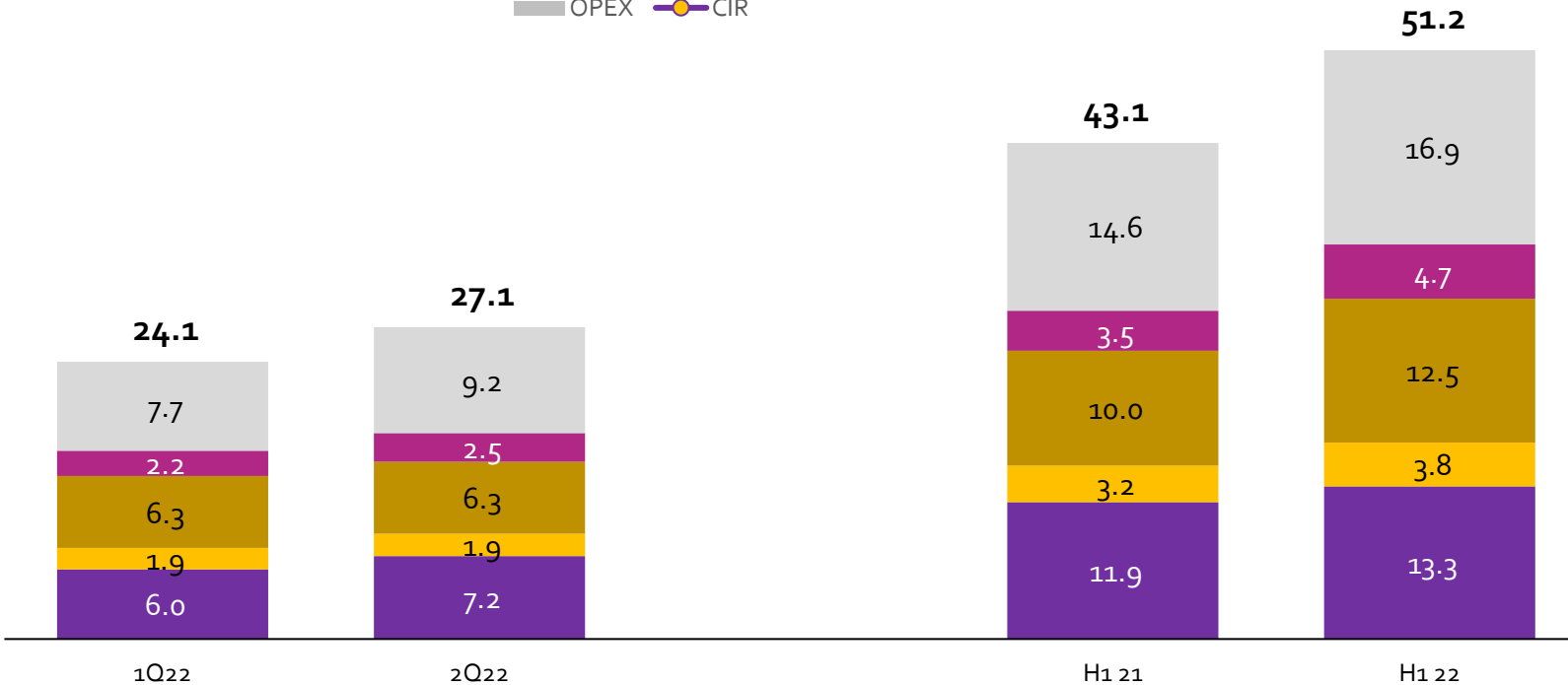


Analysis

- Operating expenses increased **13% QoQ** and **19% YoY** due to increase in regulatory and technology enhancement costs, coupled with the double-digit inflationary environment and currency devaluation.
- Regulatory costs (NDIC & AMCON) grew YoY as a result growth in balance sheet size and deposit liabilities. However, flat QoQ.
- Technology costs grew **35% YoY** and accounted for **9%** of OPEX in HY22 majorly driven by increased investment in IT technology and currency devaluation impact.

