

RESOLTE

First HoldCo Plc

Consolidated and Separate Financial Statements for Year Ended 31 December 2025

First HoldCo Plc.

Index to the consolidated and separate financial statements
for the year ended 31 December 2025

Note	Page	Note	Page
Directors and advisors	1	5 Significant accounting judgements, estimates and assumptions	128
Corporate Governance Report	2	6 Segment information	129
Director's report	36	7 Interest income	131
Directors responsibility for annual financial statements	43	8 Interest expense	131
Report of the Independent Consultants on the Annual Board	44	9 Impairment charge on financial instruments	131
Evaluation and Corporate Governance	44		
Statement of corporate responsibility for annual financial statements	45	10a Fee and commission income	132
Statement of compliance with NSE listing rule on Securities Trading Policy	46	10b Fee and commission expense	132
Report of the Audit Committee	47	11 Foreign exchange gain/(loss)	132
Report on the Effectiveness of Internal Control over Financial Reporting	48	12 Net gains/(losses) on sale of investment securities	132
Management Certification of Internal Control Assessment	49	13 Net (losses)/gains from financial instruments at FVTPL	132
Independent Auditors Limited Assurance Report	51	14 Dividend income	133
Report of the Independent Auditors	53	15 Other operating income	133
Separate and consolidated statement of profit or loss	61	16 Personnel expenses	133
Separate and consolidated statement of comprehensive income	62	17 Operating expenses	134
Separate and consolidated statement of financial position	63	18 Taxation - income tax expense and liability	134
Consolidated statement of changes in equity	64	19 Cash and balances with central banks	135
Separate statement of changes in equity	65	20 Cash and cash equivalents	135
Separate and Consolidated statement of cash flows	66	21 Loans and advances to banks	136
Notes to the separate and consolidated financial statements		22 Loans and advances to customers	136
1 General information	67	23 Financial assets and liabilities at fair value through profit or loss	139
2 Basis of Accounting	67	24 Investment Securities	140
2.1 Basis of measurement	67	25 Assets pledged as collateral	141
2.2 Changes in material accounting policy and disclosures	68	26 Other assets	142
2.3 Material accounting policies	69	27 Investment in associates	142
2.4 Segment reporting	72	28 Investment in subsidiaries	143
2.5 Common control transactions	72	29 Asset Held for Sale: Discontinued operations	147
2.6 Foreign currency translation	72	30 Property and equipment	149
2.7 Income taxation	73	31 Intangible assets	153
2.8 Inventories	74	32 Deferred tax assets and liabilities	155
2.9 Repossessed collateral	74	33 Deposits from banks	157
2.10 Financial assets and liabilities	74	34 Deposits from customers	157
2.11 Revenue recognition	80	35 Financial liabilities at amortized cost	158
2.12 Impairment of non-financial assets	81	36 Other liabilities	158
2.13 Discontinued operations	82	37 Borrowings	159
2.14 Collateral	82	38 Retirement benefit obligations	160
2.15 Leases	82	39 Share capital	163
2.16 Property and equipment	84	40 Share premium and reserves	163
2.17 Intangible assets	85	41 Non-controlling interests	163
2.18 Cash and cash equivalents	86	42 Cashflow workings	164
2.19 Employee benefits	86	43 Commitments and Contingencies	166
2.20 Provisions	87	44 Offsetting Financial Assets and Financial Liabilities	167
2.21 Fiduciary activities	87	45 Related party transactions	168
2.22 Issued debt and equity securities	87	46 Directors' emoluments	168
2.23 Share capital	87	47 Compliance with regulations	168
2.24 Financial guarantees	88	48 Events after statement of financial position date	169
3 Financial risk management	89	49 Dividends per share	169
3.1 Introduction and overview	89	50 Earnings per share	169
3.2 Credit risk	90	51 Non audit services	169
3.3 Liquidity risk	112	52 Comparative	169
3.4 Market risk	115	Other National Disclosures and Other Information	
3.5 Equity risk	121	Statement of value added	172
3.6 Fair value of financial assets and liabilities	122	Five year financial summary	174
4 Capital management	127		

First HoldCo Plc.

DIRECTORS AND ADVISORS

DIRECTORS

Olufemi Otedola, CON
Adebawale Oyediji
Abiodun Oluwole Fatade
Alimi Abdul-Razaq
Peter Aliogo
Kofo Dosekun
Dr. Julius B. Omodayo-Owotuga
Olusegun Alebiosu

Non-Executive Director (Group Chairman)
Group Managing Director
Non-Executive Director
Independent Non-Executive Director
Independent Non-Executive Director
Independent Non-Executive Director
Non-Executive Director
Non-Executive Director

GROUP COMPANY SECRETARY:

Abiola Baruwa

REGISTERED OFFICE:

Samuel Asabia House
35 Marina
Lagos

AUDITOR:

KPMG Professional Services
KPMG Tower, Bishop Aboyade Cole Street,
Victoria Island, Lagos
Telephone: +234 271 8955
Website: www.kpmg.com/ng

REGISTRAR:

Meristem Registrars & Probate Services Limited
213 Herbert Macaulay Way
Yaba
Lagos

BANKERS:

First Bank of Nigeria Limited
35 Marina
Lagos

Quest Merchant Bank Limited
2 Broad Street
Lagos

TAX IDENTIFICATION NUMBER:

15562790-0001

RC NUMBER:

916455

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

INTRODUCTION

First HoldCo Plc (“FirstHoldCo” / the “Company”) and its subsidiaries (the “Group”), remain resolute in upholding the highest standards of corporate governance. Guided by integrity, accountability, and transparency, the Group is committed to fostering sustainable growth while safeguarding the interests of all stakeholders. Our governance framework provides effective oversight, robust risk management, and compliance with applicable regulatory requirements across jurisdictions.

Through this commitment, FirstHoldCo continues to reinforce its position as a trusted financial institution by aligning strategic objectives with ethical conduct and creating long-term value for shareholders, employees, customers, and the communities it serves.

FirstHoldCo adheres to both local and international corporate governance standards. Our governance framework is aligned with key regulatory guidelines, including:

- The Nigerian Code of Corporate Governance 2018 issued by the Financial Reporting Council (FRC),
- The Corporate Governance Guidelines for Financial Holding Companies 2023 issued by The Central Bank of Nigeria (CBN),
- The Securities and Exchange Commission (SEC) Corporate Governance Guidelines 2020
- Corporate Governance Guidelines for Insurance and Reinsurance Companies in Nigeria, 2021 issued by the National Insurance Commission (NAICOM).

By conforming to these standards, the Group maintains a strong governance structure that reinforces transparency, accountability, and regulatory compliance across all subsidiaries.

Across the Group, the Boards function through specialized committees that provide focused oversight and guidance. FirstHoldCo’s subsidiary governance framework ensures an appropriate balance between Board autonomy at the operating company level and coordinated governance alignment across the Group. This structure supports effective decision-making, accountability, and consistency in advancing the Group’s strategic objectives.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

Promoting Diversity, Inclusion, and Governance

At FirstHoldCo, we are dedicated to promoting an inclusive and equitable environment that reflects the diverse communities we serve. Our policies and procedures promote equal opportunity, respect, and fairness, ensuring that diversity remains a core pillar of our corporate culture. We believe that embracing diversity strengthens decision-making, enhances innovation, and improves our ability to deliver sustainable value to clients and communities.

We actively recruit individuals with diverse backgrounds, experiences, and disciplines to drive innovation, enhance the quality of our products and services, and strengthen overall organisational performance. Our commitment to diversity extends beyond gender representation to include differences in perspectives, nationalities, religions, and socioeconomic backgrounds, fostering an inclusive culture across the Group.

Stakeholders and Regulatory Engagement

Our stakeholders, including customers, shareholders, employees, regulators, partners, vendors and communities, are integral to FirstHoldCo's success. They provide valuable insight, resources, and support that shape our operations and strategic direction.

The Board and Management maintain active engagement with stakeholders through multiple platforms, facilitating a two-way dialogue that incorporates external perspectives and addresses stakeholder concerns. Shareholder forums, Annual General Meetings, and other engagement channels remain central to sustaining transparency, accountability, and trust.

Our ongoing collaboration with regulators reinforces mutual confidence and ensures strict compliance with all applicable laws and regulatory requirements. We value stakeholder feedback as a critical input into our governance processes, recognising it as fundamental to the Group's long-term growth and resilience.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

Directors Appointment Philosophy

FirstHoldCo's Directors' appointment philosophy reflects its commitment to regulatory compliance, transparency, and adherence to global best practices. The appointment of Directors is guided by **requisite** Board charters to ensure that only candidates with the skills, competencies, diversity and experience required to advance the Group's strategic objectives, are appointed to the Board. The Board Remuneration, Nomination, and Governance Committee oversees the identification and evaluation of potential candidates, ensuring alignment with the Group's values and long-term priorities.

All appointments are subject to rigorous review by the Board and require approval from relevant regulatory authorities, as well as shareholders ratification at the Annual General Meeting (AGM). This structured process ensures that only the suitably qualified individuals are appointed, thereby strengthening governance oversight, and supporting sustainable success.

Board Changes

As of 31 December 2025, the Board consisted of eight Directors: four Non-Executive Directors, three Independent Non-Executive Directors, and the Group Managing Director. This composition aligns with global best practices, which encourages a majority of Non-Executive Directors relative to Executive Directors. All Directors bring professionalism, expertise, integrity, and independence of judgement to Board deliberations.

During the year, the only change to the Board was the voluntary retirement of the Executive Director, Chief Financial Officer, Samson Oyewale Ariyibi, effective 16 August 2025.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

LEADERSHIP

Peter Olufemi Otedola, CON

Group Chairman

Peter Olufemi Otedola, CON, was appointed Group Chairman of the Board of Directors of First HoldCo Plc on 31 January 2024. He is a visionary entrepreneur with a history of pioneering businesses and growing and transforming corporations.

His first foray into the downstream sector of the oil and gas industry began with Zenon Petroleum and Gas Limited, disrupting and redefining standards in the industry. He thereafter initiated the purchase of a majority shareholding in the then African Petroleum Plc in May 2007 and became the Chairman of the Board on 25 May 2007. His vision transformed African Petroleum Plc into Forte Oil Plc (FO Plc). The Company grew in leaps and bounds to become a model of the possibilities inherent in Nigeria, winning numerous accolades in recognition of the successful business turnaround, diversified portfolio, prompt financial reporting, strong corporate governance, and position as an investment of choice within the oil and gas industry.

In December 2018, he divested from the Company by selling his shareholding to the Ignite Consortium led by Prudent Energy Services Limited and handed over in June 2019 after completing the transaction. The divestment from Forte Oil Plc and the incorporation of Amperion Power Distribution Company Limited, the Special Purpose Vehicle (SPV) for the acquisition of controlling shares in Geregu Power Plc, provided ample opportunity to focus on the power sector during his tenure as the Company's Chairman. This demonstrates his long-term interest in the Power sector dating back to 2007, when he made a strategic decision to participate in the Privatisation Programme of the Nigerian Government. Olufemi's doggedness culminated in the acquisition of a majority stake in the 414MW Geregu Power Plant by Amperion Power Distribution Company Limited in August 2013 (a plant which has since been overhauled and improved to a 435MW capacity), contributing approximately 9% of the generating capacity available to the National Grid and becoming the first power generation company to be listed on the Nigerian Exchange Limited.

His investments span multiple sectors, including storage, shipping, insurance brokerage, port agencies, and petroleum retail outlets. He has built a formidable, value-driven presence along the downstream value chain. Olufemi has rich experience in corporate boards, having held several board memberships, including President of the Nigerian Chamber of Shipping. He also served as the Chairman of Transcorp Hilton Hotel, Abuja.

He was appointed a member of the Governing Council of the Nigerian Investment Promotion Council (NIPC) in January 2004. In December of the same year, he became a member of the Committee saddled with the task of fostering business relationships between the Nigerian and South African Private sectors. He was also

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

a member of the National Economic Management Team, chaired by Former President Goodluck Jonathan, from September 2011 to May 2015, and the Honorary International Investors Council, chaired by Baroness Lynda Chalker. He is currently a member of the revered National Peace Committee. Olufemi has received several awards and recognitions for his immense contributions to the growth of the Nigerian economy, including the conferment of the prestigious National Honour – “Commander of the Order of the Niger (CON)” by former President Goodluck Jonathan in May 2010.

Olufemi is a philanthropist with deep involvement in educational causes at all levels via the Sir Michael Otedola Scholarship Awards Foundation and demonstrates his passion for his immediate and extended communities by committing significant financial resources to the sponsorship of promising but financially disadvantaged students. He is the current Chancellor of Augustine University in Ilara, Epe, Lagos State. Olufemi is the Vice President of “Save the Children,” a UK-based charity group, and his invitation to the Group bears testament to his impact through the generous donation of N5bn to Save the Children’s cause in Nigeria. He is an accomplished family man, happily married and blessed with children.

Dr (Sir) Peter Aliogo

Independent Non-Executive Director

Dr (Sir) Peter Aliogo was appointed to the Board of Directors of First HoldCo Plc on 30 April 2021. He brings to the Board extensive experience spanning over three decades across, banking, financial management, hospitality, manufacturing, real estate, and insurance. Prior to joining the Board of FirstHoldCo Plc, he served as Regional Executive at Southeast Bank, Deputy General Manager at Union Bank of Nigeria Plc, and Executive Director and Acting Managing Director at Manny Bank Plc.

Dr (Sir) Aliogo has also served as a lecturer to MBA students at ESUT Business School, Enugu. He is an Associate of the Chartered Insurance Institute of London and the Chartered Insurance Institute of Nigeria (ACII, ACIIN). He is also an Associate of the Nigerian Council of Registered Insurance Brokers (ANCRIB). He holds a PhD in Business Administration from the International School of Management, Paris, France.

He also holds a Higher National Diploma (HND) in Business Administration (Marketing) and a Master of Business Administration (Banking and Finance) from Auchi Polytechnic and Rivers State University of Science and Technology, respectively.

He has attended several professional programmes at Lagos Business School, Nigeria; Harvard Business School, Boston, USA; Wharton Business School, Philadelphia, USA; Fudan University, Shanghai, China; and Stanford Graduate School of Business, Stanford, California, USA.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

Dr (Sir) Aliogo is the Chairman/CEO of Dorchester International Insurance Brokers Limited and Ban Kapital Plc, a banking and finance relationship management consultancy.

Kofo Dosekun

Independent Non-Executive Director

Kofo Dosekun joined the Board of Directors of First HoldCo Plc on 30 April 2021. She is a Barrister and Solicitor of the Supreme Court of Nigeria and a member of the International Bar Association. Kofo is currently Of Counsel of Aluko and Oyeboode, having previously served as the Chairman of the Management Board and Head of the Corporate and Commercial Group. She brings deep knowledge and experience in Banking and Finance to the Board. Her expertise includes project finance, cross-border and local syndicated lending, private equity, energy, public-private partnerships, structured trade finance and other commercial transactions. She also advises on risk mitigation, financial regulatory compliance, foreign investment and derivatives, mergers and acquisitions and restructurings in the energy, manufacturing, and telecommunications sectors.

Kofo's expertise in project finance, mergers and acquisitions has been recognised by prestigious legal directories. The Legal 500 (2025) inducted her into the Legal 500 Hall of Fame as the first and only female lawyer in the banking, finance, and capital markets practice. She has been consistently ranked Band 1 in Banking and Finance, Corporate Commercial and Energy and Natural Resources by Chambers Global. She has also been recognised as a standout lawyer in banking by Who's Who Legal. IFLR1000 (2025) ranks her as a Market and Women Leader in Energy and Infrastructure, Banking, Project Development, and Merger and Acquisition. She is a member of the International Bar Association.

Kofo's experience, which spans over three decades, began as a Legal Officer at the Nigerian Institute of International Affairs. She subsequently served as an Associate at Debo Akande & Co. (Barristers & Solicitors); Company Secretary/Legal Adviser at Nigerian International Bank (an affiliate of Citibank, N.A., now Citibank Nigeria); and Assistant General Manager, Corporate Finance and Financial Institutions, Credit and Marketing. She holds an LL.B. (Honours) from the University of Ife, Nigeria and an LL.M. from King's College London, UK.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

Wale Oyedeji

Group Managing Director

Wale Oyedeji was appointed Group Managing Director (GMD) of First HoldCo Plc, effective 13 November 2024. He is a consummate professional and charismatic leader whose distinguished career spans over 30 years, with expertise in Audit, Corporate Banking, Treasury Management, Commercial Banking and Strategic Financial Planning.

Wale has an exemplary track record of delivering revenue objectives, driving business transformation, improving staff productivity through people management and enterprise risk control, and promoting sound leadership in top-tier Nigerian and international banks. As an accomplished C-suite executive, he has consistently delivered exceptional results, including revenue growth, operational efficiency, business transformation and people development. He is deeply committed to enhancing customer experience while maintaining the highest standards of governance and regulatory compliance.

Prior to his appointment as Group Managing Director (GMD) of FirstHoldCo, Wale served as Managing Director/Chief Executive Officer (MD/CEO) of Nova Commercial Bank, where he spearheaded the conversion of Nova from a merchant bank to a commercial bank. He also developed the Bank's strategic roadmap to align operational objectives with growth targets.

He started his career at Ernst & Young as an accountant and later joined Guaranty Trust Bank in 1994, where he rose through the ranks to becoming Managing Director of Guaranty Trust Bank UK in 2008. He was subsequently appointed to the Board of Guaranty Trust Bank Plc in October 2011, serving as Executive Director for the Corporate Banking Group and contributing significantly to the growth and transformation of the Business. Wale also served as an Independent Non-Executive Director on the boards of various organisations, including Investment One Financial Services Limited and Stanbic IBTC Bank. In furtherance of his interest in the health and education sectors, he serves on the Boards of Duchess International Hospital and Atlantic Hall School.

Wale holds a Bachelor of Science degree in Agricultural Economics from the University of Ibadan and a Master of Science degree in Financial Economics from the University of London. He is a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN), an Honorary Member of the Chartered Institute of Bankers of Nigeria, and an alumnus of the Advanced Management Programme at Harvard Business School in the United States of. He has also attended various local and international training courses. In his leisure time, Wale enjoys reading, playing squash, and following football (Arsenal FC). He is happily married with children.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

Dr Abiodun Fatade

Non-Executive Director

Dr Abiodun Fatade was appointed to the Board of Directors of First HoldCo Plc on 30 April 2021. He is a renowned radiologist and medical practitioner with over three decades of experience in the healthcare industry. He is the MD/CEO of Crestview Radiology Limited, a leading radio-diagnostic group in Nigeria.

In addition to his work in private practice, Dr Fatade has accumulated extensive experience collaborating with both Federal and State governments across several public-private partnerships. He served as a board member of the Gulf Bank of Nigeria and on various board committees. A distinguished graduate of the College of Medicine, University of Lagos, Nigeria, he proceeded to the University College Hospital, Ibadan, Nigeria and subsequently to the Toronto Hospital, Canada, for postgraduate studies and training. He is a Fellow of the National Postgraduate Medical College of Nigeria (Radiology) and a Member of the Nigerian Medical Association, the American College of Radiology, the American Association for Physician Leadership and the Radiological Society of North America (RSNA).

Notably, he serves on various international committees of these organisations, including the RSNA Committee for Africa and Asia and the Committee for the Advancement of MRI Education and Research in Africa (CAMERA). He is a former Secretary of the Association of Radiologists of West Africa and the West African Medical Ultrasound Society, and a past Chairman of the Association of Radiologists in Nigeria (ARIN), Lagos State.

Dr Fatade is an astute healthcare entrepreneur and an alumnus of the Healthcare Leadership Academy and the Radiology Business Management Association. He received the National Postgraduate Medical College of Nigeria Award for Outstanding Contributions to the Development of Radiology in Nigeria.

He is a Founding Director of the Medical Artificial Intelligence Laboratory, Africa (MAI LAB). Dr Fatade has attended various leadership and management programmes, both locally and internationally, including:

- Board oversight of ESG sustainability and reporting for long-term value creation.
- Understanding and interpreting financial statements for non-finance directors.
- Compensation committee: new challenges and solutions.
- Deepening effective governance and board oversight.
- The future of the board governance, reporting, supervising and risk management in a disruptive era.
- Digital currencies.
- Making the corporate board more effective.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

Olusegun Alebiosu

Non-Executive Director

Olusegun Alebiosu was appointed Chief Executive Officer, First Bank of Nigeria Limited (FirstBank Group) in June 2024. Prior to this appointment, he served as Executive Director, Chief Risk Officer, and Executive Compliance Officer from January 2022. Before then, he was the Group Executive/Chief Risk Officer.

With over 28 years of experience in the banking and financial services industry, Segun brings extensive cross-functional expertise spanning Credit Risk Management, Financial Planning and Control, Credit and Marketing, Trade Finance, Corporate and Commercial Banking, Agriculture Financing, Oil and Gas, Transportation (including Aviation and Shipping), and Project Financing.

He commenced his professional career in 1991 with Oceanic Bank Plc (now Ecobank Plc). Prior to joining FirstBank in 2016, he served as Chief Risk Officer at Coronation Merchant Bank Limited, Chief Credit Risk Officer at the African Development Bank Group, and Group Head, Credit Policy, and Deputy Chief Credit Risk Officer at United Bank for Africa Plc.

Segun is an alumnus of Harvard Business School and Harvard Kennedy School. He holds a Bachelor's degree in Industrial Relations and Personnel Management and a Master's degree in International Law and Diplomacy from the University of Lagos. He also holds a Master's degree in Development Studies from the London School of Economics and Political Science and completed the Advanced Management Programme (AMP) at Harvard Business School.

He is a Fellow of the Institute of Chartered Accountants, an Associate of the Nigeria Institute of Management, a member of the Chartered Institute of Bankers of Nigeria, and a member of the Nigeria Institute of International Affairs. Segun is a golfer and an adventurer. He is happily married with children.

Dr. Julius B Omodayo-Owotuga, FCA, CFA

Dr. Julius B. (JB) Omodayo-Owotuga is a seasoned executive with a wealth of experience across the oil and gas sector, banking and financial services, and the audit and consulting industry. He was appointed to the Board of First HoldCo Plc on 22 December 2021. He currently serves as the Group Executive Director & Deputy Chief Executive of Geregu Power Plc, subsidiary of Amperion Power-a holding company focused on the acquisition, operations, and management of Power assets in Africa. He has held this strategic role since 2019, where he oversees critical functions including finance, risk management, treasury, information technology and general administration across the Group.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

Prior to his role at Geregu Power, JB was at Nigeria's leading oil and gas company, Forte Oil Plc (now Ardova Plc), as Group Executive Director, Finance and Risk Management, between 2011 and 2019. In this role, he played a pivotal role in transforming Forte Oil Plc into a dynamic, multi-million-dollar profit-generating enterprise. He also spearheaded the Company's debt capital raise, acquisition, and divestment initiatives. Prior to this, he was at the Africa Finance Corporation (AFC) as the Corporation's Asset and Liability Management Specialist and the deputy to the Treasurer. Before this, he was the corporation's finance Manager responsible for the setup of the financial operation and control functions as a pioneer staff. His key accomplishments at the Pan-African multilateral development finance institution include generating an annual income of tens of millions of US Dollars, facilitating the successful closure of several trade line deals and short-term funding to the tune of several millions of US Dollars.

JB joined the AFC in 2007 from Standard Chartered Bank Nigeria (SCBN) Limited, where he was a manager within the finance group. Before joining SCBN, he was at KPMG Professional Services, as an Audit Senior. As an Audit Senior at KPMG, he led numerous assurance engagements within the financial services industry. He joined KPMG in 2003 from MBC International Bank (now First Bank of Nigeria), where he worked in the foreign operations department.

JB is an alumnus of University of Oxford's Said Business School, UK, IE Business School, Spain, Geneva Business School, Switzerland and the University of Lagos, Nigeria. He holds a B.Sc. in Accounting and earned a master's in business administration (with Distinction) and a doctorate in business administration. He is a CFA Charter Holder, a Chartered Management Accountant and a Fellow of The Institute of Chartered Accountants of Nigeria, the Chartered Institute of Taxation of Nigeria, and the Institute of Credit Administration. Additionally, he is a member of the Institute of Directors (IoD) of Nigeria. JB is married with children and enjoys playing tennis, mentoring professionals, and watching soccer in his leisure time.