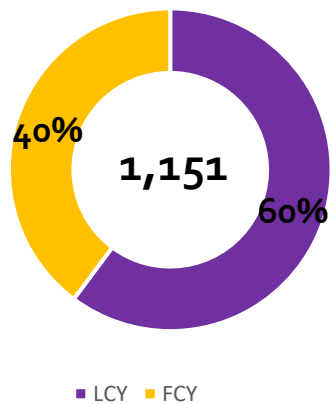
Reduction Plans

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

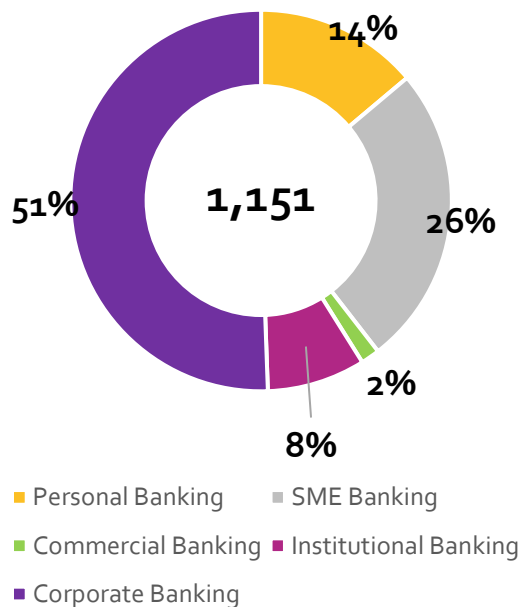


Diversified Loan Portfolio: *SME gained 1% QoQ share of total portfolio driven by growth in Digital loan Product (25% as at 1Q22). 22% growth YoY was largely from Commerce, Individual, Agriculture and Manufacturing.*

By Currency



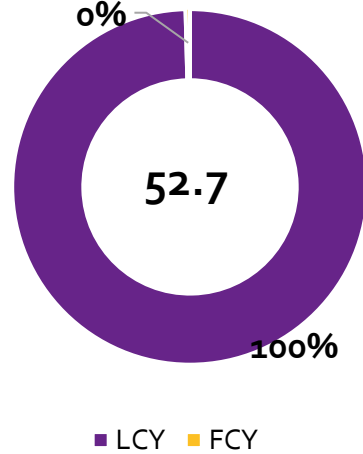
By Business Segment



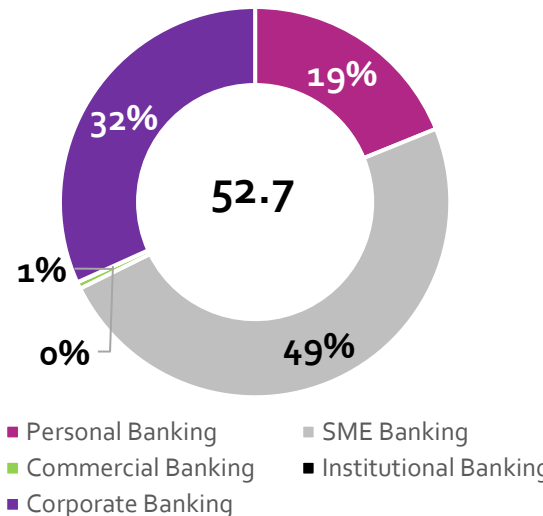
Industry Sector	Jun. 21	Sep. 21	Dec. 21	Mar. 22	Jun. 22	% Distr.
Agriculture	53,564	53,305	78,907	89,230	87,926	7.6%
Commerce	72,650	102,719	132,272	145,684	141,658	12.3%
Construction	1,545	1,554	1,629	2,309	1,788	0.2%
Education	3,108	5,308	6,220	5,626	6,113	0.5%
Finance & Insurance	73,564	87,755	83,108	83,870	84,502	7.3%
General – Others	13,419	14,169	12,876	18,038	16,572	1.4%
Government	26,342	28,691	28,441	16,315	25,019	2.2%
Individual – Bank	125,922	135,270	143,057	148,720	157,311	13.7%
Individual – Microfinance	3,096	3,347	3,030	2,757	3,135	0.3%
Information & Communications	18,258	15,215	13,531	11,582	15,446	1.3%
Manufacturing	110,411	99,500	113,925	123,605	123,884	10.8%
Oil & Gas-Downstream	71,897	67,175	81,935	86,640	81,213	7.1%
Oil & Gas-Upstream	144,153	146,295	148,710	144,684	159,477	13.9%
Oil & Gas Services	50,009	50,976	52,358	54,081	55,527	4.8%
Power & Energy	65,143	65,332	64,228	65,072	60,368	5.2%
Professional Services	3,245	3,647	3,982	7,318	6,495	0.6%
Real Estate	101,452	101,741	112,437	111,646	111,128	9.7%
Transportation & Logistics	5,200	7,174	6,870	9,352	13,469	1.2%
Total	942,978	989,173	1,087,517	1,126,531	1,151,031	100%

Non-Performing Loans: 7.3% QoQ growth in NPL is largely driven by deterioration in the Retail sectors and Commerce.

By Currency



By Business Segment

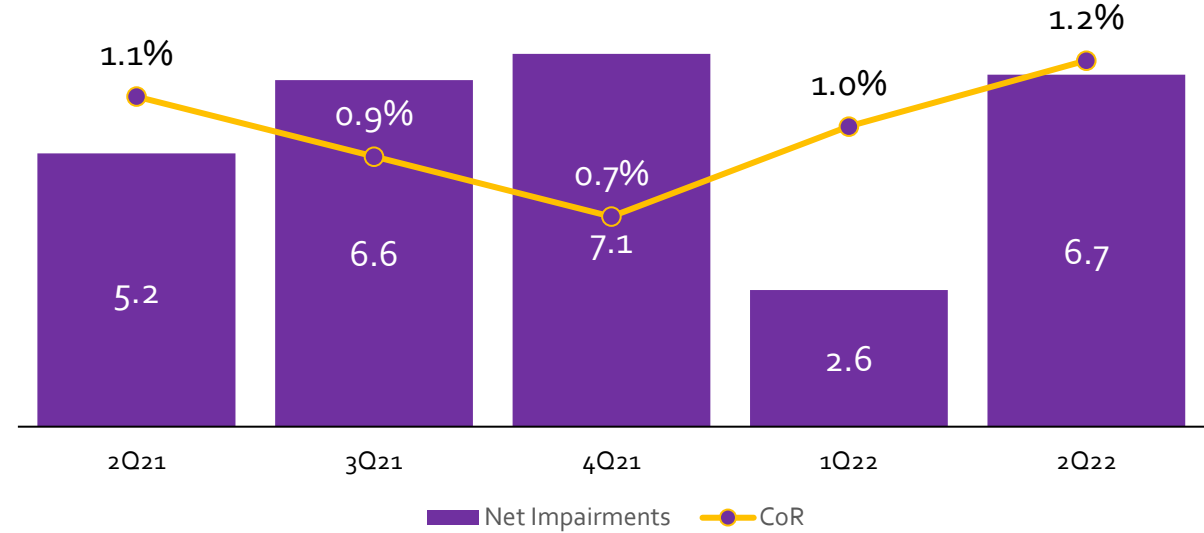


By Sector	June. 2021		Mar. 2022		June. 2022	
	NPL	NPL%	NPL	NPL%	NPL	NPL%
Agriculture	1,003.25	1.9%	809.04	0.8%	639.09	0.7%
Commerce	4,966.11	6.2%	5,287.50	3.9%	6,027.57	4.3%
Construction	0.00	0.0%	0.00	0.0%	6.93	0.4%
Education	83.49	2.7%	187.39	3.3%	257.99	4.2%
Finance & Insurance	50.36	0.1%	8.57	0.0%	9.71	0.0%
General – Others	455.08	3.4%	184.06	1.6%	334.23	2.0%
Government	0.05	0.0%	1.73	0.0%	0.00	0.0%
Individual – Bank	6,482.17	5.1%	6,532.26	2.9%	10,093.92	6.4%
Individual – Microfinance	105.56	3.4%	-	0.0%	-	0.0%
Information & Communications	1,580.74	8.8%	-	0.0%	0.45	0.0%
Manufacturing	242.64	0.2%	12,108.09	9.8%	11,826.31	9.5%