Dr Alimi Abdul-Razaq

Independent Non-Executive Director

Dr Alimi Abdul-Razaq was appointed to the Board of Directors of First HoldCo Plc on 30 April 2021. He brings to the Board a wealth of experience as both a legal expert and a regulator, with over 45 years of post-call practice. He is the Managing Partner at A. AbdulRazaq (SAN) & Co. (Legal Practitioners & Notaries Public). Dr AbdulRazaq earned his Law degree from Ahmadu Bello University, Zaria, Nigeria, and furthered his education with an LL.M. and PhD from the University of Hull, UK. He is a respected member of the International Bar Association and the Nigerian Bar Association and holds a Fellowship of the Chartered

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

Institute of Arbitrators, Nigeria. Additionally, he is an elected member of the Royal Institute of International Affairs, London, and a distinguished member of the Body of Benchers, Nigeria.

His extensive career includes serving as Commissioner of Legal Licensing and Enforcement at the Nigerian Electricity Regulatory Commission (NERC), Chairman of the National Iron Ore Mining Company, Itakpe, and a member of the National Council on Privatisation. He is also the Founder and Chairman of Bridge House College, Ikoyi, Lagos State.

Dr Abdul-Razaq attended executive leadership programmes at Harvard Business School, IESE Barcelona, University of Florida, Georgetown University, Washington, DC, and Lagos Business School. He is the pioneer recipient of the Alumni Laureate Award from the University of Hull, UK, recognizing his contributions to legal scholarship and educational endowments. Additionally, he was honored in 2003 as the Outstanding Alumnus of St. Gregory's College, Obalende, Lagos. He holds the prestigious traditional title of Mutawali of Ilorin. Outside of his professional commitments, he is a dedicated family man, an avid art collector, and enjoys reading and swimming.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

EFFECTIVENESS

Board Effectiveness

An effective Board provides ethical leadership, fosters a well-defined culture and values, and demonstrates adaptability as it navigates the complexities and risks of today's rapidly evolving business environment. To ensure success, the Board sets strategic direction across diverse structures, markets, and geographies; monitors the Company's risk profile; and evaluates executive performance while maintaining accountability to stakeholders.

The Board's efficiency is underpinned by three key factors:

1. The composition and breadth of experience of its members.
2. Ongoing training and development to strengthen governance capacity; and
3. An annual independent evaluation conducted by a consulting firm to ensure continuous improvement.

Guiding Principles on Composition

To effectively fulfil its responsibilities, the Board appoints individuals who not only demonstrate exceptional business acumen but also possess a comprehensive understanding of the industry, gained through diverse experiences. The Board is composed of highly knowledgeable and well-rounded professionals, each bringing a wealth of expertise from diverse backgrounds. This diversity empowers the Board to adopt and implement relevant governance codes, ensure appropriate delegation of authority, optimize resource allocation, and strengthen performance monitoring, all with the overarching goal of enhancing stakeholder value.

The independence of the Board is further reinforced by its composition: Non-Executive Directors and Independent Non-Executive Directors mainly dominate the Board with only one (1) Executive Directors, underscoring the Board's autonomy from the Company's Management and ensuring robust oversight.

Training of Directors

In 2025, Directors participated in executive education programmes to refine their decision-making and leadership skills. The Board approved an annual training plan, with the Company Secretariat responsible for its implementation. This reflects the Company's dedication to ongoing development and enhancement of capability at the Board level.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2025**2025 Board Training Attended**

S/N	NAME	COURSE	INSTITUTION/LOCATION	DATE
1	All Directors	Digital Currencies	First Holdco/ H. Pierson & Associates	30 April 2025
2	Dr Abiodun Fatade	Making Corporate Boards More Effective	Harvard Business School	12–15 November 2025
3	Dr (Sir) Peter Aliogo	Harnessing AI for Breakthrough Innovation and Strategic Impact Program	Stanford Graduate School of Business	27 July -1 August 2025
4.	Wale Oyedeki	Designing and Executing Corporate Revitalization	Harvard Business School	30 November – 5 December 2025

Board Appraisal

The Board of a public company is required by regulations to conduct an annual appraisal of its performance and that of its Committees, the Chairman, and individual Directors. The Board engaged Deloitte & Touche (Deloitte) to evaluate the Board of Directors and review the Company's corporate governance processes for the year ended 31 December 2025. The Board appraisal covered the Board's structure and composition, processes, relationships, competencies, roles, and responsibilities. The corporate governance evaluation assessed the governance structures and practices, including oversight of the Company's performance, surveillance of the ethical climate within the Company, risk management, corporate compliance, internal controls, financial reporting, and stakeholder engagement.

Deloitte concluded that FirstHoldCo's corporate governance practices complied with the key provisions of the Corporate Governance Guidelines of the Central Bank of Nigeria, the Nigerian Code of Corporate Governance, and the Securities and Exchange Commission's guidelines. They developed specific recommendations for further improvement of governance practices and presented them to the Board in a detailed report. Please refer to the summary of the Deloitte report.

Access to Independent Professional Advice

To enhance its effectiveness, the Board may, at the Company's expense, seek advice and assistance from independent professional advisers or external experts. This option was exercised on several occasions during the year, enabling the Board to benefit from specialized insights and ensure that their decisions are informed by best-practice perspectives and industry expertise.

Board Responsibilities

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

The Board's primary mission is to create and sustain long-term shareholder value. It sets policy and strategic direction, supervises implementation, and ensures that Management achieves both short and long-term objectives with appropriate prioritization. In establishing and monitoring strategy, the Board considers the impact of its decisions on regulators, employees, suppliers, and the wider community. Beyond overseeing internal controls and risk management, the Board safeguards the Group's collective purpose, values, and culture.

More specifically, the Board's responsibilities enumerated in the Board Charter include:

- Building long-term shareholder value by ensuring adequate systems, procedures and policies are in place to safeguard the Group's assets.
- Appointing, developing, and refreshing the overall competency of the Board, as necessary.
- Articulating and approving the Group's strategies and financial objectives, as well as monitoring the implementation.
- Approving the appointment, retention, and removal of Executive and Non-Executive Directors.
- Regularly reviewing the succession planning for the Board and Senior Management and recommending changes where necessary.
- Overseeing the implementation of corporate governance principles and guidelines.
- Reviewing and approving the recommendations of the Board Remuneration, Nomination and Governance Committee concerning the remuneration of Directors.
- Overseeing the establishment, implementation, and monitoring of a Group-wide risk management framework to identify, assess and manage business risks encountered by the Group.
- Articulating and approving the Group's risk management strategies, philosophy, risk appetite and initiatives.
- Maintaining a sound system of internal controls to safeguard shareholders' investments and the assets of the Group; and
- Overseeing the Group's corporate sustainability practices regarding its economic, social, and environmental obligations.

The Role of the Group Chairman

The roles of the Group Chairman and the Group Managing Director are distinct and not performed by a single individual. The principal function of the Group Chairman is to provide leadership to the Board of Directors of FirstHoldCo. The Group Chairman is accountable to shareholders and responsible for the

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

effective and orderly conduct of the Board and General meetings. Specifically, the duties and responsibilities of the Group Chairman include:

- Acting as a liaison between Shareholders and the Board.
- Providing independent advice and counsel to the GMD.
- Keeping informed about the activities of the Company and Management.
- Ensuring Directors are well-informed and have sufficient information to make appropriate decisions.
- Developing and setting the agenda for Board meetings.
- Assessing and making recommendations to the Board on the effectiveness of the Board, its committees, and individual Directors annually; and
- Ensuring that, upon completing the ordinary business of a Board meeting, the Directors hold discussions regularly in the absence of members of Management.

The Role of the Group Managing Director

The Group Managing Director (GMD) is responsible for developing and executing the Group's long-term strategy with the overarching goal of creating sustainable stakeholder value. In addition, the GMD oversees the day-to-day operations of FirstHoldCo, ensuring that all processes align with the policies established by the Board of Directors and implemented effectively.

More specifically, the duties and responsibilities of the GMD are to:

- Lead the development of the Group's strategy in conjunction with the Board and oversee the implementation of the Group's short-term and long-term plans in line with its strategy; Ensure appropriate organisation and staffing of the Company effectively, ensuring staff are hired, motivated, retained or exited as deemed necessary to achieve the Company's goals and strategic objectives.
- Ensure the Group has appropriate systems to conduct its activities both lawfully and ethically.
- Ensure the Group maintains a high standard of corporate citizenship and social responsibility wherever it does business.
- Acting as a liaison between Management and the Board and communicate effectively with shareholders, employees, government authorities and other stakeholders as well as the public.
- Provide sufficient information to the Board to enable the Directors to make informed decisions.
- Abide by specific internally established control systems and authorities, lead by example, and encourage all employees to conduct their activities in accordance with all applicable laws and the Company's standards and policies, including its environmental, health and safety policies.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

- Manage the Group within its established policies, maintain a regular policy review process and revise or develop policies for presentation to the Board.
- Ensure the Company operates within approved budgets and complies with all regulatory requirements of a holding company; and
- Develop and recommend the annual operating and capital budget to the Board and, with fully delegated authority, implement the plan upon approval.

The Role of the Company Secretary

Sections 330-340 of the Companies and Allied Matters Act 2020 and the Company's Articles of Association, govern the appointment and duties of the Company Secretary. The responsibilities of the Company Secretary include the following:

- Attending meetings of the Company, Board of Directors, and Board Committees, while rendering all necessary secretariat services in respect of such meetings and advising on compliance and regulatory issues.
- Setting the agenda of the meetings through consultations with the Group Chairman and the GMD.
- Maintaining statutory registers and other records of the Company.
- Rendering proper and timely returns as required under the Companies and Allied Matters Act.
- Serving as a central source of guidance and advice to the Board and the Company on matters of ethics, conflict of interest and good corporate governance; and
- Executing administrative and secretarial duties as directed by the Directors of the Company and duly authorised by the Board of Directors, and exercising any powers vested in the Directors.

Leadership Appointments Across the Operating Entities

- **First Bank of Nigeria Limited**

The Board concurred with the following appointments:

- Adebisi Olagbami as Executive Director, Risk Management
- Mairo Mandara as Independent Non-Executive Director.

- **First Capital Limited**

The Board concurred with the appointment of

- Ahmed Indimi as a Non-Executive Director.

- **First Securities Brokers Limited**

The Board concurred with the following appointments:

- John Akpeki as Non-Executive Director

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

- Omolara Adeyemi as Non-Executive Director
- Susan Younis as Non-Executive Director
- Kemi Andu-Alausa as Independent Non-Executive Director

- **First Trustees Limited**

The Board concurred with the following appointments:

- John Lee as Non-Executive Director
- Abiola Alabi as Non-Executive Director
- Adebisi Sola-Adeyemi as Non-Executive Director
- Ugochukwu Obi-Chukwu as Independent Non-Executive Director

- **First Asset Management Limited**

The Board concurred with the following appointments:

- Ebibako Williams as Non-Executive Director
- Binta Max-Gbinije as Independent Non-Executive Director
- Usman Dantata Jr as Non-Executive Director
- Alero Mobola Adollo as an Independent Non-Executive Director

- **First Insurance Brokers Limited**

The Board concurred with the following appointments:

- Akinola Phillip as Non-Executive Director
- Folukemi Akinmeji as Non-Executive Director
- Ije Onejeme as Non-Executive Director
- Mojisola Cardozo as Independent Non-Executive Director

Making Board Meetings Effective

At FirstHoldCo, Board meetings are structured to ensure effective oversight, timely decision-making, and alignment with the Group's strategic objectives:

- The Board meets quarterly and as required.
- The annual calendar of Board meetings is approved in advance at the final meeting of the preceding year, with flexibility to convene additional sessions in response to emerging business needs.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

- The calendar includes a Board retreat dedicated to strategic matters, Group policy direction, and a review of opportunities and challenges across the Group.
- Urgent and material decisions may be taken between meetings through written resolutions, which are subsequently ratified at the next Board meeting.
- The Company Secretariat issues meeting notices at least 14 days in advance and ensures Directors receive the agenda and supporting papers promptly, enabling informed deliberations.
- The complexity and volume of agenda items determine meeting duration, with sufficient time allocated to thoroughly address all matters.
- Any Director may request the inclusion of topics for discussion, with additional issues typically considered under the “Any Other Business” agenda item.
- Directors are required to declare any interest in matters scheduled for consideration before the commencement of each meeting.

Board Focus Areas:

During the financial year, the Board undertook several key activities to strengthen governance and advance the Group’s strategic objectives. The Board:

1. Reviewed the Group’s funding and capital plan.
2. Conducted Board appraisal exercises and considered outcomes.
3. Deliberated on the implementation of the Group’s strategy.
4. Considered the audited financial statements for the year ended 31 December 2025 and the unaudited quarterly accounts for 2025.
5. Reviewed leadership requirements across the Group.
6. Held a Board retreat to discuss the 2025 to 2029 Strategic Planning Programme.
7. Deliberated on the budget for the 2026 financial year.
8. Assessed the performance of the Group’s businesses against the approved budget.

Board Committees

The Board has delegated authority to its committees to provide guidance and make recommendations on specific areas entrusted to them, through established reporting mechanisms. Each committee operates under a charter approved by the Board and reviewed periodically, which defines its roles, responsibilities, composition, tenure, and meeting requirements. The Board monitors the activities of these committees to ensure that the Group’s operations are comprehensively managed and effectively controlled.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

In line with best practices, the Chairman of the Board is not a member and does not sit on any of the committees.

In 2025, FirstHoldCo had four Board committees, namely:

- Board Remuneration, Nomination and Governance Committee (BRNGC)
- Board Audit Committee (BAC)
- Board Risk Management Committee (BRMC)
- Board Finance and Investment Committee (BFIC)

Attendance at Board Meetings

The Board of FirstHoldCo met nine times in 2025.

Members	17 January	30 January	21 March	29 April	30 July	29 September	30 October	27 November	24 December
Olufemi Otedola, CON	✓	✓	✓	✓	✓	✓	✓	✓	✓
Adebowale Oyedeji	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dr (Sir) Peter Aliogo	✓	✓	✓	✓	✓	✓	✓	✓	✓
Kofo Dosekun	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dr Alimi Abdul-Razaq	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dr Abiodun Fatade	✓	✓	✓	✓	✓	✓	✓	✓	✓
Olusegun Alebiosu	✓	✓	✓	✓	✓	✓	✓	✓	✓
Julius Omodayo-Owotuga	✓	✓	✓	✓	✓	✓	✓	✓	✓
Oyewale Ariyibi*	✓	✓	✓	✓	✓	N/A	N/A	N/A	N/A

*Oyewale Ariyibi retired from the Board effective 15 August 2025.

Board Remuneration Nomination and Committee (BRNGC)

Membership

- Kofo Dosekun (Chairman)
- Dr Alimi Abdul-Razaq
- Dr Abiodun Fatade
- Dr Julius Omodayo-Owotuga

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

Attendance at the Committee Meetings

The Committee met eleven times in 2025.

Members	20 January	23 January	27 January	3 April	15 April	15 July	6 August	15 September	14 October	24 October	28 October
Kofo Dosekun	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dr Alimi Abdul-Razaq	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Dr Abiodun Fatade	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Julius Omodayo-Owotuga	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Key Responsibilities

- Develop and maintain an appropriate corporate governance framework for the Group.
- Develop and maintain an appropriate policy on the remuneration of Directors, both Executive and Non-Executive.
- Nominate new Directors to the Board.
- Develop succession plans for the Board of Directors and critical Management staff across the Group.
- Nominate/endorse/ratify individuals for Board appointments across the subsidiary companies as appropriate.
- Recommend Directors' remuneration to the Group.
- Oversee Board performance and evaluation within the Group.
- Identify individuals for consideration for Board appointment and make recommendations to the Board for approval.
- Recommend potential appointment and re-election of Directors (including the GMD) to the Board, in line with FirstHoldCo's approved Director selection criteria.
- Ensure the Board composition includes at least three Independent Non-Executive Directors who meet the independence criteria as defined by CAMA.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

- Make recommendations on the amount and structure of the remuneration of the Group Chairman and other Non-Executive Directors to the Board for approval.
- Review and make recommendations to the Board on all retirement and termination payment plans of the Executive Directors.
- Ensure appropriate disclosure of Directors' remuneration to stakeholders.
- Ensure compliance with regulatory requirements and other international best practices on corporate governance.
- Review and approve amendments to the Group's corporate governance framework.
- Nominate independent consultants to conduct an annual review or appraisal of the performance of the Board and make recommendations to the Board. This review or assessment covers all aspects of the Board's structure, composition, responsibilities, individual competencies, operations, role in strategy setting, oversight of corporate culture, evaluation of Management's performance and stewardship towards shareholders.
- Review the report of the evaluation of the performance of the Board Committees and the Boards of subsidiary companies annually. The BRNGC may utilise the services of an independent consultant duly approved by the Board for the annual Board appraisal as it deems fit. The evaluation process will be in line with the Group's Evaluation Policy.

Board Risk Management Committee (BRMC)

Membership

- *Dr Abiodun Fatade (Chairman)
- Dr (Sir) Peter Aliogo
- Kofo Dosekun
- Wale Oyedeji
- **Dr Alimi Abdul-Razaq

Attendance at the Committee Meetings

The Committee met five times in 2025.

Members	21 January	22 April	22 July	23 October	24 October
Dr Abiodun Fatade	N/A	N/A	✓	✓	✓
Dr (Sir) Peter Aliogo	✓	✓	✓	✓	✓
Kofo Dosekun	✓	✓	✓	✓	✓
Wale Oyedeji	✓	✓	✓	✓	✓

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

**Dr Alimi Abdul-Razaq	✓	✓	NA	N/A	N/A
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*Dr Abiodun Fatade became a member of the Committee after its reconstitution in May 2025, in line with the provisions of the CBN Corporate Governance Guidelines

**Dr Alimi Abdul-Razaq exited the Committee after its reconstitution in May 2025, in line with the provisions of the CBN Corporate Governance Guidelines

Key Responsibilities

- Ensure there is an efficient Enterprise Risk Management (ERM) framework for the identification, qualification and management of business risks facing the Group.
- Evaluate the Group's risk profile and the action plans in place to manage the risk.
- Review the Group's risk management framework and policy at least once in three years, or more frequently if necessary; recommend for Board approval, risk management-related policies, procedures and parameters that govern the management of all business functions, services, operations, and management information systems.
- Ensure the development of a comprehensive internal control framework for the Group.
- Review the Group's system of internal control to ascertain its adequacy and effectiveness.
- Obtain assurance and report annually in the financial report on the operating effectiveness of the Group's internal control framework.
- Evaluate internal processes for identifying, assessing, monitoring, and managing key risk areas, particularly: market, liquidity, and operational risks; the exposures in each category, significant concentrations within those risk categories, the metrics used to monitor the exposures and Management's views on the acceptable and appropriate levels of those risk exposures.
- Approve the appointment of qualified officers to manage the risk functions; and
- Review the independence and authority of the Risk Management function.

Board Audit Committee (BAC)

- Dr Alimi Abdul-Razaq (Chairman)
- Kofo Dosekun
- *Dr Abiodun Fatade
- Dr (Sir) Peter Aliogo

Attendance at the Committee Meetings

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

The Committee met seven times in 2025.

Members	21 January	4 March	21 March	22 April	22 July	21 October	31 December
Dr Alimi Abdul-Razaq	✓	✓	✓	✓	✓	✓	✓
Kofo Dosekun	✓	✓	✓	✓	✓	✓	✓
*Dr. Abiodun Fatade	N/A	N/A	N/A	N/A	✓	✓	✓
Dr (Sir) Peter Aliogo	✓	✓	✓	✓	✓	✓	✓

*Dr Abiodun Fatade became a member of the Committee after its reconstitution in May 2025 in line with the provisions of the CBN Corporate Governance Guidelines

Key Responsibilities

- Review the significant financial reporting issues and practices of the Group and ensure the adequacy and effectiveness of the accounting principles and financial controls applied within the Group, including controls relating to the “closing of the books” process.
- Review the Group’s legal representation letter presented to the external auditors and discuss significant items, if any, with the Company Secretary.
- Receive the decisions of the Statutory Audit Committee on the statutory audit report from the Company Secretary and ensure its full implementation.
- Review and agree to the terms of the engagement and the audit fees for the External Auditors prior to the commencement of each audit.
- Assess and confirm the independence of the statutory auditor annually. The report of this assessment should be submitted to the Board and the Statutory Audit Committee.
- Review and ratify the quarterly and annual financial statements.
- Review critical accounting issues.

Board Finance and Investment Committee (BFIC)

Membership

- Dr Julius Omodayo-Owotuga (Chairman)
- *Dr Alimi Abdul-Razaq
- Dr (Sir) Peter Aliogo
- Olusegun Alebiosu
- Wale Oyedeji
- **Dr Abiodun Fatade

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

- ****Oyewale Ariyibi**

Attendance at the Committee Meetings

The Committee met eight times in 2025.

Members	3 January	22 January	23 April	30 June	23 July	22 October	20 November	17 December
Dr Julius Omodayo-Owotuga (Chairman)	✓	✓	✓	✓	✓	✓	✓	✓
*Dr Alimi Abdul-Razaq	N/A	N/A	N/A	✓	✓	✓	✓	✓
Dr (Sir) Peter Aliogo	✓	✓	✓	✓	✓	✓	✓	✓
Olusegun Alebiosu	✓	✓	✓	✓	✓	✓	✓	✓
Wale Oyedeji	✓	✓	✓	✓	✓	✓	✓	✓
*Dr Abiodun Fatade	✓	✓	✓	N/A	N/A	N/A	N/A	N/A
**Oyewale Ariyibi	✓	✓	✓	N/A	N/A	N/A	N/A	N/A

*Dr Alimi Abdul-Razaq joined the Committee after the reconstitution of committees in May 2025, line with the provisions of the CBN Corporate Governance Guidelines

*Dr Abiodun Fatade exited the Committee after the reconstitution of committees in May 2025, line with the provisions of the CBN Corporate Governance Guidelines

****Oyewale Ariyibi retired from the Board effective 15 August 2025.**

Key Responsibilities

- Understand, identify, and discuss with Management the key issues, assumptions, risks, and opportunities relating to the development and implementation of the Group's strategy.
- Liaise with Management in planning the annual strategy retreat for the Board and ensuring the Board retains sufficient knowledge of the Group's businesses and the sectors in which it operates to provide strategic input and revalidate the relevance of Management's assumptions for planning purposes.
- Critically evaluate and make recommendations to the Board for approval of the Group's strategic planning programme.
- Periodically engage Management and function as a sounding board on strategic issues.
- Regularly review the effectiveness of the Group's strategic planning and implementation monitoring process.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

- Review and make recommendations to the Board regarding the Group's investment strategy, policy and guidelines, its implementation and compliance with those policies and guidelines and the performance of the Group's investment portfolio.
- Oversee the Group's investment planning, execution, and monitoring processes.
- Oversee the long-term financing options for the Group.
- Review the Group's financial projections, as well as the capital and operating budgets, and have quarterly reviews with Management on the progress of key initiatives, including appraising actual financial results against targets and projections.
- Review and recommend for Board approval the Group's capital structure, which should not be limited to mergers, acquisitions, business expansions, allotment of new capital, debt issuance and any changes to the existing capital structure; and
- Recommend the Group's dividend policy for Board approval, including the nature and timing, and implement an effective tax policy.

STATUTORY AUDIT COMMITTEE (SAC)

In accordance with Section 404 (2) and (3) of the Companies and Allied Matters Act 2020, every public company is required to establish a Statutory Audit Committee comprising two Non-Executive Directors and three shareholder representatives, with a maximum membership of five.

Shareholder Representative Profile

Hauwa Umar, FCA

Hauwa Umar was re-elected as a Shareholder Representative on the SAC on 22 May 2025. She is a distinguished leader in the field of accountancy and the current Chairperson of the Society of Women Accountants of Nigeria (SWAN), Kano Chapter. Her tenure in this prestigious role marks a significant chapter in the ongoing commitment to elevate the role of women in the finance and accounting industry.

Over the years, Hauwa has displayed her expertise in accounting, auditing, and management through pivotal roles in leading organisations. Her career trajectory includes impactful tenures at Nigerian Mobile Telecommunications as an Internal Auditor and Vina International Limited as a Branch Manager. Additionally, she has served as the Northern Representative for Heritage Capital Market Limited, demonstrating her adaptability and leadership across various facets of the industry.

Hauwa is a seasoned Chartered Accountant with a B.Sc. (Hons.) in Accounting and an MBA from Bayero University, Kano. She is a Fellow of the Institute of Chartered Accountants of Nigeria (FCA).