Oil & Gas – Downstream	6,003.16	8.8%	4,954.87	7.3%	4,702.76	5.8%
Oil & Gas – Upstream	1,126.41	0.8%	-	0.0%	-	0.0%
Oil & Gas Services	38.92	0.1%	11,241.87	20.8%	11,238.31	20.2%
Power & Energy	-	0.0%	-	0.0%	-	0.0%
Professional Services	6.72	0.4%	29.78	1.7%	39.30	0.6%
Real Estate	6,277.86	6.2%	7,711.27	7.1%	7,473.19	6.7%
Transportation & Logistics	0.04	0.0%	8.21	0.1%	14.39	0.1%
Total	28,422.6	3.3%	49,064.7	4.4%	52,664.17	4.6%

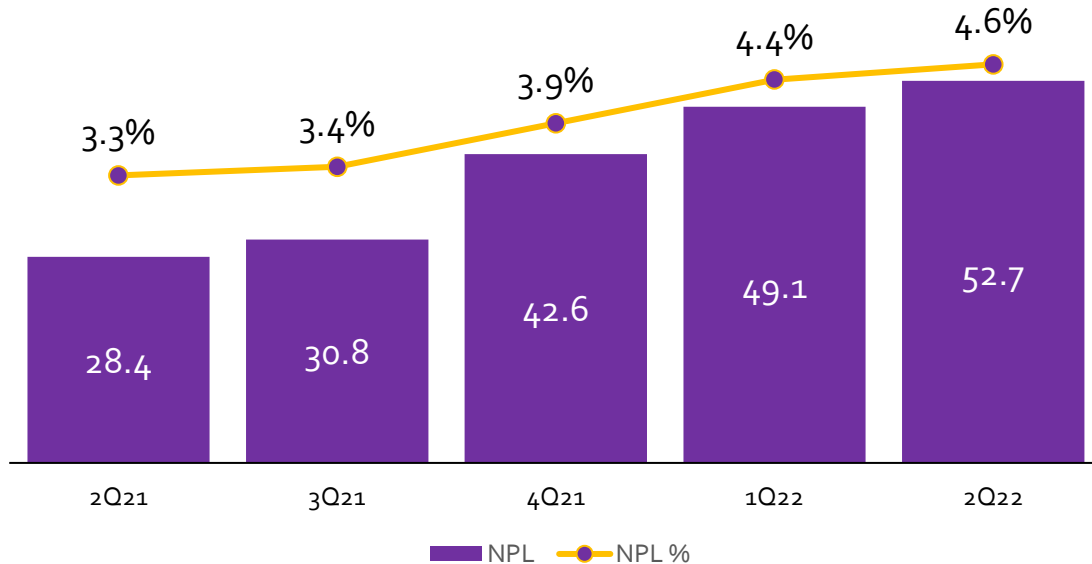
NPL ratio, net Impairment charge and COR deteriorated QoQ

- Net Impairments on Loans grew by 28.9% YoY while CoR grew by 18% due to growth in the Loan Book.
- 7.3 % QoQ growth in NPL is largely driven by deterioration in the Retail sectors and Commerce.
- Accumulated Impairments grew by 10% QoQ while NPL coverage grew to 108%.

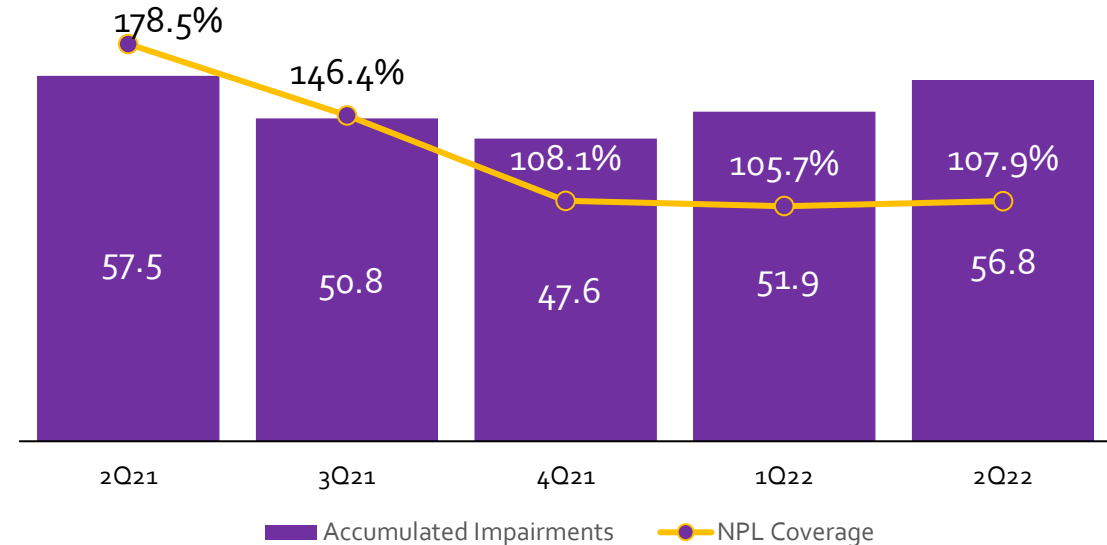
Net impairment charges on loans (NIB) & Cost-of-risk



NPL (NIB) & NPL Ratio



Accumulated Impairments (NIB) & NPL Coverage





Group Performance Review: Consumer Finance

Mr. Akinwande Ademosu: Managing Director - CDL



- Loan book expanded by 8% YoY to N25.7 billion in Q2 2022.
- PBT for our consumer finance business (CDL) grew 3% QoQ and 43% YoY to N2.1 billion. YoY growth was sustained by a growth in NII.
- Net Interest Income grew by 6% QoQ and 5% YoY.
- Non-Interest Income grew by 3% QoQ and 19% YoY attributed to a growth in fees and commissions.
- Operating expenses grew marginally by 3% QoQ and 1% YoY.
- In terms of asset quality, the business recorded a 26% increase in net impairment QoQ however, declined by 35% YoY supported by our robust risk management framework.
- Today our digital channels account for 31% of global sales, up 55% from Q2 2021.

N'm	1Q22	2Q22	%Δ QoQ	H1 21	H1 22	%Δ YoY
Revenue	2,678	2,825	5%	5,174	5,503	6%
Interest Income	3,110	3,288	6%	5,622	6,398	14%
Interest Expense	(638)	(676)	-6%	(800)	(1,314)	-64%
Net Interest Income	2,472	2,612	6%	4,822	5,084	5%
Non-Interest Income	206	213	3%	352	419	19%
- Net Fees & Commissions	90	111	23%	102	201	97%
- Others	116	102	-12%	250	218	-13%
Operating Income	2,678	2,825	5%	5,174	5,503	6%
Operating Expenses	(1,350)	(1,391)	-3%	2,711	2,741	-1%
Net impairment loss on financial assets	(280)	(354)	-26%	(970)	(634)	-35%
PBT	1,048	1,080	3%	1,493	2,128	43%
PAT	702	723	3%	1,000	1,426	43%