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

She attended an executive programme on Risk Management for Oil and Gas at the Oxford Management Centre in Houston, Texas. Beyond her corporate achievements, Hauwa Umar has demonstrated a profound commitment to governance and oversight, serving as a committee member for a publicly listed company. Her role has been instrumental in shaping strategic decisions that enhance corporate governance and operational efficiency.

Hauwa's leadership extends into community service, where she actively participates in various capacities, including serving on the advisory board of the Fata Lero Olilenya Foundation (FLO). Her skills are vast and include excellent organisational, administrative, and interpersonal abilities. She is also proficient in IT and has a remarkable capacity to adapt to changes, leveraging her extensive network and experience to foster growth and innovation.

Matthew Akinlade, FCA

Mathew Akinlade was re-elected as a Shareholder Representative on the SAC on 22 May 2025. He is a Fellow, Chartered Institute of Management Accountants of London, and the Institute of Chartered Accountants of Nigeria. He is also a member of the Chartered Institute of Directors. He served as President of the Noble Shareholders Solidarity Association (NSSA) until August 2024. He is the Chairman of the Board of Directors of Creseada International Limited and an Independent Director at MRS Oil Plc. He also served as the Chairman of the Board of Nampak Nigeria Plc from 2006 to 2021, when he retired from the Board after many years of meritorious service as Executive and Non-Executive Director. He has also served as an Independent Director of NCR Nigeria Plc until 2022.

He attended the Advanced Management Programme of Lagos Business School in 1994 and the International Graduate School of Management (IESE) in Barcelona, among other management courses in Nigeria and abroad during his working career, which spanned over 30 years. He currently serves as Chairman of the Audit Committees of a number of reputable public companies.

Christopher Ogba

Christopher Ogba is a qualified professional with extensive experience in audit, accounting, risk management, tax and financial advisory from both industry and practice. He has been engaged with various organizations including MTN, KPMG Professional Services, Clement Ashley Consulting, Sunday Akemegoh & Co., FirstBank of Nigeria Plc, Benchmark Business School, SNBO, Everdon BDC, Afram Plains Credit Union, SIAO Partners and Joseph Obi & Co.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

He holds a Bachelor's degree in Philosophy from the University of Ibadan. He holds a bachelor's degree in applied accounting from the Oxford Brookes University and has bagged a Master's degree in Financial Management from the Heriot Watt University. Christopher Ogba is a Fellow of the Association Chartered Certified Accountants, (ACCA), a member of the Association of National Accountants of Nigeria and a member of the Chartered Institute of Taxation of Nigeria. He serves in the statutory audit committee of various companies including Nem Insurance Plc and FirstHoldCo Plc.

Statutory Audit Committee Members

S/N	Members	Role	Status	Educational Qualifications
1.	Hauwa Umar, FCA	Member	Shareholder representative	FCA, ACITN, MBA, BSc
2.	Matthew Akinlade, FCA	Member	Shareholder representative	FCA, FCMA, ACTI
3.	Christopher Ogba, FCCA	Member	Shareholder representative	BA, BSc, MSc, FCCA, CCSA
4.	Dr (Sir) Peter Aliogo	Member	Independent Non-Executive Director	HND (Marketing), MBA (Banking & Finance), ACII, ANIM, PHD Bus. Admin
5.	Dr Julius Omodayo-Owotuga	Member	Independent Non-Executive Director	CFA, BSc, MBA, DBA, PHD

Independence of the Statutory Audit Committee (SAC)

The autonomy of the SAC is fundamental to upholding public confidence in the reliability of its reports and the Company's Audited Financial Statements. The Committee has access to the external auditor to seek explanations and additional information. The Committee comprises five members as required in CAMA 2020; three members, including the Chairman, are shareholder representatives who are independent and accountable to the shareholders. The other two members are Directors. This composition underpins the independence of the SAC from executive influence.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

Attendance at the Committee Meetings

The Committee met five times in 2025.

Members	21 March	13 May	5 August	28 October	19 December
Hauwa Umar	✓	✓	✓	✓	✓
Mathew Akinlade, FCA	✓	✓	✓	✓	✓
*Christopher Ogba, FCCA	N//A	N/A	✓	✓	✓
Dr (Sir) Peter Aliogo	✓	✓	✓	✓	✓
Dr Julius Owotuga	✓	✓	✓	✓	✓

***Christopher Ogba was elected to the Committee on May 22, 2025**

The Responsibilities of the Committee

The statutory duties and role of the SAC are encapsulated in Section 404 (7) of CAMA. In addition, the various Codes of Corporate Governance, including the CBN and FRCN Codes, set out the roles and responsibilities of the SAC, which are to:

- Ascertain whether the Company's accounting and reporting policies are in accordance with legal requirements and agreed ethical practices.
- Review the scope and planning of audit requirements.
- Review the findings on Management matters in conjunction with the external auditor and departmental responses thereon.
- Keep under review the effectiveness of the Company's system of accounting and internal control.
- Make recommendations to the Board regarding the appointment, remuneration and removal of the external auditor of the Company, ensuring the independence and objectivity of the external auditor and ensuring there is no conflict of interest which could impair the independent judgement of the external auditor.
- Authorise the internal auditor to conduct investigations into any activity of the Company that may be of interest or concern to the Committee; and
- Assist in overseeing the integrity of the Company's financial statements and establishing and developing the internal audit function.

Group Executive Committee (GEC)

The GEC is the Management Committee of the Group that meets quarterly or as required. The Committee's role is to ensure the implementation and alignment of the Group's strategy. The Committee met four times in 2025.

Membership

First HoldCo Plc

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

The GMD of FirstHoldCo Plc is the Chairman, while other members are:

- CEO, First Bank of Nigeria Limited
- MD/CEO, FirstCap Limited
- MD/CEO First Asset Management Limited
- MD/CEO, First Securities Brokers Limited
- MD/CEO, First Trustees Limited
- MD/CEO, First Insurance Brokers Limited
- Chief Financial Officer, First HoldCo Plc
- Chief Financial Officer, First Bank of Nigeria Limited
- Executive Director, Risk Management Directorate, First Bank of Nigeria Limited
- Head, Strategy and Corporate Development, First HoldCo Plc
- Group Company Secretary, First HoldCo Plc

Key Responsibilities

- Ensure overall alignment of the Group's strategy and plans.
- Review strategic and business performance against approved plans and budget of the Group and agree on recommendations and corrective actions.
- Promote the identification of synergies and ensure the implementation of synergy initiatives.
- Monitor the progress of the Group's synergy realisation initiatives and make recommendations.
- Discuss and monitor compliance with the Group's policies, such as risk management, internal audit, and others; and
- Review and recommend modifications to the Group's policies.

Management Committee (MANCO)

The role of the Committee is to deliberate and make policy decisions on the efficient and effective management of the Company.

Membership

The GMD of FirstHoldCo serves as the Chairman, while the other members are:

- Chief Financial Officer
- Head, Risk Management
- Head, Investor Relations
- Head, Internal Audit
- Head, Strategy and Corporate Development

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

- Head, Human Resources
- Head, Marketing and Corporate Communications
- Group Company Secretary

Key Responsibilities:

- Develop and review, on an ongoing basis, the Company's business focus and strategy, subject to the approval of the Board.
- Confirm the alignment of the Company's plan with the Group's overall strategy.
- Recommend proposals to the Board on the strategies to achieve the Group's objectives regarding investment and divestment activities; and
- Track and manage the Group's strategic and business performance against approved plans and the budget.

Going Concern

The Board considers and assesses the Company annually and views the Company as a going concern, based on Management's reports on the Company's ability to continue in operation for the foreseeable future.

External Auditors

The external auditor for the 2025 financial year was Messrs. KPMG Professional Services (KPMG). FirstHoldCo complied with the CBN and FRCN codes in appointing the external auditor in the 2020 financial year and in retaining the auditor thereafter.

2025 Audit Fees

The audit fee paid by FirstHoldCo (the Company) to the external auditor for the 2025 statutory audit was ₦60mn.

Prohibition of Insider Dealings

The Group has established robust compliance structures to ensure adherence to regulatory requirements and to communicate closed periods to insiders and the Nigerian Exchange Limited, in line with Section 17.2 of the Amendment to the Nigerian Exchange Limited's Listing Rules. The Registrars further ensure that Directors, persons performing managerial functions, advisers, and other individuals with access to insider information, as well as their connected persons, are prohibited from trading in FirstHoldCo securities during these periods.

Succession Planning

The Board Remuneration, Nomination and Governance Committee (BRNGC) is responsible for the Group's succession planning process. The Committee identifies critical positions on the Board and at the Executive Management level that are deemed essential to achieving the Company's business objectives and

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

strategies and significantly influencing the Group's operations. These critical positions include the following:

- Board Chairman
- Non-Executive Directors
- Executive Management
- Subsidiary Managing Directors
- Subsidiary Board Chairmen

To fill critical positions, the Committee establishes eligibility criteria. The competency requirements outline the knowledge, skills, and qualifications necessary for each position, as well as the ethics, values, and character. The Committee considers the Group's future needs and strategic objectives when determining the requisite competencies. In addition, these serve as a foundation for evaluating potential successors to identified critical positions and identifying skill gaps and development requirements. In conclusion, the Committee determines the scale of competency gaps and identifies the talent pool. For the Chairman's position, the existing Chairman of the Board will articulate the developmental needs of each Non-Executive Director on the Board, develop a plan to bridge those gaps and position them as potential successors.

For Non-Executive Directors, the Governance and Nomination Committee will conduct a detailed analysis of the existing Board's strengths and weaknesses, including skills and experience gaps, based on Directors' tenure on the Board and current deficiencies, while considering the Company's long-term business strategy and plans. Based on this assessment, the Committee defines the skills and competencies that reflect the needs of the Board. For Executive Management positions, the Committee, in conjunction with the GMD, notes and reviews the skills and gaps of possible successors against required competencies.

Performance Monitoring

As part of its oversight role, the Board continually engages with Management and contributes ideas to the Group's strategy from the planning phase through execution. The Board holds annual retreats to plan and monitor strategy. Once defined, updates on specific strategic objectives become part of the ongoing Board agenda, allowing the Board to monitor and, if required, refine the strategy implementation. During this process, the Board is continually updated on significant issues, risks, or challenges encountered during strategy implementation across the Group, as well as on the controls developed to mitigate these risks.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

The Group's overall budget performance is presented to the Board to provide insight into achievements and address challenges where they exist. The Group's financial and performance indicators are reviewed quarterly with the Board. The Board continuously assesses progress and confirms or guides on alignment with the Group's strategic goals and objectives. Peer benchmarking, which compares First Holdco's performance to competitors, is also a regular part of Board meetings.

REMUNERATION STRUCTURE

Introduction

This section provides stakeholders with an understanding of the remuneration philosophy and policy adopted at FirstHoldCo for Non-Executive Directors, Executive Directors, and Employees.

Remuneration Philosophy

FirstHoldCo's compensation and reward philosophy represents the values and beliefs that drive the Company's Compensation Policy. The compensation philosophy aligns with the Group's quest to attract and retain highly skilled personnel who will keep the Group ahead of the competition. Factors considered in reviewing compensation packages include organisational policy, market positioning, the Group's financial performance, government policies and regulations, industry trends, inflation, and the cost-of-living index.

Remuneration Strategy

FirstHoldCo's compensation and reward strategies aim to attract, reward, and retain a motivated talent pool to drive the Company's values, ideology, and strategic aspirations. The compensation strategy supports the corporate strategy, and the Company reviews its remuneration periodically, as required, to reflect changes in internal and external conditions. The compensation and reward strategies seek to position the Group as an employer of choice in its market by offering an attractive and sustainable compensation package. Compensation is differentiated and used to retain high-potential talent and drive the Company's desired culture and values.

Compensation Policy

The Group's Compensation Policy provides guidelines for the effective implementation and administration of the compensation strategy. The Company categorises the compensation structure into Remuneration, Perquisites and Benefits. Remuneration includes base pay and allowances, as well as performance-based bonuses and incentives, detailed as follows.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

- Base pay is mainly cash-based and includes the salary component for the defined job grade. It is the basis for the computation of some allowances and most benefits. It is guaranteed and payable monthly in arrears as per the employment contract.
- Allowances are other pay items outside base pay and are structured to support the living standards of the respective grades. These allowances include housing, furniture, lunch, and clothing. They are payable in cash and are paid monthly, quarterly, or yearly for liquidity planning and staff convenience. The Company separates allowances into those that form part of staff salary and those categorised purely as allowances.
- Bonuses and incentives are related to achieving organisational and individual targets and may be cash or non-cash, such as performance bonuses and commendation letters.
- Perquisites are usually lifestyle-oriented and designed to ensure comfort, motivation, commitment, and staff retention, particularly for those at the senior level or with high potential. These may include status cars, power generators, and gym equipment.
- Benefits are entitlements that are usually attainable, subject to organisational conditions. They include leave, medical allowances, and social club subscriptions. To guarantee staff convenience and in line with the Group's ethical stance of being socially responsible and a good corporate citizen, payments are structured to ensure adequate cash flow for staff; the Group's remuneration policy conforms with all tax laws and other statutory regulations.

Executive Remuneration

The Group's policy on Executive remuneration aims to attract, motivate, incentivise, and retain the best talent while keeping an eye on the prevailing economic outlook. The Board determines the remuneration for Executive Directors. Usually, it reflects competitive benchmarking in the industry while ensuring it adequately attracts and retains the best and most experienced individuals for the role. The consideration also applies to Non-Executive Directors who are entitled to Directors' fees, reimbursable expenses, and sitting allowances.

BOARD COMPENSATION

Non-Executive Directors

In line with the FRCN and CBN Codes, Non-Executive Directors receive fixed annual fees and sitting allowances for their services to the Board and Board Committees. There are no contractual arrangements for compensation for loss of office. Non-Executive Directors do not receive short-term incentives or participate in any long-term incentive schemes.

Remuneration for Executive Directors

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

Remuneration for Executive Directors is performance-driven and restricted to base salaries, allowances, perquisites, and performance bonuses. The Group continually ensures that its remuneration policies and practices remain competitive and align with its core values to incentivise and drive performance. Executive Directors are not entitled to sitting allowances. Please refer to Note 45 of FirstHoldCo's 2025 Consolidated and Separate Financial Statements for more details on remuneration.

Highlights of the Company's Clawback Policy

The objective of the Claw-back policy is to recover excess and undeserved rewards such as bonuses, incentives, profit sharing or any performance-based payment to the employee or ex-employee.

The policy would be triggered in the following instances:

- i. Material misstatement or misleading or materially false Financial Statements; or
- ii. An instance of misdemeanor, fraud, or material violation of the Company's policy; or
- iii. Material Regulatory infraction; or
- iv. Misconduct that may lead to damage to the Company's brand.

The claw back shall apply to any Incentive-Based Compensation, bonuses, profit sharing, stock option or performance-based reward paid, awarded, received, or earned in the current period and the last six financial years.

The Claw-back period shall apply to both serving and former Directors and staff.

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

The Directors present their report on the affairs of First HoldCo Plc ("the Company"), together with the consolidated and separate financial statements, and auditors' report for the year ended 31 December 2025.

a. Legal Form

The Company was incorporated as a private limited liability company in Nigeria in 2010 and was converted to a public company in September 2012, when it commenced operations. The Company's shares were listed on the floor of the Nigerian Exchange Limited (formerly known as the Nigerian Stock Exchange) on 26 November 2012, after the shares of the erstwhile First Bank Nigeria Plc were delisted on 23 November 2012.

b. Principal Activity and Business Review

The Company's principal activity is raising and allocating capital and resources. The Company is responsible for managing shareholders, coordinating Group-wide financial reporting to shareholders, investors and external relations with the Group. It also develops and coordinates the implementation of the Group's strategies.

The Company has six direct subsidiaries, namely: First Bank of Nigeria Limited, FirstCap Limited, First Trustees Limited, First Asset Management Limited, First Securities Brokers Limited, First Insurance Brokers Limited, Rainbow Town Development Limited, and many indirect subsidiaries. The financial results of all the subsidiaries have been consolidated in these consolidated and separate financial statements.

c. Operating Results

Highlights of the Group's operating results for the year are as follows:

	Group		Company	
	Dec. 2025	Dec. 2024	Dec. 2025	Dec. 2024
	N 'million	N 'million	N 'million	N 'million
Gross earnings	3,435,361	3,212,649	53,360	34,195
Profit before minimum tax	234,992	796,467	43,351	26,261
Minimum tax	(14,712)	(14,584)	(67)	(36)
Profit before income tax	220,280	781,883	43,284	26,225
Income tax expense	(73,026)	(118,393)	(256)	(1)
Profit for the year from continuing operations	147,254	663,490	43,028	26,224
Profit for the year from discontinuing operations	(7,771)	13,515	-	-
Profit for the year	139,483	677,005	43,028	26,224
Profit attributable to:				
Non-controlling interests	6,799	6,206	-	-
Equity holders of the parent entity	132,684	670,799	43,028	26,224
	139,483	677,005	43,028	26,224
Earnings per share (in Kobo):				
Basic	317	1,859	103	73
Diluted	317	1,859	103	73

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

d. Directors' Shareholding

The direct and indirect interests of Directors in the issued share capital of the Company as at 31 December 2025 as recorded in the register of Directors' shareholding and/or as notified by the Directors for the purposes of Sections 301 and 302 of CAMA 2020 and the listing requirements of the Nigerian Exchange Limited, are noted as follows:

Directors' Shareholdings (Direct and Indirect)	31-Dec-25		31-Dec-24	
	Direct	Indirect	Direct	Indirect
Mr. Olufemi Otedola	3,251,346,245	4,803,968,241	1,689,811,721	2,543,981,608
Mr. Adebowale Oyedeki	16,970	5,023,684	14,546	20,301
Dr. Alimi M. Abdul-Razaq	Nil	Nil	Nil	Nil
Mrs. Kofo Dosekun	Nil	Nil	Nil	Nil
Dr. (Sir) Peter Aliogo	Nil	Nil	Nil	Nil
Dr. Abiodun Fatade	Nil	Nil	Nil	Nil
Mr. Julius Omodayo-Owotuga	Nil	Nil	Nil	Nil
Mr. Olusegun Alebiosu	13,579,312	9,916,666	11,639,483	Nil
Mr. Oyewale Ariyibi*	Nil	Nil	4,008,850	Nil

**Voluntarily retired with effect from 15 August 2025*

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

e. Shareholding Analysis

First HoldCo Plc- Range Analysis as at 31 December 2025

Range	No. of Holders	% Holders	Volume	% Units
1 - 1,000	306,070	25.60	215,761,720	0.49
1,001 - 5,000	490,675	41.04	1,178,093,974	2.65
5,001 - 10,000	166,976	13.97	1,148,091,609	2.58
10,001 - 50,000	195,439	16.35	3,951,707,433	8.89
50,001 - 100,000	19,020	1.59	1,325,464,366	2.98
100,001 - 500,000	14,492	1.21	2,826,035,786	6.36
500,001 - 1,000,000	1,563	0.13	1,088,175,851	2.45
1,000,001 - 5,000,000	1,115	0.09	2,055,258,347	4.62
5,000,001 - 10,000,000	111	0.01	786,135,689	1.77
10,000,001 - 50,000,000	81	0.01	1,548,972,721	3.48
50,000,001 - 100,000,000	12	0.00	822,568,920	1.85
100,000,001 - ABOVE	30	0.00	27,507,426,717	61.88
TOTAL	1,195,584	100	44,453,693,133	100

First HoldCo Plc- Range Analysis as at 31 December 2024

Range	No. of Holders	% Holders	Volume	% Units
1 - 1,000	299,008	25.14	214,262,708	0.60
1,001 - 5,000	489,459	41.15	1,175,683,084	3.28
5,001 - 10,000	167,710	14.10	1,153,027,152	3.22
10,001 - 50,000	196,541	16.52	3,974,150,519	11.07
50,001 - 100,000	19,154	1.61	1,333,719,111	3.72
100,001 - 500,000	14,617	1.23	2,862,410,494	7.97
500,001 - 1,000,000	1,582	0.13	1,103,364,718	3.07
1,000,001 - 5,000,000	1,143	0.10	2,111,391,166	5.88
5,000,001 - 10,000,000	109	0.01	747,401,748	2.08
10,000,001 - 50,000,000	87	0.01	1,798,396,455	5.01
50,000,001 - 100,000,000	8	0.00	611,615,616	1.70
100,000,001 - ABOVE	28	0.00	18,809,870,021	52.40
TOTAL	1,189,446	100	35,895,292,792	100

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

Shareholder Analysis as at 31 December 2025

	Dec-25
Retail	39.65%
Domestic institutional	59.32%
Foreign institutional	0.84%
Government related holdings	0.19%
Total	100.00%

f. Substantial Interest in Shares

According to the Register of Members as at 31 December 2025, the detail of the substantial shareholder is noted as follows:

Name	Status	Units	% Units
Olufemi Otedola	Direct Holding	3,251,346,245	7.31
Olufemi Otedola (Calvados Global Services Limited)	Indirect Holding	4,803,968,241	10.81
RC Investment management Ltd	Direct Holding	10,433,909,058	23.47
		18,489,223,544	

g. Directors' Interests in Contracts

According to Section 303 of the Companies and Allied Matters Act 2020, none of the Directors had a direct or indirect interest in contracts or proposed contracts with the Company during the year.

h. Donation and Charitable Gifts

As a non-operating financial holding company, the company did not make any donations during the year ended 31 December 2025. However, the subsidiaries of the Company, as operating entities, made donations to various worthy causes.

i. Property and Equipment

Information relating to changes in property and equipment is given in Note 30 to the Accounts. In the Directors' opinion, the fair value of the Group's property and equipment is not less than the carrying value in the financial statements.

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

j. Post Balance Sheet Events

There are no events after the reporting date which could have had a material effect on the financial position of the Group as at 31 December 2025 and the profit attributable to equity holders for the year ended as at that date.

k. Human Resources Policy

Recruitment

The Company conforms to all regulatory requirements in staff employment while ensuring that only fit and proper persons are approved for appointment to the Board or top Management positions. All prescribed pre-employment screening for prospective employees and other regulatory confirmations for top Management appointments are duly implemented and obtained as required.

Employment of Persons with Disabilities

First HoldCo Plc is an equal opportunity employer and does not discriminate based on race, religion, disability, ethnicity, or other non-merit factors. We provide all our employees with the right environment to reach their career goals and attain their highest potential.

Employee Involvement and Training

The Company encourages employee participation in decision-making and provides opportunities such as town hall meetings for employees to deliberate and make inputs on decisions. The Company places a high premium on the development of its workforce. Consequently, the Company sponsored its employees for various training courses in the year under review.

Health, Safety and Welfare at Work

The Company maintains business premises designed to guarantee safe and healthy working conditions for its employees. Employees are adequately insured against occupational and other hazards. Emergency preparedness and response protocols were strengthened under the guidance of the Incident Management Team. Remote work was also sustained, enabling employees to leverage technology while working effectively from outside the office.

The Company provides comprehensive health insurance coverage for staff and their immediate family members. Fire prevention and firefighting equipment are installed in strategic locations within the Company's premises.

The Company operates a Group Life and Group Personal Accident (formerly known as Workmen's Compensation) Insurance cover and makes Employee Compensation Act contributions for the benefit

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

of its employees. It also operates a contributory pension plan in line with the Pension Reform Act of 2004 (amended in 2014).

Gender Analysis

The number of men and women employed by First HoldCo Plc as at 31 December 2025 and as a percentage of the total workforce was as follows:

	Male	Female	Male	Female
Employees	Number		%	
	29	16	64	36

31 December 2024

	Male	Female	Male	Female
Employees	Number		%	
	29	12	71	29

The same gender analysis, in terms of Board and Top Management as at 31 December 2025, was as follows:

	Male	Female	Total	Male	Female
	Number			%	
Board	7	1	8	87.5	12.5
Top Management (AGM- GM)	4	2	6	67	33

31 December 2024

	Male	Female	Total	Male	Female
	Number			%	
Board	8	1	9	89	11
Top Management (AGM- GM)	5	1	6	83	17

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

I. Auditors

In accordance with Section 401(2) of the Companies and Allied Matters Act (CAMA) 2020 and Section 20.2 of the Nigerian Code of Corporate Governance 2018, Messrs. KPMG Professional Services have indicated their willingness to continue in office as auditor to the Company.