Performance Index		1Q22	2Q22	%Δ QoQ	H1 21	H1 22	%Δ YoY
Operating	Return on Average Equity	32%	31%	-3%	23%	31%	35%
	Return on Average Assets	9%	9%	0%	7%	9%	29%
	Loan/Deposit Ratio	132%	128%	-3%	140%	131%	-6%
	Loan/Funding Ratio	132%	128%	-3%	140%	131%	-6%
	Cost/Income Ratio	47%	46%	-2%	50%	47%	-6%
	Net Interest Margin	40%	41%	2%	40%	44%	10%
	NPL/Total Loans	8%	8%	0%	13%	8%	-38%
	Coverage Ratio	101%	102%	1%	119%	102%	-14%
	NII/Operating Income	8%	8%	0%	7%	8%	14%
	Financial Leverage	1.4%	1.4%	0%	1.5%	1.4%	-7%
	Cost of Risk	4%	5%	25%	4%	4%	0%
	Cost of funds	14%	15%	7%	9%	14%	56%
	Capital & Liquidity	Capital Adequacy Ratio	30%	32%	7%	31%	32%
Liquidity Ratio		123%	126%	2%	127%	126%	-1%
Others	Opex (N'B)	1,350	1,391	3%	2,711	2,741	1%
	Risk Assets (net) (N'B)	26,838	29,099	8%	27,261	29,099	7%

- Maintained strong profitability ratios for 2Q 2022 as RoAE grew by 35% from 1H21.

- In terms of asset quality, NPL/Total Loans ratio also improved, dropping by 38% YoY.

- The business continues to maintain good liquidity and capital buffers.

FCMB

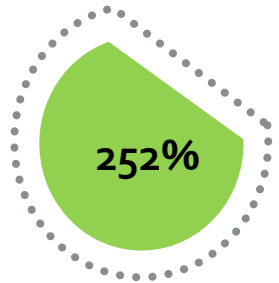


Group Performance Review: Investment Banking

Mr. Femi Badeji: Executive Director FCMB Group Plc

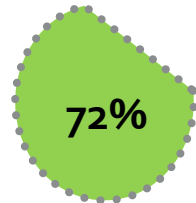


Profit before Tax
N650 million



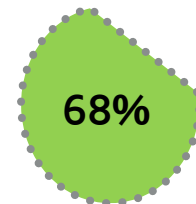
H1 21: N185 million

Gross Earnings
N1,568 million



H1 21: N912 million

Non-Interest Income
N1,420 million



H1 21: N846 million

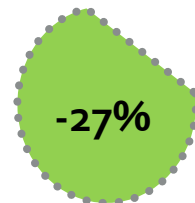
Operating Expenses
N917 million



H1 21: N727 million

CIR

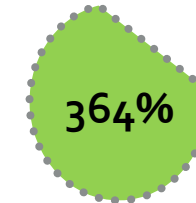
58%



H1 21: 80%

Return on Average Equity

23%



H1 21: 5%

- PBT for the investment banking business declined by 45% QoQ and grew 251% YoY. The YoY growth was driven by increased capital markets activity during the period which led to an increase in Financial Advisory Fees as well as improvements in brokerage commissions and trading income.
- The value of stockbroking trades grew 220% YoY from N9.4bn in 2Q21 to N30.1bn in 2Q22 contributing significantly to the 142% growth in Brokerage Commissions YoY. Trading income, which declined QoQ was driven by a decline in the proprietary trading portfolio in 2Q22. It however grew by 969% YoY.
- Operating Expenses increased 26% YoY on the back of business expansion costs incurred during the period. QoQ operating expenses grew marginally by 1%.
- CIR for the business improved significantly in H1 22 to 58% from the 80% recorded for the same period in 2021.

Investment Banking: H1 22 Financial Analysis

N'm	1Q22	2Q22	%Δ QoQ	H1 21	H1 22	%Δ YoY
Gross earnings	878	690	-21%	912	1,568	72%
Net Interest Income	62	86	39%	66	148	124%
Non-Interest Income	816	604	-26%	846	1,420	68%
Capital Raising/Advisory Fees	203	240	18%	272	443	63%
Brokerage Commissions	497	288	-42%	324	785	142%
Trading Income	123	47	-62%	16	171	969%
Other Income	(8)	19	338%	214	11	-95%
Operating Income	878	690	-21%	912	1,568	72%
Operating Expenses	(457)	(460)	1%	(727)	(917)	26%
PBT	421	230	-45%	185	650	252%
PAT	309	156	-50%	123	466	279%
Key Ratios						
CIR	52%	67%	29%	80%	58%	-27%
Return on Average Equity	24%	15%	-38%	5%	23%	364%
Return on Average Assets	19%	10%	-47%	4%	15%	275%

FCMB



Group Performance Review: Investment Management

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

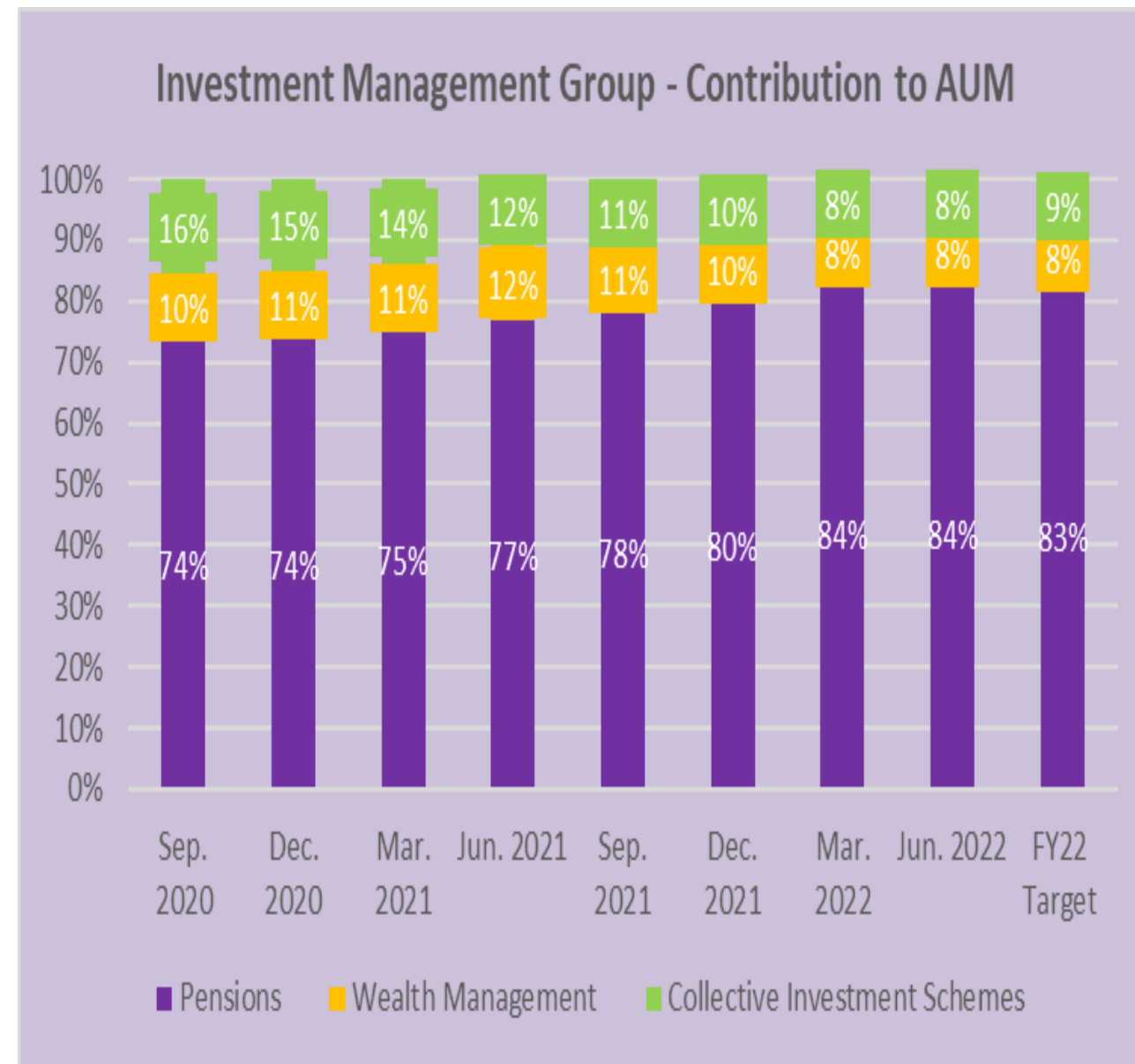


- Assets Under Management grew by 3% quarter-on-quarter and by 47% year-on-year, to N736 billion. The relatively large year-on-year growth shows the effect of consolidation of AllCO Pensions' AUM with that of FCMB's. Investment Income accounted for 52% of the 1H 2022 AUM increase, with the balance coming from Net Contribution from customers;
- Our Pensions business, contributed 84% of AUM in 2Q 2022, which was unchanged from the previous quarter but was higher than the 77% contribution recorded in 2Q 2021;
- The number of Retirement Savings Accounts grew by 1.7% in 1H 2022, to 724,690. Also, Registrations via our digital Platform accounted for 60% of the 1H 2022 increase in the number of RSAs;
- We were net recipients of funds from the transfer window in 1H 2022, with a net inflow of N1.27 billion;
- PBT increased by 48% quarter-on-quarter and by 42% year-on-year, reflecting the full 2Q 2022 impact from the consolidation of AllCO's accounts. In addition, Cost-to-Income Ratio fell from 54% to 50% q/q, as benefits from cost synergies from the AllCO acquisition began to impact performance.

N'm	1Q22	2Q22	%Δ QoQ	H1 21	H1 22	%Δ YoY
Gross earnings	1,592	2,163	36%	2,469	3,565	44%
Net Interest Income	77	46	-40%	75	169	125%
Non-Interest Income	1,515	2,117	40%	2,395	3,396	42%
-Advisory Fees	20	31	55%	54	51	-6%
- Brokerage Commission	5	46	820%	22	52	136%
-Asset Management Fees	1,485	2,009	35%	2,285	3,238	42%
-Others	4	31	675%	34	55	62%
Operating Income	1,592	2,163	36%	2,469	3,565	44%
Operating Expenses	(865)	(1,089)	26%	(1,273)	(1,868)	47%
Net gains/(losses) from fin. instruments at fair value	-	-	-	-	-	-
PBT	726	1,074	48%	1,196	1,697	42%
PAT	512	771	51%	846	1,268	50%
AUM	712,669	736,366	3%	499,980	736,366	47%
ROAE	24%	36%	50%	29%	30%	3%
CIR	54%	50%	-7%	52%	52%	0%

Our primary goals for the rest of the year are :