BY ORDER OF THE BOARD



Abiola Baruwa
Group Company Secretary
FRC/2021/002/00000022520
March 9, 2026
Lagos, Nigeria

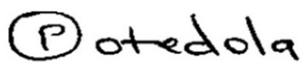
STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE CONSOLIDATED AND SEPERATE FINANCIAL STATEMENTS

The Directors accept responsibility for the preparation of the annual consolidated and separate financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Allied Matters Act (CAMA), 2020, Financial Reporting Council of Nigeria Act, 2011 (as amended), the Banks and Other Financial Institutions Act, 2020 and relevant Central Bank of Nigeria (CBN) Guidelines and Circulars.

The Directors further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act (CAMA), 2020 and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement whether due to fraud or error.

The Directors have made assessment of the Group and Company's ability to continue as a going concern and have no reason to believe that the Group and Company will not remain a going concern in the year ahead.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:



Olufemi Otedola, CON

Group Chairman

FRC/2013/IODN/00000002426

March 9, 2026



Adebawale Oyedeji

Group Managing Director

FRC/2024/PRO/DIR/003/450036

March 9, 2026

Deloitte & Touche
Civic Towers, Plot GA 1
Ozumba Mbadiwe Avenue
Victoria Island, Lagos
Nigeria.
Tel: +234 1 2717800
Fax: +234 1 2717801
www.deloitte.com/ng

30 March 2026

The Group Chairman
First HoldCo PLC
Samuel Asabia House
35 Marina
Lagos.

Dear Sir,

**Report of the Independent Consultants on the Annual Board Evaluation and Corporate Governance
Review of First HoldCo PLC for the Year Ended December 2025**

First HoldCo PLC (“FirstHoldCo”) engaged Deloitte & Touche to carry out an independent assessment of the Board and corporate governance framework for the year ended 31 December 2025. The scope of the review included an assessment of the structure, mandate and performance of the Board, Board Committees and Management as it relates to the overall strategic direction of the company, stakeholder engagement, disclosures, and transparency.

The review was performed in compliance with the Nigerian Code of Corporate Governance, 2018 SEC Corporate Governance Guidelines, 2020 and CBN Corporate Governance Guidelines for Financial Holding Companies (CBN CG Guidelines for FHC), 2023. Our approach involved a review of relevant governance documents, policies and procedures. The report of our evaluation was premised on information we gathered from our review of relevant governance documents, surveys completed by the Directors and interviews with select members of the Board.

The result of our evaluation has shown that the Board and Corporate Governance framework and practices in FirstHoldCo comply with the provisions of the extant Codes of Corporate Governance. We also ascertained that the key Board functionaries (Board and Board Committee Chairpersons) and the Board Committees met their responsibilities under the Codes and governance charters in FirstHoldCo. The report further highlights details of our review activities and observations.

It should be noted that the matters raised in this report are only those that came to our attention during the review. As such, we do not express any opinion on the activities not reported. The report should be read in conjunction with the Corporate Governance Section of the Annual Report.

Yours faithfully,

For: Deloitte and Touche

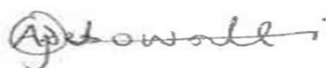


Ibukun Beecroft
FRC/2020/PRO/00000020765
Partner

STATEMENT OF CORPORATE RESPONSIBILITY FOR THE CONSOLIDATED AND SEPERATE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2025

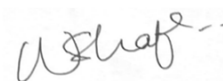
Further to the provisions of section 405 of the Companies and Allied Matters Act (CAMA), 2020, we, the Managing Director/CEO and Chief financial Officer, hereby certify the consolidated and separate financial statements of the First HoldCo Plc for the year ended 31 December 2025 as follows:

- i. That we have reviewed the audited consolidated and separate financial statements of the Company and its Subsidiaries for the year ended 31 December 2025.
- ii. That the audited separate and consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact which would make the statements misleading, in the light of the circumstances under which such statement was made.
- iii. That the audited separate and consolidated financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the Company and its Subsidiaries as of and for, the year ended 31 December 2025.
- iv. That we are responsible for establishing and maintaining internal controls and have designed such internal controls to ensure that material information relating to the Company and its subsidiaries is made known to us by other officers of the companies, during the year end 31 December 2025
- v. That there were no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective action with regard to significant deficiencies and material weakness.
- vi. That we have disclosed the following information to the Group's Auditors and Audit Committee:
 - (a) Significant deficiencies in the design or operation of internal controls which could adversely affect the Group's ability to record, process, summarise and report financial data, and have identified for the Group's auditors any material weaknesses in internal controls, and
 - (b) there is no fraud that involves management or other employees who have a significant role in the Group's internal control.



Adebawale Oyediji

Group Managing Director
FRC/2024/PRO/DIR/003/450036
March 9, 2026



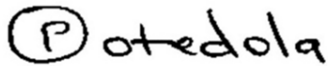
Wasiu Shafe

Ag. Chief Financial Officer
FRC/2015/PRO/00000012973
March 9, 2026

**STATEMENT OF COMPLIANCE WITH NIGERIAN EXCHANGE (NGX) LISTING RULES ON SECURITIES
TRADING POLICY**

In line with Section 14.4 of the Nigerian Exchange (NGX) Amendments to the Listing Rules (Rules), we wish to state that we have adopted a code of conduct regarding securities transactions by our directors and it is in line with the required standard set out in the Rules.

The First HoldCo Plc.'s Securities Trading Policy (Policy) is embedded in the Board-approved Group Disclosure Policy and having made specific enquiry of all our directors regarding compliance with the Policy, we hereby confirm to the best of our knowledge that our Board of Directors are in compliance with our Securities Trading Policy and the provisions of the Rules on Securities Trading.



Olufemi Otedola, CON

Group Chairman

FRC/2013/IODN/00000002426

March 9, 2026



Abiola Baruwa

Group Company Secretary

FRC/2021/002/00000022520

March 9, 2026

Statutory Audit Committee Report

For the year ended 31 December 2025

To the members of First HoldCo Plc:

In accordance with the provisions of Section 404 of the Companies and Allied Matters Act, 2020, members of the Statutory Audit Committee of First HoldCo Plc hereby report on the consolidated and separate financial statements for the year ended 31 December 2025 as follows:

1. The scope and planning of the audit were adequate in our opinion.
2. The accounting and reporting policies of the Company conformed to statutory requirements and agreed ethical practices.
3. The Committee reviewed the adequacy and effectiveness of the Company's system of internal control and is satisfied that the system was being monitored and effectively applied during the year under review.
4. The external auditor's management report received satisfactory response from Management.
5. The Committee reviewed the Audit Report on insider-related party transactions and is satisfied with their status as required by Central Bank of Nigeria (CBN).

Dated March 9, 2026



Mrs Hauwa Umar
Chairman, Audit Committee
FRC/2021/PRO/ICAN/004/00000024518

Members of the Committee

Mrs. Hauwa Umar, FCA
Mr. Matthew Akinlade, FCA
Mr. Christopher Ogba, FCCA
Dr. (Sir) Peter Aliogo
Dr. Julius Omodayo-Owotuga

Report on the Effectiveness of Internal Control over Financial Reporting as of 31 December 2025

The management of First HoldCo Plc. (“the Company”) is responsible for establishing and maintaining adequate internal control over financial reporting as required by the Investment and Securities Act 2007 and the Financial Reporting Council (Amendment) Act, 2023.

The management of First HoldCo Plc. assessed the effectiveness of the internal controls over financial reporting of the Company and its subsidiaries (together “the Group”) as of 31 December 2025 using the criteria set forth in Internal Control—Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (“the COSO Framework”) and in accordance with the Securities and Exchange Commission (SEC) Guidance on Implementation of Internal Control over Financial Reporting.

As of December 31, 2025, the management First HoldCo Plc. did not identify any material weakness in its assessment of internal controls over financial reporting.

As a result, management has concluded that, as of December 31, 2025, the Group’s internal control over financial reporting was effective.

The Company’s independent auditor, KPMG Professional Services, who audited the separate and consolidated financial statements included in this Annual Report, issued an unmodified conclusion on the effectiveness of the Group’s internal control over financial reporting as of 31 December 2025 based on the limited assurance engagement performed by them. KPMG Professional Services’ limited assurance report is included in the Annual Report.

Changes in Internal Control Over Financial Reporting

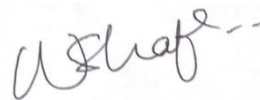
There were no changes in our internal control over financial reporting that occurred subsequent to the date of our evaluation of the effectiveness of internal control over financial reporting that significantly affected, or are reasonably likely to significantly affect, the Group’s internal control over financial reporting.



Adebowale Oyedeji

Group Managing Director

FRC No - FRC/2024/PRO/DIR/003/450036



Wasiu Shafe

Ag. Chief Financial Officer

FRC No - FRC/2015/PRO/00000012973

Certification Pursuant to Section 88 of the Investment and Securities Act, 2025

I, Adebowale Oyedeki, certify that:

- a) I have reviewed the Report on the Effectiveness of Internal Control over Financial Reporting as of 31 December 2025 of First HoldCo Plc (“the Company”) and its subsidiaries (together “the Group”);
- b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omits to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- c) Based on my knowledge, the separate and consolidated financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;
- d) The Group’s other certifying officer and I:
 - 1) are responsible for establishing and maintaining internal controls;
 - 2) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - 3) have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards;
 - 4) have evaluated the effectiveness of the Group’s internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
- e) The Group’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the Company’s auditors and the Board audit committee:
 - 1) All significant deficiencies; and that there are no material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the Group’s ability to record, process, summarize and report financial information; and
 - 2) That there is no fraud, whether or not material, that involves management or other employees who have a significant role in the Group’s internal control system.
- f) The Group’s other certifying officer and I have identified in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of our evaluation.

Name: Adebowale Oyedeki
Designation: Group Managing Director
FRC No: FRC/2024/PRO/DIR/003/450036

Signature: 
Date: March 9, 2026

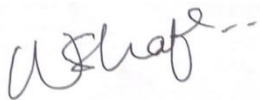
Certification Pursuant to Section 88 of the Investment and Securities Act, 2025

I, Wasiu Shafe, certify that:

- a) I have reviewed the Report on the Effectiveness of Internal Control over Financial Reporting as of 31 December 2025 of First HoldCo Plc ("the Company") and its subsidiaries (together "the Group");
- b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omits to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- c) Based on my knowledge, the separate and consolidated financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;
- d) The Group's other certifying officer and I:
 - 1) are responsible for establishing and maintaining internal controls;
 - 2) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - 3) have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards;
 - 4) have evaluated the effectiveness of the Group's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
- e) The Group's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the Company's auditors and the Board audit committee:
 - 1) All significant deficiencies; and that there are no material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the Group's ability to record, process, summarize and report financial information; and
 - 2) That there is no fraud, whether or not material, that involves management or other employees who have a significant role in the Group's internal control system.
- f) The Group's other certifying officer and I have identified in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of our evaluation.

Name: Wasiu Shafe
Designation: Ag. Chief Financial Officer
FRC No: FRC/2015/PRO/00000012973

Signature:



Date: March 9, 2026

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Independent Auditor's Limited Assurance Report

To the Shareholders of First HoldCo Plc

Report on Limited Assurance Engagement Performed on Management's Assessment of Internal Control Over Financial Reporting**Conclusion**

We have performed a limited assurance engagement on whether internal control over financial reporting of First HoldCo Plc ("the Company") and its subsidiaries (together "the Group") as of 31 December 2025 is effective in accordance with the criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("the COSO Framework") and the Securities and Exchange Commission Guidance on Implementation of Internal Control over Financial Reporting.

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Group's internal control over financial reporting as of 31 December 2025 is not effective, in all material respects, in accordance with the criteria established in the COSO Framework and the Securities and Exchange Commission Guidance on Implementation of Internal Control over Financial Reporting.

Basis for conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB) and the Financial Reporting Council of Nigeria Guidance on Assurance Engagement Report on Internal Control over Financial Reporting. Our responsibilities are further described in the "Our responsibilities" section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA).

Our firm applies International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other matter

We have audited the consolidated and separate financial statements of First HoldCo Plc in accordance with the International Standards on Auditing, and our report dated 06 May 2026 expressed an unmodified opinion of those consolidated and separate financial statements.

Our conclusion is not modified in respect of this matter.

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Registered in Nigeria No BN 986925

A list of partners is available for inspection at the firm's address.



Responsibilities for Internal Control over Financial reporting

The Board of Directors of First HoldCo Plc is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Report on the Effectiveness of Internal Control over Financial Reporting as of 31 December 2025. Our responsibility is to express a conclusion on the Group's internal control over financial reporting based on our assurance engagement.

Our responsibilities

The Financial Reporting Council of Nigeria Guidance on Assurance Engagement Report on Internal Control over Financial Reporting ("the Guidance") requires that we plan and perform the assurance engagement and provide a limited assurance report on the Group's internal control over financial reporting based on our assurance engagement.

Summary of the work we performed as the basis for our conclusion

We exercised professional judgment and maintained professional skepticism throughout the engagement. As prescribed in the Guidance, the procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our engagement also included performing such other procedures as we considered necessary in the circumstances. We believe the procedures performed provide a basis for our report on the internal control put in place by management over financial reporting.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Definition and Limitations of Internal Control Over Financial reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that:

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Furthermore, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Akinyemi Ashade, FCA
FRC/2013/PRO/ICAN/004/00000000786
For: KPMG Professional Services
Chartered Accountants
06 May 2026
Lagos, Nigeria



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Independent Auditor's Report

To the Shareholders of First HoldCo Plc

Report on the audit of the consolidated and separate financial statements

Opinion

We have audited the consolidated and separate financial statements of First HoldCo Plc (the Company) and its subsidiaries (together, "the Group"), which comprise:

- the consolidated and separate statements of financial position as at 31 December 2025;
- the consolidated and separate statements of profit or loss;
- the consolidated and separate statements of other comprehensive income;
- the consolidated and separate statements of changes in equity;
- the consolidated and separate statements of cash flows for the year then ended, and
- the notes to the consolidated and separate financial statements, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of the Company and its subsidiaries as at 31 December 2025, and of its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Allied Matters Act (CAMA), 2020, the Financial Reporting Council of Nigeria Act, 2011 (as amended), the Banks and Other Financial Institutions Act, 2020 and relevant Central Bank of Nigeria (CBN) Guidelines and Circulars.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the consolidated and separate Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), as applicable to audits of the financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the consolidated and separate financial statements of public interest entities in Nigeria. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were

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addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Expected Credit Loss (ECL) Allowance on Loans and Advances to Customers	
The Group's accounting policy on impairment, related disclosures on credit risk and significant accounting judgements, estimates and assumptions, and note on impairment charge on financial instruments are shown in notes 2.10.1(e), 3, 5, and 9, respectively.	
Key audit matter	How the matter was addressed in our audit
The ECL allowance on loans and advances for corporate and retail loans is considered to be of most significance in the audit due to the level of subjectivity inherent in estimating the key assumptions that impact the recoverability of loan balances in arriving at the level of impairment allowance required. The Group uses an Expected Credit Loss (ECL) model to determine the impairment allowance for loans and advances to customers. The determination of impairment allowance using the ECL model is inherently a significant area for the Group and requires the application of certain judgements, assumptions and estimates of financial indices. These indices are estimated from historical financial data obtained within and outside the Group. The Group's ECL model includes certain judgements and assumptions in determining the impairment allowances of loan and advances comprising the: • Determination of default; • Assessment of significant increase in credit risk (SICR) • Incorporation of forward-looking information based on the economic scenarios within the model; • Determination of the 12 month and lifetime probability of default (PD) used in the ECL model; • Determination of the Exposure at Default (EAD) based on the discounted future cash flows at the reporting date; and rate of recovery on the loans that are past due and in default; • Credit Conversion Factor (CCF) applied in modelling the EAD for undrawn commitments; and • Estimation of the Loss Given Default (LGD)	Our audit procedures in this area included the following: • We evaluated the design and implementation of the key controls over the impairment determination process such as the Group's assessment of ECL allowance on loans and advances to customers and review of relevant data elements used in the calculation of expected credit losses including evaluation of ECL impairment computation. • We assessed the Group's default definition and other qualitative default indicators by agreeing it to the requirements of the IFRS 9. • We tested the appropriateness of the Group's determination of SICR, defaults and the resultant classification of loans into stages on a sample basis by evaluating customer files for the terms of the loans and account statements for due and unpaid obligations • Assisted by our Financial Risk Management specialists, we tested the key data and assumptions inputted into the ECL model used by the Group. Other procedures performed included the following: ○ We challenged the appropriateness and reasonableness of the ECL methodology by considering whether it reflects unbiased and probability-weighted amounts that are determined by evaluating a range of possible outcomes, the time value of money, reasonable and supportable information at the reporting date about past events, current conditions and forecasts of future economic conditions. ○ For forward-looking assumptions comprising Real Gross Domestic Product

Expected Credit Loss (ECL) Allowance on Loans and Advances to Customers	
The Group's accounting policy on impairment, related disclosures on credit risk and significant accounting judgements, estimates and assumptions, and note on impairment charge on financial instruments are shown in notes 2.10.1(e), 3, 5, and 9, respectively.	
Key audit matter	How the matter was addressed in our audit
based on collateral values and other cash flows.	(GDP), crude oil price, and NGX All Share Index (ASI) used, we corroborated the Group's assumptions using publicly available information from external sources and assessed for appropriateness in the Group's circumstances. ○ We evaluated the appropriateness of the basis of determining Exposure at Default, including the contractual cash flows, outstanding loan balance, loan repayment type, loan tenor and effective interest rate by agreeing them to source documents and performing a re-computation on a sample basis. ○ We assessed the CCF applied in modelling the EAD for undrawn commitments by evaluating the Group's calculation is consistent with the portfolio segmentation. ○ For PD used in the ECL calculation, we inspected the model used for its calculation and assessed the completeness and accuracy of the data used for default and nondefault categories for corporate and retail loans. ○ We evaluated the calculation of the LGD used by the Group in the ECL calculations, including the appropriateness of the use of collateral, by recalculating the LGD, cashflow validation and assessing the haircuts applied by the Group on the recoverability of collateral considering the current economic conditions. On a sample basis, we challenged the valuation of collaterals applied in the ECL calculation



Expected Credit Loss (ECL) Allowance on Loans and Advances to Customers	
The Group's accounting policy on impairment, related disclosures on credit risk and significant accounting judgements, estimates and assumptions, and note on impairment charge on financial instruments are shown in notes 2.10.1(e), 3, 5, and 9, respectively.	
Key audit matter	How the matter was addressed in our audit
	by evaluating the competence of the valuers and assessing the market value of the collaterals to other independent publicly available information. ○ We assessed how the Group has treated restructured loans based on changes to cashflow characteristic of customers and the related impact on staging and SICR, to evaluate consistency with the requirements of IFRS 9. ○ We independently re-performed the calculation of impairment allowance for loans and advances. ○ We assessed the appropriateness of the disclosures in the financial statements against the requirements of IFRS 9 and IFRS 7.

Valuation of Derivatives	
The Group's accounting policy on derivative instruments and relevant financial risk disclosures are shown in Notes 2.10, 3, and 23, respectively.	
Key audit matter	How the matter was addressed in our audit
The Group's derivative instruments comprise foreign currency swaps, put options, cross-currency interest rate swaps, foreign exchange futures and foreign exchange forward contracts, which are used to manage foreign exchange risk. Estimating the fair value of the derivative instrument is a complex valuation methodology involving multiple inputs, including discount rates, foreign exchange rates, earning yields, adjustments and other estimates. Consequently, we have determined the valuation of derivatives to be a key audit matter.	Our audit procedures in this area included the following: • We evaluated the design, implementation and operating effectiveness of key controls over the inputs used in determining the Group's valuation of derivative instruments. • We inspected derivative contracts on a sample basis to substantiate the terms of the respective transactions.

	• Assisted by our Valuation specialist, we performed the following procedures: ○ Evaluated the appropriateness of the methodology and assumptions used by the Group, including volatilities in determining fair value and accounting for the derivative positions to assess whether the valuation model used by the Group was in line with acceptable market practice. ○ Inspected the inputs used in the valuation model, such as discount rates, forward exchange rates and yields by obtaining quoted rates and compared these rates to the mark-to-market rates; and ○ Independently developed a range estimate of the fair value of the derivatives assets and liabilities.
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Other information

The Directors are responsible for the other information. The other information comprises the Directors and Advisors, Directors' Report, Statement of Directors' Responsibilities, Statement of Corporate Responsibility, Statement of Compliance with the Nigerian Exchange Listing Rules on Securities Trading Policy, Report of the Board Audit Committee, Management Certification of Internal Control Over Financial Reporting, Report on the Effectiveness of Internal Control over Financial Reporting and Other National disclosures, which we obtained prior to the date of this auditor's report but does not include the consolidated and separate financial statements and our auditor's report thereon. Other information also include the Strategic reports, Corporate Responsibility and Sustainability reports, Governance reports, Risk Overview reports and Shareholder information, together the "outstanding reports", which are expected to be made available to us after that date.

Our opinion on the consolidated and separate financial statements does not cover the other information, and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we have obtained prior to the date of



this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the outstanding reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of the Directors for the consolidated and separate financial statements

The Directors are responsible for the preparation of consolidated and separate financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and in the manner required by the Companies and Allied Matters Act (CAMA), 2020, the Financial Reporting Council of Nigeria Act, 2011 (as amended), the Banks and Other Financial Institutions Act, 2020 and relevant Central Bank of Nigeria (CBN) Guidelines and Circulars, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the Directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.



- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors and Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Compliance with the requirements of Schedule 5 of the Companies and Allied Matters Act (CAMA), 2020

- i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- ii. In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books.
- iii. The Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.



Compliance with Section 26 (3) of the Banks and Other Financial Institutions Act, 2020 and Central Bank of Nigeria circular BSD/1/2004

i. The Group paid penalties amounting to N344 million in respect of contraventions of CBN circulars and regulations during the year ended 31 December 2025 as disclosed in note 47 to the consolidated and separate financial statements.

ii. Related party transactions and balances are disclosed in note 45 to the consolidated and separate financial statements in compliance with the Central Bank of Nigeria circular BSD/1/2004.

Compliance with FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting

In accordance with the requirements of the Financial Reporting Council of Nigeria, we performed a limited assurance engagement and reported on management's assessment of the Group's internal control over financial reporting as of 31 December 2025. The work performed was done in accordance with ISAE 3000 (Revised) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and the FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting. We have issued an unmodified conclusion in our report dated 06 May 2026. That report is included in the annual report.

Signed:

Akinyemi Ashade
FRC/2013/PRO/ICAN/004/00000000786
For: KPMG Professional Services
Chartered Accountants
06 May 2026
Lagos, Nigeria.



First HoldCo Plc.

CONSOLIDATED AND SEPARATE STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED

		GROUP		COMPANY	
	Note	31 December 2025 N 'million	31 December 2024 N 'million	31 December 2025 N 'million	31 December 2024 N 'million
Continuing operations					
Interest income	7	2,994,145	2,397,428	13,200	6,009
Interest expense	8	(1,077,206)	(996,119)	(1)	(8)
Net interest income		1,916,939	1,401,309	13,199	6,001
Impairment charge on financial instruments	9	(826,303)	(426,294)	(14)	(3)
Net interest income after impairment charge for losses		1,090,636	975,015	13,185	5,998
Fee and commission income	10a	357,503	304,498	-	-
Fee and commission expense	10b	(63,044)	(59,609)	-	-
Net Fee and commission income		294,459	244,889	-	-
Foreign exchange gain/(loss)	11	93,369	(64,945)	(280)	1,164
Net gains/(losses) on sale of investment securities	12	50,042	(48,059)	155	21
Net (losses)/gains from financial instruments at FVTPL	13	(155,627)	549,989	-	4
Dividend income	14	13,597	10,657	26,241	27,090
Profit from disposal of investment in subsidiary	29	-	-	14,078	-
Other operating income	15	81,595	62,546	(34)	(94)
Personnel expenses	16	(343,086)	(308,472)	(3,227)	(2,952)
Depreciation of property and equipment	30	(58,609)	(44,384)	(693)	(370)
Amortisation of intangible assets	31	(15,959)	(17,598)	-	-
Operating expenses	17	(816,162)	(563,706)	(6,074)	(4,600)
Operating profit		234,255	795,932	43,351	26,261
Share of profit of associates	27ii	737	535	-	-
Profit before income tax and minimum tax		234,992	796,467	43,351	26,261
Minimum tax	18a(ii)	(14,712)	(14,584)	(67)	(36)
Profit before income tax		220,280	781,883	43,284	26,225
Income tax expense	18a(ii)	(73,026)	(118,393)	(256)	(1)
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS		147,254	663,490	43,028	26,224
Discontinued operations					
(Loss)/profit for the year from discontinued operations	29	(7,771)	13,515	-	-
PROFIT FOR THE YEAR		139,483	677,005	43,028	26,224
Profit attributable to:					
Owners of the parent		132,684	670,799	43,028	26,224
Non-controlling interests		6,799	6,206	-	-
		139,483	677,005	43,028	26,224
Earnings per share for profit attributable to owners of the parent					
Basic earnings/(loss) per share (kobo):	50				
From continuing operations		335	1,821	103	73
From discontinued operations		(18)	38	-	-
From profit for the year		317	1,859	103	73

The accompanying notes are an integral part of the consolidated and separate financial statements.

First HoldCo Plc.

CONSOLIDATED AND SEPARATE STATEMENT OF OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED	Note	GROUP		COMPANY	
		31 December 2025 N 'million	31 December 2024 N 'million	31 December 2025 N 'million	31 December 2024 N 'million
PROFIT FOR THE YEAR		139,483	677,005	43,028	26,224
Other comprehensive income:					
Items that may be subsequently reclassified to profit or loss					
From continuing operations					
Movement in fair value reserves (FVOCI debt instruments):					
-Net changes in fair value		210,409	(93,217)	988	(635)
-Net reclassified loss to profit or loss		(13,414)	(3,792)	-	-
Share of other comprehensive income of associates	27ii	(7)	-	-	-
Foreign operations - foreign currency translation differences		24,926	336,640	-	-
From discontinued operations					
Net gains/ (losses) on debt instruments at fair value through other comprehensive income					
		4,799	(1,097)	-	-
Items that will not be reclassified to profit or loss					
From continuing operations					
Equity investments at FVTOCI- net changes in fair value		(39,133)	157,049	-	-
Remeasurement of defined benefit pension scheme	38	(2,978)	764	-	-
Effects of hyperinflation		(27,493)	(8,946)	-	-
Related taxes		183	(1,735)	-	-
Other comprehensive income/(loss) for the year		157,292	385,666	988	(635)
COMPREHENSIVE INCOME FOR THE YEAR		296,775	1,062,671	44,016	25,589
Comprehensive income attributable to:					
Owners of the parent		293,834	1,038,287	44,016	25,589
Non-controlling interests		2,941	24,384	-	-
		296,775	1,062,671	44,016	25,589
Total comprehensive income attributable to owners of the parent arises from :					
Continuing operations		296,731	1,025,695	44,016	25,589
Discontinued operations		(2,897)	12,592	-	-
		293,834	1,038,287	44,016	25,589

The accompanying notes are an integral part of the consolidated and separate financial statements.

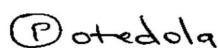
First HoldCo Plc.

CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION

AS AT

	Note	GROUP		COMPANY	
		31 December	31 December	31 December	31 December
		2025	2024	2025	2024
		N 'million	N 'million	N 'million	N 'million
ASSETS					
Cash and balances with central banks	19	5,074,239	4,415,186	-	-
Loans and advances to banks	21	3,458,348	3,302,480	11,961	23,269
Loans and advances to customers	22	8,966,321	8,767,888	87	178
Financial assets at fair value through profit or loss	23	1,144,241	443,567	-	-
Investment securities	24	6,970,087	6,536,395	11,377	14,504
Assets pledged as collateral	25	343,612	1,069,225	-	-
Other assets	26	642,294	1,139,720	18,800	24,138
Investments in associates accounted for using the equity method	27	3,109	2,540	-	-
Investment in subsidiaries	28	-	-	516,452	264,188
Property and equipment	30	541,194	222,164	1,342	545
Intangible assets	31	36,318	40,138	-	-
Deferred tax assets	32	39,916	53,706	-	-
		27,219,679	25,993,009	560,019	326,822
Assets held for sale	29	31,256	531,209	-	-
Total assets		27,250,935	26,524,218	560,019	326,822
LIABILITIES					
Deposits from banks	33	2,019,003	2,922,432	-	-
Deposits from customers	34	18,883,009	17,170,690	-	-
Financial liabilities at fair value through profit or loss	23a	61,992	50,256	-	-
Financial liabilities at amortized cost	35	-	198,188	-	-
Current tax liabilities	18b	118,278	122,563	342	49
Other liabilities	36	896,575	1,239,125	13,816	29,077
Borrowings	37	1,943,978	1,559,353	-	-
Retirement benefit obligations	38	11,490	8,640	-	-
Deferred tax liabilities	32	13,462	11,645	-	-
		23,947,787	23,282,892	14,158	29,126
Liabilities held for sale	29	1,783	445,992	-	-
Total liabilities		23,949,570	23,728,884	14,158	29,126
EQUITY					
Share capital	39	22,227	17,948	22,227	17,948
Share premium	40	458,389	233,392	458,389	233,392
Retained earnings	40	401,798	1,116,309	66,381	48,480
Statutory reserve	40	301,820	332,091	-	-
Capital reserve	40	-	-	10	10
Small scale investment reserve	40	6,076	6,076	-	-
Fair value reserve	40	512,484	356,675	(1,146)	(2,134)
Regulatory risk reserve	40	851,949	22,670	-	-
Foreign currency translation reserve	40	686,121	657,346	-	-
		3,240,864	2,742,507	545,861	297,696
Non-controlling interests	41	60,501	52,827	-	-
Total equity		3,301,365	2,795,334	545,861	297,696
Total equity and liabilities		27,250,935	26,524,218	560,019	326,822

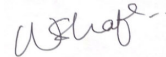
The consolidated and separate financial statements were approved and authorised for issue by the Board of Directors on March 9, 2026 and signed on its behalf by:



Olufemi Otedola, CON
Group Chairman
FRC/2013/IODN/00000002426



Adebawale Oyediji
Group Managing Director
FRC/2024/PRO/DIR/003/450036



Wasiu Shafe
Ag. Chief Financial Officer
FRC/2015/PRO/00000012973

The accompanying notes are an integral part of these consolidated and separate financial statements.

First HoldCo Plc.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

GROUP	Attributable to equity holders of the parent										Non-controlling interest	Total equity
	Share capital	Share premium	Retained earnings	Capital reserve	Statutory reserve	Small scale investments reserve	Fair value reserve	Regulatory risk reserve	Foreign currency translation reserve	Total		
	N 'million	N 'million	N 'million	N 'million	N 'million	N 'million	N 'million	N 'million	N 'million	N 'million	N 'million	N 'million
Balance at 1 January 2024	17,948	233,392	588,967	-	211,935	6,076	300,888	20,501	338,871	1,718,578	28,443	1,747,021
Profit for the year	-	-	670,799	-	-	-	-	-	-	670,799	6,206	677,005
Other comprehensive income												
Foreign operations- foreign currency translation differences	-	-	-	-	-	-	-	-	318,475	318,475	18,165	336,640
Net changes in fair value	-	-	-	-	-	-	(94,327)	-	-	(94,327)	13	(94,314)
Net reclassified gains to profit or loss	-	-	-	-	-	-	(3,792)	-	-	(3,792)	-	(3,792)
Equity investments at FVTOCI- net changes in fair value	-	-	-	-	-	-	157,049	-	-	157,049	-	157,049
Effects of hyperinflation	-	-	(8,946)	-	-	-	-	-	-	(8,946)	-	(8,946)
Remeasurement of defined benefit pension scheme	-	-	764	-	-	-	-	-	-	764	-	764
Related taxes	-	-	-	-	-	-	(1,735)	-	-	(1,735)	-	(1,735)
Total comprehensive income	-	-	662,617	-	-	-	57,195	-	318,475	1,038,287	24,384	1,062,671
Transfer between reserves	-	-	(120,917)	-	120,156	-	(1,408)	2,169	-	-	-	-
Transactions with owners												
Dividends	-	-	(14,358)	-	-	-	-	-	-	(14,358)	-	(14,358)
Total transactions with Owners	-	-	(14,358)	-	-	-	-	-	-	(14,358)	-	(14,358)
At 31 December 2024	17,948	233,392	1,116,309	-	332,091	6,076	356,675	22,670	657,346	2,742,507	52,827	2,795,334
Balance at 1 January 2025	17,948	233,392	1,116,309	-	332,091	6,076	356,675	22,670	657,346	2,742,507	52,827	2,795,334
Profit for the year	-	-	132,684	-	-	-	-	-	-	132,684	6,799	139,483
Other comprehensive income												
Foreign operations- foreign currency translation differences	-	-	-	-	-	-	-	-	28,775	28,775	(3,849)	24,926
Net changes in fair value	-	-	-	-	-	-	215,217	-	-	215,217	(9)	215,208
Net reclassified loss to profit or loss	-	-	-	-	-	-	(13,414)	-	-	(13,414)	-	(13,414)
Equity investments at FVTOCI- net changes in fair value	-	-	-	-	-	-	(39,133)	-	-	(39,133)	-	(39,133)
Changes in allowance on FVOCI financial instruments	-	-	-	-	-	-	-	-	-	-	-	-
Effects of hyperinflation	-	-	(27,493)	-	-	-	-	-	-	(27,493)	-	(27,493)
Remeasurement of defined benefit pension scheme	-	-	(2,978)	-	-	-	-	-	-	(2,978)	-	(2,978)
Share of other comprehensive income of associates	-	-	-	-	-	-	(7)	-	-	(7)	-	(7)
Related taxes	-	-	-	-	-	-	183	-	-	183	-	183
Total comprehensive income	-	-	102,213	-	-	-	162,846	-	28,775	293,834	2,941	296,775
Transfer between reserves	-	-	(791,971)	-	(30,271)	-	(7,037)	829,279	-	-	-	-
Transactions with owners												
Issue of ordinary shares	4,279	224,997	-	-	-	-	-	-	-	229,276	-	229,276
Dividends	-	-	(25,127)	-	-	-	-	-	-	(25,127)	-	(25,127)
Partial disposal of interest in First Bank Senegal without loss in control	-	-	374	-	-	-	-	-	-	374	4,733	5,107
Total transactions with Owners	4,279	224,997	(24,753)	-	-	-	-	-	-	204,523	4,733	209,256
At 31 December 2025	22,227	458,389	401,798	-	301,820	6,076	512,484	851,949	686,121	3,240,864	60,501	3,301,365

The accompanying notes are an integral part of this consolidated and separate financial statements.

First HoldCo Plc.

SEPARATE STATEMENT OF CHANGES IN EQUITY

COMPANY	Attributable to equity holders of the parent				
	Share capital	Share premium	Retained earnings	Capital reserve	fair value reserve
	N 'million	N 'million	N 'million	N 'million	N 'million
Balance at 1 January 2024	17 948	233 392	36 614	10	(1 499)
Profit for the year	-	-	26 224	-	-
Other comprehensive income					
Fair value movements on financial assets	-	-	-	-	(635)
Total comprehensive income	-	-	26 224	-	(635)
Transactions with owners					
Dividends	-	-	(14 358)	-	-
Total transactions with Owners	-	-	(14 358)	-	-
At 31 December 2024	17 948	233 392	48 480	10	(2 134)
Balance at 1 January 2025	17 948	233 392	48 480	10	(2 134)
Profit for the year	-	-	43 028	-	-
Other comprehensive income					
Fair value movements on financial assets	-	-	-	-	988
Total comprehensive income	-	-	43 028	-	988
Transactions with owners					
Issue of ordinary shares	4 279	224 997	-	-	-
Dividends	-	-	(25 127)	-	-
Total transactions with Owners	4 279	224 997	(25 127)	-	-
At 31 December 2025	22 227	458 389	66 381	10	(1 146)

The accompanying notes are an integral part of this consolidated and separate financial statements.

First HoldCo Plc.

CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED	Note	GROUP		COMPANY	
		31 December	31 December	31 December	31 December
		2025	2024	2025	2024
		N 'million	N 'million	N 'million	N 'million
Operating activities					
Cash flow (used in)/from operations	42	(1,553,143)	4,205,396	(21,954)	435
Income taxes paid	18b	(75,197)	(52,327)	-	-
Interest received	42b(xii)	1,959,187	1,851,686	12,906	4,796
Interest paid	42b(xiii)	(1,069,986)	(994,762)	-	-
Net cash (used in)/from operating activities		(739,139)	5,009,993	(9,048)	5,231
Investing activities					
Purchase of investment securities	42b(v)	(2,191,965)	(2,439,458)	(51,767)	(12,808)
Proceeds from the sale of investment securities	42b(xviii)	1,324,834	958,620	56,142	6,405
Additional investment in subsidiaries	42b(xv)	-	-	(270,987)	-
Proceeds from disposal of subsidiary net of cash	42b(xv)	31,284	-	31,284	-
Additional investment in investment in associate	27(ii)	(2,397)	-	-	-
Proceeds from disposal of investment in associate	27(ii)	2,397	-	-	-
Dividends received	42b(xiv)	13,597	10,657	30,623	21,752
Purchase of property and equipment	30	(381,484)	(95,001)	(1,524)	(175)
Purchase of intangible assets	31	(9,699)	(25,042)	-	-
Proceeds from disposal of property and equipment	42b(xi)	1,789	9,310	-	78
Net cash (used in)/ from investing activities		(1,211,644)	(1,580,914)	(206,229)	15,252
Financing activities					
Dividend paid	48	(25,127)	(14,358)	(25,127)	(14,358)
Proceeds of increase in share capital		229,276	-	229,276	-
Proceeds from new borrowings	37	1,252,984	463,305	-	-
Repayment of borrowings	37	(788,849)	(1,093,926)	-	-
Proceeds from Financial liability at amortised cost	42b(xvii)	-	798,812	-	-
Repayment of Financial liability at amortised cost	42b(xvii)	(198,188)	(615,512)	-	-
Principal element of lease payments	30	(3,632)	(1,549)	(89)	-
Net cash from/(used) in financing activities		466,464	(463,228)	204,060	(14,358)
(Decrease)/increase in cash and cash equivalents		(1,484,319)	2,965,851	(11,217)	6,125
Cash and cash equivalents at 1 January		5,705,676	2,682,586	23,269	16,523
Effect of exchange rate fluctuations on cash and cash equivalents held	20	39,912	57,239	(91)	621
Cash and cash equivalents at 31 December	20	4,261,269	5,705,676	11,961	23,269

The accompanying notes are an integral part of this consolidated and separate financial statements.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

1 General information

These are the consolidated and separate financial statements of First HoldCo Plc. (the Company), and its subsidiaries (hereafter referred to as 'the Group'). The Registered office address of the Company is at 35 Marina, Samuel Asabia House, Lagos, Nigeria.

The principal activities of the Group are mainly the provision of commercial banking services, investment banking services, and provision of other financial services and corporate banking.

The consolidated and separate financial statements for the year ended December 31, 2025 were approved and authorised for issue by the Board of Directors on March 9, 2026.

2 Basis of accounting

The Group's consolidated and separate financial statements for the year ended December 31, 2025 have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standard Board (IFRS Accounting Standards) and in the manner as required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria Act, 2011 (as amended), the Banks and Other Financial Institutions Act, 2020 and relevant Central Bank of Nigeria (CBN) Guidelines and Circulars.

The separate and consolidated financial statements comprise the consolidated and separate statement of profit or loss, consolidated and separate statement of comprehensive income, consolidated and separate statement of financial position, the consolidated and separate statement of changes in equity, consolidated and separate statement of cash flows and the related notes for the Group and the Company.

The consolidated and separate financial statements have been prepared in accordance with the going concern principle under the historical cost convention, modified to include fair valuation of particular financial instruments, to the extent required or permitted under IFRS accounting standards as set out in the relevant accounting policies.

The preparation of the consolidated and separate financial statements in conformity with IFRS accounting standards requires the use of certain critical accounting estimates. It also requires Directors to exercise judgement in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the consolidated financial statements in the period the assumptions changed.

The Directors believe that the underlying assumptions are appropriate and that the consolidated and separate financial statements therefore present the financial position and results fairly. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated and separate financial statements, are disclosed in Note 5.

2.1 Basis of measurement

The separate and consolidated financial statements have been prepared in accordance with the going concern principle under the historical cost convention except the following:

- Derivative financial instruments which are measured at fair value.
- Financial assets measured at fair value through Profit or Loss
- Financial assets measured at fair value through other comprehensive income
- The liability for defined benefit obligations is recognized as the present value of the defined benefit obligation less the fair value of the plan assets.
- The plan assets for defined benefit obligations are measured at fair value.
- consolidated subsidiaries in an hyper-inflationary economy remeasured to their inflation-adjusted amounts.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

2.2 Changes in material accounting policy and disclosures

The Group does not have any changes in material accounting policies in the current annual reporting period.

2.2.1 New standards, interpretations and amendments to existing standards that are not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2025 and earlier application is permitted; however, except as stated in note 2.1, the Group and Bank have not yet adopted the new and amended standards in preparing these consolidated financial statements.

The following new and amended standards are not expected to have a significant impact on the Group's consolidated financial statements:

- Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

The International Accounting Standards Board (IASB) issued Amendments to the classification and Measurement of Financial Instruments which amended IFRS 9 and IFRS 7.

The requirements will be effective for annual reporting periods beginning on or after 1 January 2026, with early application permitted, and are related to:

- settling financial liabilities using electronic payments system; and
- assessing contractual cash flow characteristics of financial assets, including those with sustainability-linked features.

The Group is in the process of assessing the impact of the new amendments.

- Annual Improvements to IFRS Accounting Standards (Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7)

IFRS 7 Financial Instruments: Disclosures

1. Gain or loss on derecognition. The amendment addresses a potential confusion in paragraph B38 of IFRS 7 arising from an obsolete reference to a paragraph that was deleted from the standard when IFRS 13 Fair Value Measurement was issued.
2. Disclosure of deferred difference between fair value and transaction price. The amendment addresses an inconsistency between paragraph 28 of IFRS 7 and its accompanying implementation guidance that arose when a consequential amendment resulting from the issuance of IFRS 13 was made to paragraph 28, but not to the corresponding paragraph in the implementation guidance.
3. Introduction and credit risk disclosures. The amendment addresses a potential confusion by clarifying in paragraph IG1 that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7 and by simplifying some explanations.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

IFRS 9 Financial Instruments

1. Initial measurement of trade receivables. The amendments remove the conflict between IFRS 9 and IFRS 15 over the amount at which a trade receivable is initially measured. Under IFRS 15, a trade receivable may be recognised at an amount that differs from the transaction price – e.g. when the transaction price is variable. Conversely, IFRS 9 requires that companies initially measure trade receivables without a significant financing component at the transaction price. The IASB has amended IFRS 9 to require companies to initially measure a trade receivable without a significant financing component at the amount determined by applying IFRS 15. Amendment on trade receivables could prompt accounting policy change.

2. Derecognition of a lease liability. If a lease liability is derecognised, then the derecognition is accounted for under IFRS 9. However, when a lease liability is modified, the modification is accounted for under IFRS 16 Leases. The IASB's amendment states that when lease liabilities are derecognised under IFRS 9, the difference between the carrying amount and the consideration paid is recognised in profit or loss. These amendments are effective for annual periods beginning on or after 1 January 2026 is not expected to have a significant impact on the Group's consolidated financial statements

IFRS 10 Consolidated financial statements

The amendment addresses a potential confusion arising from an inconsistency between paragraphs B73 and B74 of IFRS 10 related to an investor determining whether another party is acting on its behalf by aligning the language in both paragraphs.

IAS 7 Statement of Cash Flows

This amendment replaces the term 'cost method' in paragraph 37 of IAS 7 with 'at cost'

These amendments are effective for annual periods beginning on or after 1 January 2026 is not expected to have a significant impact on the Group's consolidated financial statements

- IFRS 18 Presentation and Disclosures in Financial Statements

IFRS 18 will replace IAS 1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after 1 January 2027. The new standard introduces the following key new requirements.

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method. The Group is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Group's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs. The Group is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as 'other'.

- Other accounting standards
IFRS 19 Subsidiaries without Public Accountability: Disclosures

2.3 Material accounting policies

The accounting policies set out below have been consistently applied to all periods presented in these consolidated and separate financial statements, except if mentioned otherwise.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

2.3.1 Basis of consolidation

a. Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group (see 2.3b).

In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a "concentration test" that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within the equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

b. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity if it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group reassesses whether it has control if there are changes to one or more of the elements of controls. This includes circumstances in which protective rights held (e.g. those resulting from a lending relationship) become substantive and lead to the Group having power over an investee.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

c. Non-controlling interests

Non-controlling interests are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions

d. Changes in ownership interests in subsidiaries without change of control.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

e. Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss or transferred directly to retained earnings, amounts recognised in OCI in relation to the subsidiary on the same basis as would be required if the parent had directly disposed of the related assets or liabilities. Any interest retained in the former subsidiary is measured at fair value when control is lost.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

- f. Transactions eliminated on consolidation
Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

- g. Associates
Associates are all entities over which the group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investment in associates is measured at cost in the separate financial statements of the investor. Investments in associates are accounted for using the equity method of accounting in the Consolidated financial statements of the Group. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The group's investment in associates includes goodwill identified on acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profit or loss is recognised in the income statement, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in an associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to share of profit/(loss) of associates in the income statement.

- h. Investment entities
Some of the entities within the Group are investment entities. Equity investments held by these entities in the investee companies are recognised in the statement of financial position at fair value through profit or loss even though the Group may have significant influence over those companies. This treatment is permitted by IAS 28, *Investments in Associates and Joint Ventures*, which allows investments that are held by Investment Entities to be recognised and measured as at fair value through profit or loss and accounted for in accordance with IFRS 9 and IFRS 13, with changes in fair value recognised in the income statement in the period of the change.

When an entity ceases to be an investment entity, the Group applies IFRS 3 to any subsidiary that was previously measured at fair value through profit or loss.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

2.4 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

All transactions between business segments are conducted at arm's length, with inter-segment revenue and expenditure eliminated at the Group. Income and expenses directly associated with each segment is included in determining the segment's performance.

2.5 Common control transactions

A business combination involving entities or businesses under common control is excluded from the scope of IFRS 3 Business Combinations. The exemption is applicable where the combining entities or businesses are controlled by the same party both before and after the combination. Where such transactions occur, the Group, in accordance with IAS 8, uses its judgment in developing and applying an accounting policy that is relevant. In making this judgment, directors consider the requirements of IFRS dealing with similar and related issues and the definitions, recognition criteria and measurement concepts for assets, liabilities, income and expenses in the framework.

Directors also consider the most recent pronouncements of other standard setting bodies that use a similar conceptual framework to develop accounting standards, to the extent that these do not conflict with the IFRS Framework or any other IFRS standards or interpretation.

Accordingly, the Group's policy is that the assets and liabilities of the business transferred are measured at their existing book value in the consolidated financial statements of the parent, as measured under IFRS. The Company incorporates the results of the acquired businesses only from the date on which the business combination occurs.

2.6 Foreign currency transactions

a. Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

The consolidated and separate financial statements are presented in Nigerian Naira which is the group's presentation currency.

b. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Changes in the fair value of monetary securities denominated in foreign currency classified as fair value through other comprehensive income (FVOCI) are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as FVOCI, are included in other comprehensive income.

c. Foreign operations

The results and financial position of all the group entities which have functional currency different from the Group's presentation currency, are translated into the Group's presentation currency as follows:

- assets and liabilities of each foreign operation are translated at the rates of exchange ruling at the reporting date;
- income and expenses of each foreign operation are translated at the average exchange rate for the period, unless this average is not a reasonable approximation of the rate prevailing on transaction date, in which case income and expenses are translated at the exchange rate ruling at transaction date; and
- all resulting exchange differences are recognised in other comprehensive income.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

- d. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

- e. *Hyperinflationary Accounting - Subsidiaries in hyperinflationary economies*
 The financial of the subsidiaries whose functional currencies are the currencies of hyperinflationary economies are adjusted in terms of the measuring unit at the end of the reporting period following the historic cost approach. However, as the presentation currency of the Group is that of a non-hyperinflationary economy, comparative amounts are not adjusted for changes in the index in the current year.

The carrying amounts of non-monetary assets and liabilities of the subsidiaries are adjusted to reflect the change in the general price index from the date of acquisition to the end of the reporting period. All items recognised in the income statement are restated by applying the change in the general price index from the dates when the items of income and expenses were initially earned or incurred. On initial application of hyperinflation, prior year gains and losses are recognised directly in equity. However, the gains or losses on the net monetary position for the current year are recognised in profit or loss.