- AIICO Pension integration:** The benefits in 1H 2022, from the AIICO Pension acquisition were reflected in AUM, Cost-savings and PBT. AUM grew by N9 billion (in addition to N154 billion inherited from 2021), Cost-savings increased to N513 million from synergies, and PBT rose by an additional N630 million. We remain on track to achieve our full year targets of incremental AUM of N18 billion (so total AUM contribution from the AIICO acquisition would hit N172 billion, including the N154 billion from last year), Cost-savings of N1.1 billion, and additional PBT of N1.3 billion;
- Digital distribution:** The implementation of our digital distribution plan remains on track. AUM and Management fee from digital products grew by 41% q/q and by 144% q/q, at the end of June 2022. We expect the strong growth in AUM and Fee to continue in 2H 2022, as work on improving customer-experience on our platforms and strengthening collaboration with internal and external parties accelerate;
- Alternative Assets:** We plan to seek regulatory approval to launch our first Fund in Alternative Assets by September, with the aim of opening the Offer to investors in October. The minimum Fund size target, under Series 1, is N10 billion.





Outlook

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



We are revising our YoY PBT growth target from 25% to 40% driven by the following:

Increase in digital revenues by over 30% Year-on-Year from digital lending & payments. At our current run-rate digital revenues are projected to exceed N34 billion for FY22. A growth of over N8 billion from the N26.2 billion delivered in 2021.

Investment Management - Growth in AUM by 47% YoY and associated asset management fees, driven by our PFA acquisition and increased market share in the Pensions business.

Banking Group - Stronger profitability in H2 due to lower regulatory costs in Q4, as the Banking subsidiary conducts its annual 9M interim audit.

Investment Banking - Stronger H2 performance from our Capital Markets business based on our transaction pipeline.

Consumer Finance - Performance trajectory expected to be sustained in H2 2022.