At the beginning of the first year of application, the subsidiaries' components of equity, except retained earnings, are restated by applying a general price index from the dates the components were contributed or otherwise arose. These restatements are recognised directly in equity as an adjustment to opening retained earnings. Restated retained earnings are derived from all other amounts in the restated statement of financial position. At the end of the first year and in subsequent years, all components of equity are restated by applying a general price index from the beginning of the year or the date of contribution, if later. All items in the statement of cash flows are expressed in terms of the general price index at the end of the reporting period.

The Group previously applied IAS 29 Financial Reporting in Hyperinflationary Economies to its subsidiary in Ghana, whose functional currency is the Ghanaian Cedi, due to the existence of hyperinflationary conditions in prior periods. In 2025, inflation indicators showed that Ghana is no longer considered a hyperinflationary economy. Accordingly, the Group ceased applying IAS 29 for reporting periods ending on or after 31 December 2025.

The amounts previously restated for hyperinflation at the end of the prior reporting period have been treated as the carrying amounts of the subsidiary's assets and liabilities going forward. The results and financial position of the subsidiary are translated into the Group's presentation currency in accordance with IAS 21 The Effects of Changes in Foreign Exchange Rates.

2.7 Income tax expense

Current income tax

Current income tax consists of Company Income Tax, Education tax, National Information Technology Development Agency levy (NITDA) and Nigeria Police Trust Fund (PTF) levy. Company Income tax is assessed at 30% statutory rate of total profit whereas Education tax is computed as 3% of assessable profit, NITDA levy is a 1% levy on Profit Before Tax, and PTF levy is 0.005% of the net profit (defined as profit after tax). The PTF levy is charged on the net profit of the company for the year and therefore falls within the scope of IAS 12 which deals with taxes levied on a net rather than on a gross amount. Current tax also includes any tax arising from dividends.

Income tax payable is calculated on the basis of the applicable tax law in the respective jurisdiction and is recognised as an expense (income) for the period except to the extent that current tax related to items that are charged or credited in other comprehensive income or directly to equity.

In these circumstances, current tax is charged or credited to other comprehensive income or to equity (for example, current tax on equity instruments for which the entity has elected to present gains and losses in other comprehensive income). It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax assets and liabilities are offset only if certain criteria are met.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore has accounted for them under IAS 37 Provisions, Contingent Liabilities and Contingent Assets and has recognized the related expenses in 'other expenses'.

Minimum Tax

The Group is subject to the Companies Income Tax Act (CITA). Total amount of tax payable under CITA is determined based on the higher of two components namely Company Income Tax (based on taxable income (or loss) for the year); and Minimum tax. Taxes based on taxable profit for the period are treated as income tax in line with IAS 12; whereas Minimum tax which is based on a gross amount is outside the scope of IAS 12 and therefore, are not presented as part of income tax expense in the profit or loss.

Where the minimum tax charge is higher than the Company Income Tax (CIT), the minimum tax charge is recognized in the profit or loss presented above the income tax line as Minimum tax.

Windfall profit levy

This levy is called a 'windfall profit levy' on profit earned from all foreign exchange transactions, imposed on licensed banks in Nigeria. This obligation is payable by all banks licenced to carry out foreign exchange transactions under the Banks and Other Financial Institutions Act, No. 5, 2020 and all other relevant Nigerian laws. This levy is assessed at 70% on realised profits from all foreign exchange transactions of banks within the 2023 to 2025 financial years. The banking subsidiary is subject to this levy. The windfall levy is accounted for as income taxes in the year of assessment.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

- b Deferred tax
Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, associates and joint arrangements, except for deferred tax liability where the timing of the reversal of the temporary difference is controlled by the group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised on deductible temporary differences arising from investments in subsidiaries, associates and joint arrangements only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Deferred tax assets and liabilities are only offset when they arise in the same tax reporting group and where there is both the legal right and the intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profit will be available against which they can be used.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects at the reporting date to recover or settle the carrying amount of its assets or liabilities.

2.8 Inventories

Inventories include stock of consumables.

Stock of consumables

Stock of consumables comprise of materials to be consumed in the process of rendering of services as well as accessories held for subsequent issuance to customers. They are measured at lower of cost and net realisable value. Cost comprises cost of purchase and other costs incurred in bringing the items of stock to their present location and condition. Net realisable value is the estimated issuance price. When items of stock are issued to customers, their carrying amount is recognised as an expense in the period in which the relevant revenue is recognised.

2.9 Repossessed collaterals

In certain circumstances, property may be repossessed following the foreclosure on loans that are in default. Repossessed properties are measured at the lower of carrying amount and fair value less cost to sell and reported within 'Other asset'.

2.10 Financial assets and liabilities

In accordance with IFRS 9, all financial assets and liabilities – which include derivative financial instruments – have to be recognised in the statement of financial position and measured in accordance with their assigned category.

Initial Recognition

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. The Group uses settlement date accounting for regular way contracts when recording financial asset transactions. Financial assets that are transferred to a third party but do not qualify for derecognition are presented in the statement of financial position as 'Assets pledged as collateral', if the transferee has the right to sell or repledge them.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

At initial recognition, the Group measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss. Immediately after initial recognition, an expected credit loss allowance (ECL) is recognised for financial assets measured at amortised cost and investments in debt instruments measured at FVOCI, as described in note 3.2.11, which results in an accounting loss being recognised in profit or loss when an asset is newly originated.

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the entity recognises the difference as follows:

(a) When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognised as a gain or loss.

(b) In all other cases, the difference is deferred and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortised over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs or realized through settlement.

2.10.1 Financial assets

Classification and measurement

The group classifies its debt financial assets in the following measurement categories:

- Fair Value through Other Comprehensive Income (FVOCI)
- Fair Value through Profit or Loss (FVTPL)
- Amortised Cost

The group classifies its equity financial assets in the following measurement categories:

- Fair Value through Other Comprehensive Income (FVOCI)
- Fair Value through Profit or Loss (FVTPL)

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Business Model Assessment

Business Model assessment involves determining whether financial assets are held to collect the contractual cashflows (rather than sell the instrument prior to its contractual maturity to realise its fair value changes).

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- Investment strategy for holding or selling the assets
- Past experience on how cash flows for these assets were collected.
- How the asset's performance is evaluated and reported to key management personnel
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- The expected frequency, value and timing of sales are also important aspects of the Group's assessment.

The business model for each portfolio of financial assets are to be categorized into one of the following models:

- **Hold-to-collect contractual cash flows:** Financial assets held with the sole objective to collect contractual cashflows;
- **Hold-to-collect contractual cash flows and sell:** Financial assets held with the objective to both collect contractual cashflows and sell;
- **Fair value through profit or loss (FVTPL) business model:** Financial assets held with neither of the objectives mentioned in the two categories above. They are basically financial assets held with the sole objective to trade and realize fair value changes.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

Cash flow characteristics assessment

The assessment aims to identify whether the contractual cash flows are solely payments of principal and interest (SPPI) on the principal amount outstanding.

The contractual cash flow characteristics assessment involves assessing the contractual features of an instrument to determine if they give rise to cash flows that are consistent with a basic lending arrangement.

The SPPI test is based on the premise that it is only when the variability in the contractual cash flows arises to maintain the holder's return in line with a 'basic lending arrangement' that the application of the effective interest method provides useful information.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset due to repayments. Thus the principal is not the legal amount due under the contractual terms of an instrument. This definition allows assets acquired at a discount or premium pass the SPPI test.

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

a. *Financial assets measured at amortised cost*

The amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

The gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is determined using the effective interest method and reported in profit or loss as 'Interest income'.

A financial asset qualifies for amortised cost measurement only if it meets both of the following conditions and is not designated as at FVTPL:

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

If a financial asset does not meet both of these conditions, then it is measured at fair value.

b. *Financial assets measured at FVOCI*

A debt instrument shall be measured at FVOCI if both of the following conditions are met and is not designated as at FVTPL:

- The asset is held within a business model in which assets are managed to achieve a particular objective by both collecting contractual cash flows and selling financial assets;
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Gains and losses are recognised in OCI within a separate component of equity, except for the following items, which are recognised in profit or loss in the same manner as for financial assets measured at amortised cost:

- interest revenue using the effective interest method;
- expected credit losses and reversals; and
- foreign exchange gains and losses.

When the debt instrument is disposed or derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in "other gains or (losses)".

c. *Financial assets measured at FVTPL*

A debt instrument that is not measured at amortised cost or at FVOCI must be measured at FVTPL. These would include debt instruments that are held for trading and those that have been designated as fair value through profit or loss at initial recognition. Gains and losses both on subsequent measurement and derecognition are recognised in profit or loss and reported as "Net gains or (losses)" in the period in which it arose.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

A debt instrument that is not measured at amortised cost or at FVOCI must be measured at FVTPL. These would include debt instruments that are held for trading and those that have been designated as fair value through profit or loss at initial recognition. Gains and losses both on subsequent measurement and derecognition are recognised in profit or loss and reported as "Net gains or (losses)" in the period in which it arose.

The Group may irrevocably designate a debt instrument as measured at FVTPL on initial recognition only if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch'). Such mismatches would otherwise arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases.

d. *Equity Instruments*

Equity investments are measured at FVTPL. However on initial recognition, the Group can make an irrevocable election to measure an equity investment at FVOCI. This option only applies to instruments that are neither held for trading nor contingent consideration, recognised by an acquirer in a business combination to which IFRS 3 applies.

For equities measured at FVOCI, fair value gains and losses on the equity remeasurements are recognised in OCI. However, dividends are recognised in profit or loss unless they clearly represent a repayment of part of the cost of the investment.

The amounts recognised in OCI are never reclassified from equity to profit or loss.

e. *Impairment of Financial Assets*

The Group recognizes expected credit losses ("ECL") on forward-looking basis for its financial assets measured at amortized cost, lease receivables, debt instrument at fair value through other comprehensive income, loan commitments and financial guarantee contracts not measured at fair value through profit or loss.

No impairment is recognised on equity investments. This is because the fair value changes would incorporate impairment gains or losses if any.

The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

f. *Modification and renegotiation of financial assets*

Where the terms of a financial asset are modified, the Group assesses whether the new terms are substantially different to the original terms. If the terms are substantially different, the Group derecognizes the original financial assets and recognizes a new asset at fair value and recalculates the effective interest rate.

Any difference between the amortized cost and the present value of the estimated future cash flows of the modified asset or consideration received on derecognition is recorded as a separate line item in profit or loss as 'gains and losses arising from the derecognition of financial assets measured at amortized cost'.

If the cash flows of the modified asset carried at amortized cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Group recalculates the gross carrying amount of the financial asset and recognizes the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss as part of impairment charge for the year.

g. *Derecognition other than on a modification*

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either

- (i) the Group transfers substantially all the risks and rewards of ownership, or
- (ii) the Group neither transfers nor retains substantially all the risks and rewards of ownership and the Group has not retained control.

The Group enters into transactions where it retains the contractual rights to receive cash flows from assets but assumes a contractual obligation to pay those cash flows to other entities and transfers substantially all of the risks and rewards. These transactions are accounted for as 'pass through' transfers that result in derecognition if the Group:

- (i) Has no obligation to make payments unless it collects equivalent amounts from the assets;
- (ii) Is prohibited from selling or pledging the assets; and
- (iii) Has an obligation to remit any cash it collects from the assets without material delay.

Collateral (shares and bonds) furnished by the Group under standard repurchase agreements and securities lending and borrowing transactions are not derecognised because the Group retains substantially all the risks and rewards on the basis of the predetermined repurchase price, and the criteria for derecognition are therefore not met.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

h. Reclassifications

Group does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which Group changes its business model for managing a financial asset, the Group acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

When reclassification occurs, the Group reclassifies all affected financial assets in accordance with the new business model. The reclassification should be applied prospectively from the 'reclassification date', which is defined as, 'the first day of the first reporting period following the change in business model that results in the Group reclassifying financial assets'. Accordingly, any previously recognised gains, losses or interest should not be restated.

i. Derivative financial instruments

Derivatives are classified as assets when their fair value is positive or as liabilities when their fair value is negative. Derivative assets and liabilities arising from different transactions are only offset where there is a legal right of offset of the recognised amounts and the parties intend to settle the cash flows on a net basis, or realise the asset and settle the liability simultaneously.

j. Embedded derivatives

Hybrid contracts contain both a derivative and a non-derivative component. In such cases, the derivative component is termed an embedded derivative. Where the economic characteristics and risks of the embedded derivatives are not closely related to those of the host contract, and the host contract itself is not carried at fair value through profit or loss, the embedded derivative is bifurcated and measured at fair value with gains and losses being recognised in the income statement.

2.10.2 Financial liabilities

Financial liabilities are classified into one of the following measurement categories:

- Fair value through profit or loss (FVTPL)
- Amortised cost

a. Financial liabilities at fair value through profit or loss (FVTPL)

Financial liabilities are measured at FVTPL when they are designated as such on initial recognition using the fair value option or when they meet the definition of held for trading i.e.

- it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term;
- on initial recognition it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking;
- or it is a derivative [except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument].

For financial liabilities designated as at FVTPL using the fair value option, the element of gains or losses attributable to changes in the Group's own credit risk are recognised in OCI, with the remainder recognised in profit or loss. The movement in fair value attributable to changes in the Group's own credit quality is calculated by determining the changes in credit spread above observable market interest rates. These amounts recognised in OCI are not recycled to profit or loss if the liability is ever repurchased at a discount.

However, if presentation of the fair value change in respect of the liability's credit risk in OCI creates or enlarges an accounting mismatch in profit or loss, gains and losses must be entirely presented in profit or loss. To determine whether the treatment would create or enlarge an accounting mismatch, the Group assesses whether it expects the effect of the change in the liability's credit risk to be offset in profit or loss by a change in fair value of another financial instrument, such as when the fair value of an asset is linked to the fair value of the liability. If such a mismatch does arise, the Group will be required to present all fair value changes of the liability in profit or loss.

b. Financial liabilities at amortised cost

Financial liabilities not held at FVTPL are subsequently measured at amortised cost using the effective interest method.

Financial liabilities measured at amortised costs are deposits from banks or customers, debt securities in issue for which the fair value option is not applied, convertible bonds and subordinated debts.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

c. Derecognition of financial liabilities

Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires).

The exchange between the Group and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability.

In addition, other qualitative factors, such as the currency that the instrument is denominated in, changes in the type of interest rate, new conversion features attached to the instrument and change in covenants are also taken into consideration. If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

2.10.3 Determination of fair value

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. For financial instruments traded in active markets, the determination of fair values of financial assets and financial liabilities is based on quoted market prices or dealer price quotations. This includes listed equity securities and quoted debt instruments on major exchanges (for example, the Nigerian Exchange (NGX)) and broker quotes from Bloomberg and Reuters.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

If the above criteria are not met, the market is regarded as being inactive. Indications that a market is inactive are when there is a wide bid-offer spread or significant increase in the bid-offer spread or there are few recent transactions.

For all other financial instruments, fair value is determined using valuation techniques. In these techniques, fair values are estimated from observable data in respect of similar financial instruments, using models to estimate the present value of expected future cash flows or other valuation techniques, using inputs (for example, LIBOR yield curve, foreign exchange rates, volatilities and counterparty spreads) existing at the date of the statement of financial position.

The Group uses widely recognised valuation models for determining fair values of non standardised financial instruments of lower complexity, such as options or interest rate and currency swaps. For these financial instruments, inputs into models are generally market-observable.

For more complex instruments, the Group uses internally developed models, which are usually based on valuation methods and techniques generally recognised as standard within the industry. Valuation models are used primarily to value derivatives transacted in the over-the-counter market, unlisted securities (including those with embedded derivatives) and other instruments for which markets were or have become illiquid. Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

The impact on other comprehensive income of financial instrument valuations reflecting non-market observable inputs (level 3 valuations) is disclosed in Note 3.6. The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Group holds. Valuations are therefore adjusted, where appropriate, to allow for additional factors including model risks, liquidity risk and counterparty credit risk.

Based on the established fair value model governance policies, and related controls and procedures applied, management believes that these valuation adjustments are necessary and appropriate to fairly state the values of financial instruments carried at fair value in the statement of financial position. Price data and parameters used in the measurement procedures applied are generally reviewed carefully and adjusted, if necessary – particularly in view of the current market developments. The estimated fair value of loans and advances represents an estimation of the value of the loans using average benchmarked lending rates which were adjusted for specific entity risks based on history of losses.

The Group makes transfers between levels of fair value hierarchy when reliable market information becomes available (such as an active market or observable market input) to the Group. This transfer is done on the date in which the market information becomes available.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

2.10.4 Offsetting financial instruments

Master agreements provide that, if an event of default occurs, all outstanding transactions with the counterparty will fall due and all amounts outstanding will be settled on a net basis.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a currently legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in event of default, insolvency or bankruptcy of the company or the counterparty.

2.11 Revenue recognition

Gross revenue

The Group's gross revenue is made up of interest income, fee and commission income, net foreign exchange gain/(loss), net gain/(loss) on financial assets at fair value and amortized cost, dividend income and other operating income

a. Interest income and expense

Interest income and expense for all interest-bearing financial instruments are recognised within 'interest income' and 'interest expense' in profit or loss using the effective interest method.

The effective interest

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance) or to the amortised cost of a financial liability. The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets, except for:

(i) Purchased or Originated Credit-Impaired (POCI) financial assets, for which the original credit-adjusted effective interest rate is applied to the amortised cost of the financial asset.

(ii) Financial assets that are not 'POCI' but have subsequently become credit-impaired (or 'stage 3'), for which interest revenue is calculated by applying the effective interest rate to their amortised cost (i.e. net of the expected credit loss provision).

When the Group revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in profit or loss.

When the Group revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in profit or loss.

Amortised cost and gross carrying amount

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance.

The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

b. Fees and commission income

Fees and commission income and expenses that are integral to the effective interest rate on a financial asset or liability are included in the measurement of the effective interest rate. For other fees and commission income, it is the Group's policy to recognise revenue from a contract when it has been approved by both parties, rights have been clearly identified, payment terms have been defined, the contract has commercial substance, and collectability has been ascertained as probable. Revenue is recognised when control of goods or services have been transferred. Control of an asset refers to the ability to direct the use of and obtain substantially all of the remaining benefits (potential cash inflows or savings in cash outflows) associated with the asset.

Credit related fees: This includes advisory and commitment fees. These are fees charged for administration and advisory services to the customer up to the customer's acceptance of the offer letter. The advisory and commitment fees are earned at the point in time where the customer accepts the offer letter which is when the Group recognises its income. These fees are not integral to the loan, therefore, they are not considered in determining the effective interest rate.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

Letter of credit and commission fees: This represents commission earned on Letter of credit contracts initiated at the request of customers. The nature of this income is such that the performance obligation is the execution of customer's instruction: a direct payment is made on behalf of our customers to the beneficiary (as stated by our customer) when goods/services are received; OR, a payment is made to the stated beneficiary only when our customer cannot fulfill its obligation. Income earned on letter of credit contracts is satisfied at a point in time. This is because revenue is recognised only when payments have been received by the intended beneficiary.

Electronic banking fees: Electronic banking fees relate to fees & commission charged by the banking subsidiaries on electronic transactions carried out by its customers e.g. USSD income, Agency banking commission. The nature of this income is such that the performance obligation of the group is the provision of the platform for the execution of the transactions. Income is earned when these transactions have been successfully executed on these platforms. Income from electronic banking is satisfied at a 'point in time'.

Money transfer commission: This represents commission earned on local & foreign money transfers initiated by the Group's customers. The nature of this income is such that the performance obligation of the group is the delivery of transferred monies to the intended beneficiaries. Income on money transfers is satisfied at a "point in time". This is because commission is recognized only when the transferred sums have been delivered to their intended recipients.

Commission on Bonds and Guarantees: This represents commission earned on bond and guarantees contracts. It includes commissions earned on advanced payment guarantees, performance bonds, bid bonds etc. This fee is earned over the tenor of the bond and guarantee.

Funds transfer and intermediation fees: This is principally made of commission on collections. The group acts as a collecting agent for corporate bodies or government organisations; thus, earns commissions on these collection services. The Group's performance obligation is the collection of funds on behalf of the customer. Income from funds transfer and intermediation is satisfied at a point in time as the commission earned is deducted & recognized when remitting these funds to the respective customer.

Account maintenance fees: This represents the fee charged by banking subsidiaries within the Group on current accounts maintained by customers. This fee is charged with respect to customer induced debit transactions to third parties as well as debit transfers/lodgements to customer's account in another bank. This was introduced by the CBN to replace COT which was abolished by the regulator in 2016. The performance obligation required from the Group in the maintenance/safe keeping of the customers' fund. Income earned from account maintenance is satisfied at a 'point in time'.

Brokerage and intermediation fees: This represents fees charged by the group in order to execute transactions or provide specialized services as requested by customers. Such transaction/services include execution of primary & secondary market transaction on behalf of customers. Income from brokerage and intermediation services are satisfied at a point in time as they are earned and recognized when such services have been executed on behalf of customers.

Custodian fees: This represents commission earned by the group while rendering custodian services to its customers. These custodian services are to a large extent the safe keeping of financial assets. Income earned on custodian services are earned at a point in time.

Trust fee income: This represents income earned from the Group's trustee services. Income earned on trustee services are earned at a point in time.

- c. **Dividend income:** Dividend income is recognised when the right to receive income is established. This income is earned at a point in time.
- d. **Other operating income:** This largely comprises of income made from private banking services, profit on sale of plant and equipment, gain on sale of properties, recoveries from previously written off loan and other exceptional income. These income are earned at a point in time

2.12 Impairment of non-financial assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Additionally, assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows (cash-generating units).

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

The impairment test also can be performed on a single asset when the fair value less cost to sell or the value in use can be determined reliably. Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. An impairment loss in respect of goodwill is not reversed.

2.13 Discontinued operations

The Group presents discontinued operations in a separate line in the income statement if an entity or a component of an entity has been disposed or is classified as held for sale and:

- i. represents a separate major line of business or geographical area of operations;
- ii. is a part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- iii. is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs on disposal or when the operation meets the criteria to be classified as held for sale. When an operation is classified as a discontinued operation, the comparative income statement is re-presented as if the operation had been discontinued from the start of the comparative year.

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less cost to sell.

Investment property classified as non-current asset held for sale are measured at fair value, gain or loss arising from a change in the fair value of investment property is recognised in income statement for the period in which it arises.

2.14 Collateral

The Group obtains collateral where appropriate, from customers to manage their credit risk exposure to the customer. The collateral normally takes the form of a lien over the customer's assets and gives the Group a claim on these assets for both existing and future customers in the event that the customer defaults.

The Group may also use other credit instruments, such as stock borrowing contracts, and derivative contracts in order to reduce their credit risk.

Collateral received in the form of securities is not recorded on the statement of financial position. Collateral received in the form of cash is recorded on the statement of financial position with a corresponding liability. These items are assigned to deposits received from bank or other counterparties. Any interest payable or receivable arising is recorded as interest expense or interest income respectively.

2.15 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:

- the Group has the right to operate the asset; or
- the Group designed the asset in a way that predetermines how and for what purpose it will be used.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

The Group primarily leases buildings for use as office spaces for branch operations, quick service points (QSPs) and residential use, land for use as car parks and off-site ATM locations, printers for office equipment.

Lease terms are negotiated on an individual basis and contain different terms and conditions, including extension and termination options. On renewal of a lease, the terms may be renegotiated and the lease terms range from 1 year to 25 years. The lease agreements do not impose any covenants - however, leased assets may not be used as security for borrowing purposes.

Contracts may contain both lease and non-lease components. The Group has elected to separate lease and non-lease components and treat them accordingly.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Leases in which the Group is a lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Lease Liabilities

At the commencement date of a lease, the Group recognises lease liabilities at the present value of lease payments to be made over the lease term. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The lease payments are discounted using the Group's incremental borrowing rate, being the rate that the Group would have to pay to borrow the funds necessary to obtain an asset of similar value to the right of use asset in a similar economic environment with similar terms, security and conditions.

The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. The balance of the lease liability is included in Other Liabilities in the consolidated and separate statements of financial position (See Note 35).

Right of use assets

Right-of-use assets are initially measured at cost, comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date, less any lease incentives received
- any initial direct costs, and
- restoration costs.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

The Group presents right-of-use assets in 'property and equipment' in the consolidated and separate statements of financial position (See Note 30 (a)).

Short-term leases and leases of low-value assets

Short-term leases are those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. Low-value assets are assets that have values less than N1 million when new, e.g., small IT equipment and small items of office furniture, and depends on the nature of the asset. Lease payments on short-term leases and leases of low-value assets would be recognised as expenses in profit or loss on a straight-line basis over the lease term. The Group has applied the low value lease exemption for leases of printers as they are less than N1 million when new.

Extension and termination options

Extension and termination options are included in all of the Group's lease arrangements. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. Most of the extension options are subject to mutual agreement by the Group and the lessors and some of the termination options held are exercisable only by the Group.

- b The group is the lessor*
(i) Operating lease

When assets are subject to an operating lease, the assets continue to be recognised as property and equipment based on the nature of the asset. Lease income is recognised on a straight line basis over the lease term.

- (ii) Finance lease*

When assets are held subject to a finance lease, the related asset is derecognised and the present value of the lease payments (discounted at the interest rate implicit in the lease) is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method which allocates rentals between finance income and repayment of capital in each accounting period in such a way that finance income will emerge as a constant rate of return on the lessor's net investment in the lease.

2.16 Property and Equipment

Initial Recognition and Measurement

All property and equipment used by the parent or its subsidiaries is stated at historical cost less depreciation less accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent expenditures are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repair and maintenance costs are charged to other operating expenses during the financial period in which they are incurred.

Depreciation

Land is not depreciated. Depreciation of other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Asset Class	Depreciation rate
Improvement & buildings	2%
Motor Vehicles	25%
Motor Vehicles - Executive pool	33.33%
Office Equipment	20%
Computer Equipment	33.33%
Plant and Equipment	20%
Furniture, fittings & equipment	20%
Right-of-use Assets	Lower of lease term or the useful life for the specified class of item

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

Depreciation rates, methods and the residual values underlying the calculation of depreciation of items of property and equipment are kept under review on an annual basis to take account of any change in circumstances.

Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is derecognized or classified as held for sale in accordance with IFRS 5.

When deciding on depreciation rates and methods, the principal factors the Group takes into account are the expected rate of technological developments and expected market requirements for, and the expected pattern of usage of, the assets.

When reviewing residual values, the Group estimates the amount that it would currently obtain for the disposal of the asset after deducting the estimated cost of disposal if the asset were already of the age and condition expected at the end of its useful economic life. No depreciation is provided on freehold land, although, in common with all long-lived assets, it is subject to impairment testing, if deemed appropriate.

Work in Progress represents costs incurred on the assets that are not available for use. On becoming available for use, the related amounts are transferred to the appropriate category of property and equipment.

Derecognition

An item of property and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any gain/ loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in income statement in the year the asset is derecognised.

2.17 Intangible assets

a. Goodwill

Goodwill arises on the acquisition of subsidiary and associates, and represents the excess of the cost of acquisition, over the fair value of the Group's share of the assets acquired, and the liabilities and contingent liabilities assumed on the date of the acquisition.

For the purpose of calculating goodwill, fair values of acquired assets, liabilities and contingent liabilities are determined by reference to market values or by discounting expected future cash flows to present value. This discounting is either performed using market rates or by using risk-free rates and risk-adjusted expected future cash flows. Goodwill is initially recognised as an asset at cost and subsequently measured at cost less accumulated impairment losses, if any. Goodwill which is recognised as an asset is reviewed at least annually for impairment. Any impairment loss is immediately recognised in profit or loss.

For the purpose of impairment testing, goodwill is allocated to each cash-generating unit that is expected to derive benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. Any impairment loss recognised for goodwill is not reversed in a subsequent period.

Goodwill on acquisitions of associates is included in the amount of the investment.

Gains and losses on the disposal of an entity include the carrying amount of the goodwill relating to the entity sold.

b. Computer software

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group, are recognised as intangible assets when the following criteria are met:

- i. It is technically feasible to complete the software product so that it will be available for use;
- ii. Management intends to complete the software product and use or sell it;
- iii. There is an ability to use or sell the software product;
- iv. It can be demonstrated how the software product will generate probable future economic benefits;
- v. Adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- vi. The expenditure attributable to the software product during its development can be reliably measured.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

Subsequent expenditure on computer software is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Direct computer software development costs recognised as intangible assets are amortised on the straight-line basis over a period of 3 years and are carried at cost less any accumulated amortisation and any accumulated impairment losses. Amortisation methods, useful lives and residual values are reviewed at each financial period-end and adjusted if appropriate.

c. *Derecognition*

An item of intangibles is derecognised on disposal or when no future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

2.18 Cash and cash equivalents

Cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisition, including cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

For the purposes of the statement of cash flows, cash and cash equivalents excludes restricted balances with central banks.

2.19 Employee benefits

(i) *Post-employment benefits*

The Group has both defined benefit and defined contribution plans

a. *Defined contribution plan*

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

The Company and all entities within the Group make contributions in line with relevant pension laws in their jurisdiction. In Nigeria, the Company contributes 16.5% of each employee's monthly emoluments (as defined by the Pension Act 2014) to the employee's Retirement Savings Account. The Act stipulates a minimum contribution of 10%.

b. *Defined benefit plan*

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors, such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the date of the statement of financial position less the fair value of plan assets.

The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of Federal government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Remeasurement gains and losses are charged or credited to equity in other comprehensive income in the period in which they arise. Past service costs are recognised immediately in income.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

(ii) Short-term benefits

Short-term benefits consists of salaries, accumulated leave allowances, bonuses and other non-monetary benefits. Short-term benefits are measured on an undiscounted basis and are expensed as the related services provided.

A liability is recognised for the amount expected to be paid under short-term cash benefits such as accumulated leave and leave allowances if the Group has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee and the obligation can be measured reliably.

2.20 Provisions

Provisions are recognised for present obligations arising as consequences of past events where it is probable that a transfer of economic benefit will be necessary to settle the obligation, and it can be reliably estimated.

When a leasehold property ceases to be used in the business or a demonstrable commitment has been made to cease to use a property where the costs exceed the benefits of the property, provision is made, where the unavoidable costs of the future obligations relating to the lease are expected to exceed anticipated rental income and other benefits. The net costs are discounted using market rates of interest to reflect the long-term nature of the cash flows.

Provision is made for the anticipated cost of restructuring, including redundancy costs when an obligation exists. An obligation exists when the Group has a detailed formal plan for restructuring a business and has raised valid expectations in those affected by the restructuring by starting to implement the plan or announcing its main features. The provision raised is normally utilised within nine months.

Provision is made for undrawn loan commitments and similar facilities if it is probable that the facility will be drawn and result in the recognition of an asset at an amount less than the amount advanced.

Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events or present obligations where the transfer of economic benefit is uncertain or cannot be reliably measured. Contingent liabilities are not recognised but are disclosed unless they are remote.

2.21 Fiduciary activities

The Group acts as trustees and in other fiduciary capacities that result in the holding or placing of assets on behalf of individuals, trusts, retirement benefit plans and other institutions. These assets and income arising thereon are excluded from these consolidated and separate financial statements, as they are not assets of the Group.

2.22 Issued debt and equity securities

Issued financial instruments or their components are classified as liabilities where the contractual arrangement results in the Group having a present obligation to either deliver cash or another financial asset to the holder, to exchange financial instruments on terms that are potentially unfavourable or to satisfy the obligation otherwise than by the exchange of a fixed amount of cash or another financial asset for a fixed number of equity shares. Issued financial instruments, or their components, are classified as equity where they meet the definition of equity and confer on the holder a residual interest in the assets of the Group. The components of issued financial instruments that contain both liability and equity elements are accounted for separately with the equity component being assigned the residual amount after deducting from the instrument as a whole the amount separately determined as the fair value of the liability component.

2.23 Share capital

a. *Share issue costs*

Incremental costs directly attributable to the issue of new shares or options or to the acquisition of a business are shown in equity as a deduction, net of tax, from the proceeds.

b. *Dividends on ordinary shares*

Dividends on ordinary shares are recognised in equity in the period in which they are approved by the shareholders.

Dividends for the year that are declared after the reporting date are dealt with in the subsequent events note.

Dividends proposed by the Directors but not yet approved by members are disclosed in the consolidated and separate financial statements in accordance with the requirements of the Company and Allied Matters Act 2020.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

c. *Earnings per share*

The Group presents basic and diluted earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit and loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

c. *Treasury shares*

Where the Company or other members of the Group purchase the Company's equity share capital, the consideration paid is deducted from total shareholders' equity as treasury shares until they are cancelled. Where such shares are subsequently sold or reissued, any consideration received is included in shareholders' equity.

d. *Regulatory Risk Reserve*

In compliance with the Prudential Guidelines for licensed Banks, the Group assesses qualifying financial assets using the guidance under the Prudential Guidelines. The guidelines apply objective and subjective criteria towards providing for losses in risk assets. Assets are classed as performing or non-performing. Non-performing assets are further classed as Substandard, Doubtful or Lost with attendants provision as per the table below based on objective criteria.

Classification	Percentage	Basis
Substandard	10%	Interest and/or principal overdue by 90 days but less than 180 days
Doubtful	50%	Interest and/or principal overdue by 180 days but less than 365 days
Lost	100%	Interest and/or principal overdue by more than 365 days

A more accelerated provision may be done using the subjective criteria. A general provision is taken on all risk assets that are not specifically provisioned, including facilities with covid 19 and other related restructuring.

The results of the application of Prudential Guidelines and the impairment determined for these assets under IFRS 9 are compared. The IFRS 9 determined impairment charge is always included in the income statement.

Where the Prudential Guidelines provision is greater, the difference is appropriated from Retained Earnings and included in a non-distributable reserve "Statutory credit reserve". Where the IFRS 9 impairment is greater, no appropriation is made and the amount of the IFRS 9 impairment is recognised in income statement.

Following an examination, the regulator may also require more amounts be set aside on risk and other assets. Such additional amounts are recognised as an appropriation from retained earnings to statutory risk reserve.

2.24 Financial guarantees

Financial guarantees are contracts that require the Group to make specific payments to reimburse the holder of a loss it incurs because a specific debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee liabilities are initially recognised at the fair value, and the initial fair value is amortised over the life of the financial guarantee. The guarantee liability is subsequently carried at the higher of this amortised amount and the present value of any expected payment (when a payment under the guarantee has become probable).

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

3. Financial risk management

3.1 Introduction and overview

Effective risk management is fundamental to the business activities of the Group. At First HoldCo Plc, we promote a culture where risk management is everyone's business from board level down to risk owners and units across the Group.

Our approach to risk is supported by a robust Enterprise Risk Management framework (ERM) and a strong risk culture to identify, measure, monitor and control risks thereby promoting accountability at all levels across the group. Objectives of the ERM framework are communicated through risk policies and standards which are intended to provide consistent design and execution of strategies across the organization.

The risks arising from financial instruments to which the Group is exposed are financial risks, which includes Credit risk, Liquidity risk and Market risk. Other material risks impacting activities of the group include, Operational, Legal, Compliance, Strategic, Reputational, Information security, Environmental and Social risk.

3.1.1 Risk Management Philosophy

The key elements of the risk management philosophy are the following:

- The Group considers sound risk management to be the foundation of a long-lasting financial institution.
- The Group continues to adopt a holistic and integrated approach to risk management and, therefore, brings all risks together under one or a limited number of oversight functions.
- Risk officers are empowered to perform their duties professionally and independently without undue interference.
- Risk management is governed by well-defined policies that are clearly communicated across the Group.
- Risk management is a shared responsibility. Therefore, the Group aims to build a shared perspective on risks that is grounded in consensus.
- The Group's risk management governance structure is clearly defined.
- There is a clear segregation of duties between market-facing business units and risk management functions.
- Risk-related issues are taken into consideration in all business decisions. The Group shall continue to strive to maintain a conservative balance between risk and revenue considerations.
- Risk officers work as allies and thought partners to other stakeholders within and outside the Group and are guided in the exercise of their powers by a deep sense of responsibility, professionalism and respect for other parties
- Risks are reported openly and fully to the appropriate levels once they are identified; and
- All subsidiaries are guided by the principles enshrined in the risk management policies of the Group.

3.1.2 Risk Appetite

Risk appetite is the level and type of risk the Group is willing to assume in its exposures and business activities, given its business objectives and obligations to stakeholders. Risk appetite is generally expressed through quantitative and qualitative means and considers extreme conditions, events and outcomes. In addition, risk appetite reflects potential impact on earnings, capital and funding / liquidity.

The Group's risk appetite is the amount of risk it is willing to accept to align with and support our financial and strategic objectives, relative to our risk capacity to assume losses.

Risk Appetite Statement (RAS)

Our RAS is the expression of the maximum level of risk we would take across the major risks facing our business and accept in the pursuit of our strategic objectives. The Group would accept moderate risk in every activity it undertakes to achieve these strategic objectives by declaring its willingness to accept moderate risks related to each key value driver.

Risk Tolerance

This refers to the quantitative thresholds that allocate the Group's risk appetite to specific risk types, business units, products, customer segments, and other levels. Certain risk tolerances are policy limits that shall not be exceeded except under extraordinary circumstances (hard limits), while other risk tolerances are guideposts or trigger points for risk reviews and mitigation (soft limits).

Whereas risk appetite is a strategic determination based on long-term objectives, risk tolerance is a tactical readiness to bear a specific risk within established parameters. Enterprise-wide strategic risk appetite is thus translated into specific tactical risk tolerances that constrain risk-acceptance activities at the business level. Risk tolerances are the parameters within which a Group (or business unit or function) must operate to achieve its risk appetite.

Once established, these parameters are communicated downward throughout the Group to give clear guidelines to every stakeholder and to provide feedback when they are exceeded.

3.1.3 Risk Management Framework

The risk management framework of the Group consists of a comprehensive set of policies, standards, procedures and processes designed to identify, measure, monitor, mitigate and report significant risk exposures in a consistent and effective manner across the Group.

With an increasing focus on consistency and transparency, the Group regularly assesses and enhances its risk management framework to ensure it is fit-for-purpose.

The Group's framework for management of enterprise risk specifically covers:

- ☑ Governance and oversight of the overall risk management framework.
- ☑ Risk appetite statement and risk appetite measurements.
- ☑ Policies, procedures, controls and systems through which risk is identified and managed.
- ☑ Oversight, control, assurance and delegation of authorities for each type of risk.
- ☑ Monitoring and reporting of the risk profile against risk appetite.
- ☑ Control and correction of the risk profile should it deviate from risk appetite.
- ☑ Reassessment of risk appetite and/or the Group's strategy in the light of changes in the business.

The Board of Directors has overall responsibility for the establishment of the Group's Risk Management framework and exercises its oversight function through its various committees. These committees are responsible for developing and monitoring risk policies in their specific areas and report regularly to the Board of Directors. The Board Committees are assisted by the various Management Committees in identifying and assessing risks arising from day to day activities of the Group.

3.1.4 Risk Governance Structure, Roles and Responsibilities

The Group addresses the challenge of risks by applying leading practices that are supported by a robust governance structure consisting of board level and executive management committees.

The Group adopts the 'three-pronged line of defense' model to underpin its approach to strong risk management principles. Through this model, the Group monitors, manages and mitigates its material risks on a Group-wide basis. Risk governance is maintained through delegation of authority from the board, down to management hierarchy, supported by committee structure both at the board level and at management level. The delegation of risk management responsibilities across the group is structured to ensure that decisions are enacted at the most appropriate level, in line with business objectives, subject to robust and effective review. Strategic business decisions are taken within a Board-approved risk appetite with the executive and risk committees closely monitoring risk profiles against this appetite.

RISK GOVERNANCE FRAMEWORK

FIRST LINE OF DEFENCE	SECOND LINE OF DEFENCE	THIRD LINE OF DEFENCE
Daily risk management, monitoring and high level oversight	Risk oversight and challenges, policies and methodologies.	Independent assurance of risk management
Business units and risk-takers	▣ Risk Committees ▣ Chief Risk Officers, Heads of Risk across the Group ▣ Risk Management function	▣ Audit Committee ▣ Internal Audit ▣ External Audit ▣ Regulators ▣ External Assessors

a. First Line of Defence - Risk Management and Ownership

The primary responsibilities and objectives of the first line of defence include:

- Managing risks/implementing actions to manage and treat risks at transaction level;
- Implementing risk management processes on an ongoing basis as changes occur with business mix, systems, or regulatory and other requirements;
- Executing risk assessments and identifying emerging risks at the transaction/business case level.

b. Second Line of Defence - Risk Oversight

The main objective of the second line of defence is to provide oversight of the execution of the frontline controls. The second line of defence is responsible for monitoring the internal controls that have been designed with the following main responsibilities:

- Establishing risk management policies and processes;
- Strategically linking the controls of risk enterprise-wide;
- Providing guidance and coordination among all monitoring participants (risk management, compliance and legal divisions);
- Identifying enterprise trends, synergies and opportunities for change;
- Initiating change, integrating and making new monitoring processes operational; and
- Oversight over key risks.

c. Third Line of Defence - Risk Assurance

The third line of defence is responsible for assessing and providing independent assurance on the adequacy, appropriateness and effectiveness of Group's overall risk management framework, policy and risk plan implementation. It provides independent perspectives on the overall control framework and tests the adequacy of the controls design and effectiveness. The main duties of this line of defense include:

- Performing periodic reviews based on a rationalized and systematized approach that allows for risk assessment and governance reporting;
- Providing oversight on the risk management process;
- Reporting to the executive management committee, the audit committee and the board of directors on the state of the control environment and gaps in the controls or monitoring environment;

Board Audit & Risk Assessment Committee evaluates the processes for identifying, assessing, monitoring and managing key risk areas; it also evaluates the adequacy of the group's risk management systems and control environment.

Management Committee is responsible for formulating policies; monitoring implementation of risk policies; reviewing risk reports for presentation to the Board/Board committees; and Implementing Board decisions across the Group.

3.2 Credit risk

Credit risk is the single largest risk for the Group's business therefore, prominence is placed on effective management of credit risk.

Credit risk is defined as the potential that a borrower or counter party will fail to meet obligations in accordance with agreed terms. It is also defined as the possibility of losses associated with diminution in the credit quality of borrowers or counter-parties.

Credit risk arises mainly from commercial and consumer loans and advances and loan commitments arising from such lending activities. It can also arise from credit enhancement provided such as financial guarantees, letters of credit, endorsements and acceptances.

The Risk Management function of each subsidiary has specific and overall responsibility for facilitating risk asset creation and exposure management processes across the Group.

3.2.1 Management of Credit Risk

The Credit Risk Policy Manual is the primary reference document for creating and managing credit risk exposures. The manual outlines the general policies and procedures, framework for credit risk management across the subsidiaries and incorporates provisions for marketing, risk analysis, approval, administration, monitoring and reporting of risk exposures.

The Credit Risk Management Policy Manual is designed to:

- Standardize credit policies, give employees clear and consistent direction for the creation of risk exposures across all asset creating business units;
- Provide a comprehensive guide and framework in creating and managing risk assets;
- Ensure prompt identification of problem credits and prudent management of decline in credit quality;
- Outline the requirements for administration and reporting of individual exposures and the overall risk asset portfolio; and
- Provide a framework for the on-going maintenance of the risk management policies and processes.

Credit risk management policies and procedures are articulated by the Risk Management function of each subsidiary.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

3.2.2 Risk limit control and mitigation policies

The Group manages, limits and controls concentrations of credit risk wherever they are identified – in particular, to individual counterparties and groups, and to industries and countries.

The Group structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower, or groups of borrowers, and to geographical and industry segments. Such risks are monitored on a revolving basis and subject to an annual or more frequent review, when considered necessary. Limits on the level of credit risk by product, industry sector and counterparty are set by the Board of Directors on the recommendation of the Chief Risk Officer.

(a) Portfolio limits

In line with the Group's credit policy, a detailed portfolio plan is prepared annually and provides a framework for creation of credits and risk appetite development. In drawing up the plan, the Group reviews macro-economic, regulatory and political factors, identifies sectors/industries with opportunity as well as the Group's business targets to determine appropriate portfolio and sub-portfolio limits.

The Group's Portfolio limit includes:

- Maintain aggregate large exposure of not more than 400% of shareholders' funds.
- Maintain minimum weighted average obligor risk rating (obligor-WARR) of 'Ba2'
- Maintain minimum weighted average facility risk rating (facility-WARR) of 'Ba2'
- The Group adopts industry/economic sector limits on its loan portfolio, in line with the following policies:
 - The Group would strive to limit its exposure to any single industry to not more than 20% of its loan portfolio and such industry must be rated 'Baa3' or better.
 - No more than 15% of the Group's portfolio would be in any industry rated 'Ba3' or worse.
 - No more than 10% of the Group's portfolio in any single industry rated 'B3' or worse

(b) Geographical limits

Presently, the Group's exposures outside Nigeria are taken by its subsidiaries in the United Kingdom and other African countries, which operate within country limits defined by their Boards of Directors. In addition, the Group has a fully developed country risk rating system that could be employed, should the need arise. In such eventuality, limits will be graduated on country risk rating.

(c) Single obligor limits

The Group as a matter of policy does not lend above the regulatory lending limit in each of the jurisdiction in which it operates. Internal guidance limits are also set to create a prudent buffer.

For all retail borrowers, limits are kept low and graduated with credit scoring, forecast cash flow and realizable value of collateral. The Group shall apply the granularity criterion on its retail credit portfolio:

- No single retail loan should amount to more than 0.2% of total retail portfolio.

The Group also sets internal credit approval limits for various levels in the credit process.

Approval limits are set by the Board of Directors and reviewed from time to time as the circumstances of the Group demand. Exposure to credit risk is also managed through regular analysis of borrowers and potential borrowers to meet interest and capital repayment obligations and by changing these lending limits where appropriate.

3.2.3 Collateral held as security to mitigate credit risk

The Group employs a range of policies and practices to mitigate credit risk. The most common of these is accepting collateral for funds advanced. The Group has internal policies on the acceptability of specific classes of collateral or credit risk mitigation.

Collateral values are assessed by a professional at the time of loan origination and are thereafter monitored in accordance with the provisions of the credit policy. The principal collateral types for loans and advances are:

- Cash/Treasury bill/Government securities
- Legal Mortgage over residential properties, business real estates in prime locations
- Charge over business fixed and floating assets as well as inventory
- Guarantee from acceptable corporates
- Equitable Mortgage on real estates in prime locations
- Negative Pledge
- Domiciliation of receivables from acceptable corporates.

Debt securities, treasury and other eligible bills are generally unsecured, except for asset-backed securities and similar instruments, which are secured by portfolios of financial instruments. For exposures to corporate and large institutions, the Group will often require the collateral to include a first charge over land and buildings owned and occupied by the business, a mortgage debenture over the Company's undertaking on one or more of its assets and keyman insurance.

No loan allowance is recognized for the portion of the Group's financial assets which are fully collateralized by cash in the same currency in accordance with the Group's expected credit loss model. The carrying amount of such financial assets is N2.44 trillion as at 31 December 2025 (2024: N483.50 billion).

The Group's policies regarding obtaining collateral have not significantly changed during the reporting period and there has been no significant change in the overall quality of the collateral held by the Group since the prior period.

The Group takes physical possession of properties or other assets held as collateral and uses external agents to realise the value as soon as practicable to settle indebtedness. Any surplus funds realised from such disposal are returned to the borrower or are otherwise dealt with in accordance with appropriate regulations. The assets in such cases are not carried on the Group's balance sheet.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

The Group closely monitors collateral held for financial assets considered to be credit-impaired, as it becomes more likely that the Group will take possession of collateral to mitigate potential credit losses. The repossessed assets are sold as soon as practicable, with proceeds realised from the sale used to reduce the outstanding indebtedness of the customers. Financial assets that are credit-impaired and related collateral held in order to mitigate potential losses are shown below:

**Group
December 2025**

Credit-Impaired assets

Retail portfolio
- Overdrafts
- Credit cards
- Term loans
- Mortgages
Corporate portfolio
- Overdrafts
- Term loans
- Project Finance

Total Credit Impaired Assets

Gross Exposure	Impairment Allowance	Carrying Amount	Fair value of Collateral held
N'million	N'million	N'million	N'million
4,194	(2,954)	1,240	418
589	(237)	352	30
9,450	(5,196)	4,254	2,736
2,592	(270)	2,322	10,836
		-	
217,841	(36,424)	181,417	10,967
893,879	(173,685)	720,194	1,490,602
239	(47)	192	-
1,128,784	(218,813)	909,971	1,515,589

**Group
December 2024**

Credit-Impaired assets

Retail portfolio
- Overdrafts
- Credit cards
- Term loans
- Mortgages
Corporate portfolio
- Overdrafts
- Term loans
- Project Finance

Total Credit Impaired Assets

Gross Exposure	Impairment Allowance	Carrying Amount	Fair value of Collateral held
N'million	N'million	N'million	N'million
2,012	(1,543)	469	189
250	(123)	127	3
8,149	(4,481)	3,668	3
8,215	(846)	7,369	-
		-	
101,486	(57,203)	44,283	19,757
815,896	(332,398)	483,498	749,281
8,869	(4,909)	3,960	1,589
944,877	(401,503)	543,374	770,822

3.2.4 Exposure Management

To minimise the risk and occurrence of loss as a result of decline in quality and non-performance of risk assets, clear requirements and guidelines for on-going management of the risk asset portfolio and individual risk exposures are defined. On-going exposure management entails collateral management, facility performance monitoring, exposure quality reviews, prompt and timely identification of decline in quality and risk portfolio reporting.

3.2.5 Delinquency Management/Loan Workout

The Group's delinquency management process involves effective and timely management of accounts showing signs of delinquency to reduce the crystallisation of impairment loss. In line with the Group's delinquency management process, all activities are geared towards resuscitating delinquent loans and includes restructuring and loan work-out arrangements.

3.2.6 Credit Recovery

In the event of continued delinquency and failure of remediation, full credit recovery action is initiated to recover on such exposures and minimise the overall credit loss to the Group. Recovery action may include appointment of a receiver manager, external recovery agent and/or sale of pledged assets.

3.2.7 Write-Off

The Group writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include (i) ceasing enforcement activity and (ii) where the Group's recovery method is foreclosing on collateral and the value of the collateral is such that there is no reasonable expectation of recovering in full.

The Group may write-off financial assets that are still subject to enforcement activity. The outstanding contractual amounts of such assets written off during the year ended 31 December 2025 was N1,024.16bn (December 2024: 230.06 bn). The Group still seeks to recover amounts it is legally owed in full, but which have been partially written off due to no reasonable expectation of full recovery.

3.2.8 Modification of financial assets

The Group sometimes modifies the terms of loans provided to customers due to commercial renegotiations, or for distressed loans, with a view to maximising recovery.

Such restructuring activities include extended payment term arrangements, payment holidays and payment forgiveness. Restructuring policies and practices are based on indicators or criteria which, in the judgement of management, indicate that payment will most likely continue. These policies are kept under continuous review. Restructuring is most commonly applied to term loans.

The risk of default of such assets after modification is assessed at the reporting date and compared with the risk under the original terms at initial recognition, when the modification is not substantial and so does not result in derecognition of the original asset (refer to notes 1.2.1.1(iv) and (v) above). The Group monitors the subsequent performance of modified assets. The Group may determine that the credit risk has significantly improved after restructuring, so that the assets are moved from Stage 3 or Stage 2 (Lifetime ECL) to Stage 1 (12-month ECL). This is only the case for assets which have performed in accordance with the new terms for three consecutive months or more (for non-specialised assets) and six consecutive months or more (for specialised assets).

The Group continues to monitor if there is a subsequent significant increase in credit risk in relation to such assets through the use of specific models for modified assets.

3.2.9 Governance structure around the ECL model

The governance around ECL model centers on oversight functions of primary stakeholders. Oversight function is provided over the following:

- Obligor ratings
- Loss Given Default

iii. Derivation of Credit Conversion Factor (CCF), Exposure at Default (EAD), scenarios and the use of forward looking estimates. Data utilized in deriving these estimates are sourced from credible sources. However, a team of IT experts still carry out periodic checks for system vulnerability, performance and deficiency.

Overall, review of completeness and accuracy is jointly carried out by credit risk team, internal control on regular basis and by internal audit periodically.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

3.2.10 Grouping of instruments for losses measured on collective basis

To estimate credit losses for retail portfolio, the Group adopts a model which groups loans with similar or homogeneous characteristics together and this mainly based on the product types. Products are segmented into four broad categories namely Credit Cards, Mortgages, Term loans and Overdrafts.

Models for Probability of default and loss given default are built in line with the segmentation and the output provide PD and LGD for each of the product category while EAD is applied at individual level.

PD for each product category is calculated as the ratio of the loans which have defaulted to the total count of the loans in the product group while LGD is estimated based on account balances, recoveries and collateral cover.

The appropriateness of groupings is monitored and reviewed on a periodic basis by the Credit Risk team.

3.2.11 Credit risk measurement

In measuring credit risk of financial assets (loans and advances to customers and to banks, investment securities and loan commitments) at a counterparty level, the Group reflects the following components:

- The character and capacity to pay of the client or counterparty to meet its contractual obligations;
- Current exposures to the counterparty and its likely future development;
- Credit history of the counterparty; and
- The likely recovery ratio in case of default obligations – value of collateral and other ways out.

Obligor Risk Rating

The Group has a robust internal rating system it leverages on to determine credit worthiness of its borrowers and likelihood of default.

The obligor risk rating grids is based on a 21-master rating scale mapped into 9 buckets to provide a pre-set objective basis for making credit decisions and estimating expected credit loss (ECL) in line with IFRS 9 requirements. The rating adopted depends on outcome of quantitative and qualitative factors considered on the customer and reflects the inherent risks associated with each customer.

The rating tools are reviewed and upgraded when necessary. The Group regularly validates the performance of the rating tools and their predictive powers regarding default events.

Each risk bucket may be denoted alphabetically and by range of scores as follows:

Description	Scale Rating			Grade
Highest quality, with minimal credit risk	Aaa	Aaa	1	Investment Grade
High quality, subject to very low credit risk	Aa1	Aa	2	
	Aa2		3	
	Aa3		4	
Considered upper-medium and may possess certain speculative characteristics	A1	A	5	
	A2		6	
	A3		7	
Considered medium-grade and may possess certain speculative characteristics	Baa1	Baa	8	
	Baa2		9	
	Baa3		10	
Considered to have speculative elements and are subject to substantial credit risk	Ba1	Ba	11	Non Investment Grade
	Ba2		12	
	Ba3		13	
Considered speculative and are subject to high credit risk	B1	B	14	
	B2		15	
	B3		16	
Considered to be of poor standing and are subject to very high credit risk	Caa1	Caa	17	
	Caa2		18	
	Caa3		19	
In or near default, with possibility of recovery	Ca	Ca	20	
In default with little chance of recovery	C	C	21	

3.2.12 Expected Credit loss measurement

IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has the credit risk continuously monitored by the Group.
 - If a significant increase in credit risk (SICR) since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired. Please refer to note 3.2.11(a) for a description of how the Group determines when a significant increase in credit risk has occurred.
 - If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3'. Refer to note 3.2.11(b) for a description of credit-impaired and default.
 - Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis. Refer to note 3.2.11(c) for a description of inputs, assumptions and estimation techniques used in measuring the ECL.
 - A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward-looking information. Note 3.2.11(d) includes an explanation of how the Group has incorporated this in its ECL models.
 - Purchased or originated credit-impaired financial assets are those financial assets that are credit-impaired on initial recognition. Their ECL is always measured on a lifetime basis (Stage 3)
- The key judgements and assumptions adopted by the Group in addressing the requirements of the standard are discussed below.
- However, the simplified approach has been adopted for trade receivables and other assets.

a Assessment of significant increase in credit risk

The Group considers a financial instrument to have experienced a significant increase in credit risk when one or more of the following quantitative, qualitative or backstop criteria have been met:

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

Corporate portfolio, Investment Securities and Placements with financial institutions

Quantitative Criteria:

This is based on the backstop policy disclosed in the next section. Downward rating migration as at reporting date compared to initial rating at origination that exceeds specified threshold as specified per table below:

Criteria	Number of notches/rating scale considered significant
Rating Notches Downgrade	>= 4
Poor Credit Rating Threshold	>=17
Default	>=20

Migrations to rating scale 17 and above is considered stage 2 while rating scale 20 and above is considered stage 3. Please refer to Note 3.2.11 on 21 rating scale adopted by the Group.

Qualitative Criteria:

If the borrower is on the watchlist and/or the instrument meets one or more of the following criteria

- i Significant increase in credit spread
- ii Significant adverse changes in business, financial and/or economic conditions in which the borrower operates
- iii Actual or expected forbearance or restructuring
- iv Actual or expected significant adverse change in operating results of the borrower
- v Significant change in collateral value (secured facilities only) which is expected to increase risk of default.
- vi Early signs of cashflow/liquidity problems such as delay in servicing of trade creditors/loans

Retail Portfolio

Quantitative Criteria:

This is based on the backstop policy disclosed in the next section

Qualitative Criteria:

If the borrower meets one or more of the following criteria:

- i In short-term forbearance
- ii Significant modification to contractual terms
- iii Previous arrears within the last 3 months
- iv Negative credit bureau reports

The assessment of SICR incorporates forward-looking information (refer to note 3.2.11(d) for further information) and is performed on a periodic basis at a counterparty level for all financial instruments held by the Group.

Backstop

A backstop is applied and the financial instrument considered to have experienced a significant increase in credit risk if the borrower is more than 30 days past due on its contractual payments, however specialized facilities are considered to have experienced significant increase in credit risk if the borrower is more than 90 days past due on its contractual repayment. Specialized facilities include lending for Project/ Object finance and Commercial Real Estate.

The Group has not used the low credit risk exemption for any financial instruments in the year ended 31 December 2024

b Definition of default and credit-impaired assets

The Group defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

Quantitative criteria

The borrower is more than 90 days past due on its contractual payments (with the sole exception of specialized lending for project, object and commercial real estate where a borrower is required to be more than 180 days past due to be considered in default).

Qualitative criteria

The following qualitative criteria indicates that a borrower is in significant financial difficulty:

- long-term forbearance
- Deceased borrower
- Insolvency or Bankruptcy
- Breach of financial covenant(s)
- Disappearance of an active market for a financial asset due to financial difficulties
- Concessions made by the lender in relation to the borrower's financial difficulty

The criteria above have been applied to all financial instruments held by the Group and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the Probability of Default (PD), Exposure at Default (EAD) and Loss given Default (LGD) throughout the Group's expected loss calculations.

Cure Criteria

- An exposure will move from stage 2 to 1 where probationary period of 90 days is met subject to all payments being up to date with the customer demonstrating ability to maintain future repayments.
- An Exposure will move from Stage 3 to 2 where probationary period of 180 days is met and there is consistency in repayment of obligations as and when due.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

At 31 December 2025

c Measuring ECL — Explanation of inputs, assumptions and estimation techniques

The Expected Credit Loss (ECL) is measured on either a 12-month (12M) or Lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. Expected credit losses are the discounted product of the Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD), defined as follows:

- The PD represents the likelihood of a borrower defaulting on its financial obligation (as per “Definition of default and credit-impaired” above), either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation.
- EAD is based on the amounts the Group expects to be owed at the time of default, over the next 12 months (12M EAD) or over the remaining lifetime (Lifetime EAD). For example, for a revolving commitment, the Group includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.
- Loss Given Default (LGD) represents the Group’s expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD). LGD is calculated on a 12-month or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs in the next 12 months and Lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.

The ECL is determined by projecting the PD, LGD and EAD for each future month and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

The 12M PD associated with a given rating is calibrated to a 12M Point in Time PD (Pit PD) using regression analysis while the lifetime PD is developed by applying a cross section regression model which extends the 12-month Pit PD over a long-time horizon. The cross-sectional analysis incorporates time-variant factors, time-invariant factors and idiosyncratic factors.

The 12-month and lifetime EADs are determined based on the expected payment profile, which varies by facility type.

- For amortising products and bullet repayment loans, this is based on the contractual repayments owed by the borrower over a 12month or lifetime basis. This will also be adjusted for any expected overpayments made by a borrower.
 - For revolving products, the exposure at default is predicted by taking current drawn balance and adding a “credit conversion factor” which allows for the expected drawdown of the remaining limit by the time of default. These assumptions vary by product type and current limit utilisation band, based on analysis of the Group’s recent default data.
- The 12-month and lifetime LGDs are determined based on the factors which impact the recoveries made post default. These vary by product type.
- For secured products, this is primarily based on collateral type and projected collateral values, historical discounts to market/book values due to forced sales which has embedded cost of recovery, recovery period and haircuts.
 - For unsecured products, the group leverages on a statistical model which estimates recovery rate based on analysis of default data. The model takes in to consideration the credit worthiness and borrowers industry in arriving at the recovery rate.
 - LGD’s are typically set at product level for retail portfolio and counterparty level for the corporate portfolio, investment securities and placements with financial institutions.

Forward-looking economic information is also included in determining the 12-month and lifetime PD, EAD and LGD. These assumptions vary by portfolio/product type. Refer to note 3.2.11(d) for an explanation of forward- looking information and its inclusion in ECL calculations.

The assumptions underlying the ECL calculation such as rating migration for determination of PDs and change in collateral values etc. are monitored and reviewed on a quarterly basis. There have been no significant changes in estimation techniques or significant assumptions made during the reporting period.

d Forward-looking information incorporated in the ECL models

The assessment of SICR and the calculation of ECL both incorporate forward-looking information. The Group has performed historical analysis and identified the key macro-economic variables impacting credit risk and expected credit losses for its portfolio.

These variables and their associated impact on the PD, EAD and LGD vary by portfolio type; in addition, expert judgment has also been applied in this process.

Forecasts of these macro-economic variables for each of the possible scenarios (upturn, baseline and downturn) are provided by Moody’s Analytics economic’s team (Groups Vendor) via its platform known as Data Buffet on a quarterly basis. The platform can provide an economic forecast up to 30 years. The impact of these economic variables on the PD, EAD and LGD has been determined by performing statistical cross sectional regression analysis to understand the impact changes in these variables have had historically on default rates and on the components of LGD and EAD.

Weights are assigned to the possible outcome of each scenario based on statistical regression analysis and expert judgement taking account of the range of possible outcomes each chosen scenario is representative of.

The assessment of SICR is determined using rating migration which are linked to the PDs of each scenarios multiplied by the associated scenario weighting, along with qualitative and backstop indicators (see note 3.2.11a). This determines whether the whole financial instrument is in Stage 1, Stage 2, or Stage 3 and hence whether 12-month or lifetime ECL should be recorded. Following this assessment, the Group measures ECL as either a probability weighted 12 month ECL (Stage 1), or a probability weighted lifetime ECL (Stages 2 and 3). These probability-weighted ECLs are determined by running each scenario through the relevant ECL model and multiplying it by the appropriate scenario weighting.

Generally, in economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty, hence the actual outcomes may be significantly different to those projected. Therefore, the Group considers these forecasts to represent its best estimate of the possible outcomes and has analysed the non-linearities and asymmetries within the Group’s different portfolios to establish that the chosen scenarios are appropriately representative of the range of possible scenarios.

e Simplified Approach

In determining the ECL for other assets, the Group applies the simplified approach to estimate ECLs, adopting a provision matrix, where the receivables are grouped based on the nature of the transactions, aging of the balances and different historical loss patterns, to determine the lifetime ECLs. The provision matrix estimates ECLs on the basis of historical default rates, adjusted for forward looking estimates e.g. inflation, exchange rates etc.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

3.2.13 Economic variable assumptions

The most significant period-end assumptions in the table below is for First Bank of Nigeria Limited as at 31 December 2025. First Bank contributes 99.9% of the total Loans and advances to customers of the Group, therefore the table is a representative for the Group

Corporate Portfolio, Investment Securities and Placements with financial institutions

		2026	2027	2028	2029	2030
Gross Domestic Product (NGN' billions)	Base	76,833	79,218	82,836	86,813	90,663
	Upturn	77,902	81,073	84,827	89,751	94,497
	Downturn	73,156	75,908	80,330	83,838	87,051
Stock Index Price (NGN per share)	Base	44,273	45,356	49,369	52,938	56,067
	Upside	48,503	49,805	53,399	56,870	59,766
	Downturn	33,792	36,696	42,567	47,041	50,710
Oil price (USD per barrel)	Base	88.84	76.88	73.84	74.23	74.33
	Upside	91.61	75.78	69.55	69.24	70.40
	Downturn	72.36	57.98	64.69	67.18	68.61

The most significant period-end assumptions used for the ECL estimate as at 31 December 2024 are set out below.

		2025	2026	2027	2028	2029
Gross Domestic Product (NGN' billions)	Base	76,833	79,218	82,836	86,813	90,663
	Upturn	77,902	81,073	84,827	89,751	94,497
	Downturn	73,156	75,908	80,330	83,838	87,051
Stock Index Price (NGN per share)	Base	44,273	45,356	49,369	52,938	56,067
	Upside	48,503	49,805	53,399	56,870	59,766
	Downside 3	33,792	36,696	42,567	47,041	50,710
Oil price (USD per barrel)	Base	88.84	76.88	73.84	74.23	74.33
	Upside	91.61	75.78	69.55	69.24	70.40
	Downturn	72.36	57.98	64.69	67.18	68.61

In current year, First Bank adopted the Gaussian distribution method of probability distribution to determine the weights of each of its selected scenarios. Expert judgement was applied for other entities. The weightings assigned to each economic scenario are as follows:

DECEMBER 2025

Corporate portfolio, Investment Securities and Placement with financial institutions

Base	Upturn	Downturn
40%	33%	27%

DECEMBER 2024

Corporate portfolio, Investment Securities and Placement with financial institutions

Base	Upturn	Downturn
40%	33%	27%

Other forward-looking considerations not otherwise incorporated within the above scenarios, such as the impact of any regulatory, legislative or political changes, have also been considered, but are not deemed to have a material impact and therefore no adjustment has been made to the ECL for such factors. This is reviewed and monitored for appropriateness on a quarterly basis.

3.2.14 Sensitivity analysis on ECL Model

The most significant assumptions affecting the ECL allowance are as follows:

Corporate Portfolios

- (i) GDP, given the significant impact on companies' performance and collateral valuations
- (ii) Oil price, given its significant impact on Nigerian economy and industry players
- (iii) Stock Price Index, given its relevance for evaluating market performance of firms.

The sensitivity analysis has been determined by changing one variable or holding it constant on the x-axis, while changing another variable or holding it constant on the y-axis. Set out below are the changes to the ECL that would result if the economic variable assumptions used to measure ECL remain as expected, as well as if each of the key assumptions used change by plus or minus 10%.

DECEMBER 2025

Corporate Portfolios

		Oil Price		
		N'm (-10%)	N'm No change	N'm +10%
GDP	+10%	389,486	391,748	392,761
	No Change	370,520	377,360	384,200
	(-10%)	358,971	362,744	366,518

DECEMBER 2024

Corporate Portfolios

		Oil Price		
		N'm (-10%)	N'm No change	N'm +10%
GDP	+10%	389,486	391,748	392,761
	No Change	370,520	377,360	384,200
	(-10%)	358,971	362,744	366,518

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

3.2.15 Measurement basis of financial assets and liabilities

GROUP

31 December 2025

Financial assets

	Fair Value through P/L N'million	Fair Value through OCI N'million	Amortised cost N'million	Total N'million
Cash and balances with central banks	-	-	5,074,239	5,074,239
Loans and advances to banks	-	-	3,458,348	3,458,348
Loans and advances to customers - Corporate Portfolio:				
- Overdrafts	-	-	903,207	903,207
- Term loans	-	-	7,590,392	7,590,392
- Project finance	-	-	1,024	1,024
Loans and advances to customers - Retail Portfolio:				
- Overdrafts	-	-	37,282	37,282
- Term loans	-	-	159,589	159,589
- Credit cards	-	-	2,986	2,986
- Mortgage	-	-	271,841	271,841
Financial assets at fair value through profit or loss	1,144,241	-	-	1,144,241
Investment securities:				
- Investments at FVOCI	-	4,557,121	-	4,557,121
- Investments at amortised cost	-	-	2,412,966	2,412,966
Asset pledged as collateral	-	287,429	56,183	343,612
Other assets	-	-	449,982	449,982
Total Financial Assets	1,144,241	4,844,550	20,418,039	26,406,830

Financial liabilities

	Fair Value through P/L N'million	Fair Value through OCI N'million	Amortised cost N'million	Total N'million
Deposits from banks	-	-	2,019,003	2,019,003
Deposits from customers	-	-	18,883,009	18,883,009
Financial liabilities at fair value through profit or loss	61,992	-	-	61,992
Financial liabilities at amortized cost	-	-	-	-
Other liabilities	-	-	840,306	840,306
Borrowings	-	-	1,943,978	1,943,978
Total Financial Liabilities	61,992	-	23,686,296	23,748,288

GROUP

31 December 2024

Financial assets

	Fair Value through P/L N'million	Fair Value through OCI N'million	Amortised cost N'million	Total N'million
Cash and balances with central banks	-	-	4,415,186	4,415,186
Loans and advances to banks	-	-	3,302,480	3,302,480
Loans and advances to customers - Corporate				-
- Overdrafts	-	-	661,012	661,012
- Term loans	-	-	7,394,622	7,394,622
- Project finance	-	-	222,255	222,255
Loans and advances to customers - Retail Portfolio:				
- Overdrafts	-	-	38,716	38,716
- Term loans	-	-	183,055	183,055
- Credit cards	-	-	4,016	4,016
- Mortgage	-	-	264,212	264,212
Financial assets at fair value through profit or loss	443,567	-	-	443,567
Investment securities:				-
- Investments at FVOCI	-	4,471,687	-	4,471,687
- Investments at amortised cost	-	-	2,064,708	2,064,708
Asset pledged as collateral	-	822,897	246,328	1,069,225
Other assets	-	-	982,098	982,098
Total Financial Assets	443,567	5,294,584	19,778,688	25,516,839

Financial liabilities

	Fair Value through P/L N'million	Fair Value through OCI N'million	Amortised cost N'million	Total N'million
Deposits from banks	-	-	2,922,432	2,922,432
Deposits from customers	-	-	17,170,690	17,170,690
Financial liabilities at fair value through profit or loss	50,256	-	-	50,256
Financial liabilities at amortized cost	-	-	198,188	198,188
Other liabilities	-	-	1,216,073	1,216,073
Borrowings	-	-	1,559,353	1,559,353
Total Financial Liabilities	50,256	-	23,066,736	23,116,992

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

COMPANY 31 December 2025	Fair Value through P/L N'million	Fair Value through OCI N'million	Amortised cost N'million	Total N'million
Financial assets				
Loans and advances to banks	-	-	11,961	11,961
Loans and advances to customers - Retail portfolio				
- Staff loans	-	-	87	87
Financial assets at FVTPL	-	-	-	-
Investment securities:				
- Investment securities at FVOCI	-	11,377	-	11,377
Other assets	-	-	18,594	18,594
Total Financial Assets	-	11,377	30,642	42,019
		Fair Value through P/L N'million	Amortised cost N'million	Total N'million
Financial liabilities				
Other liabilities		-	13,816	13,816
Total Financial Liabilities		-	13,816	13,816
COMPANY 31 December 2024	Fair Value through P/L N'million	Fair Value through OCI N'million	Amortised cost N'million	Total N'million
Financial assets				
Loans and advances to banks	-	-	23,269	23,269
Loans and advances to customers - Retail portfolio				
- Staff loans	-	-	178	178
Financial assets at FVTPL	504	-	-	504
Investment securities:				
- Investment securities at FVOCI	-	14,504	-	14,504
Other assets	-	-	22,521	22,521
Total Financial Assets	504	14,504	45,968	60,976
		Fair Value through P/L N'million	Amortised cost N'million	Total N'million
Financial liabilities				
Other liabilities		-	29,077	29,077
Total Financial Liabilities		-	29,077	29,077

3.2.16 Maximum exposure to credit risk before collateral held or credit enhancements

(a) Financial instruments subject to impairment

The following table contains an analysis of the credit risk exposure of financial instruments for which an ECL allowance is recognised. The gross carrying amount of financial assets below also represents the Group's maximum exposure to credit risk on these assets.

GROUP

	Balances with Central Banks 31 Dec 2025				
	Stage 1 12-month ECL N'millions	Stage 2 Lifetime ECL N'millions	Stage 3 Lifetime ECL N'millions	Purchased Credit- Impaired N'millions	Total N'millions
Credit Grade					
Investment grade	4,768,311	-	-	-	4,768,311
Non Investment Grade	-	-	-	-	-
Gross Carrying Amount	4,768,311	-	-	-	4,768,311
Loss allowance	-	-	-	-	-
Carrying Amount	4,768,311	-	-	-	4,768,311

	Loans and Advances to Banks 31 Dec 2025				
	Stage 1 12-month ECL N'millions	Stage 2 Lifetime ECL N'millions	Stage 3 Lifetime ECL N'millions	Purchased Credit- Impaired N'millions	Total N'millions
Credit Grade					
Investment grade	1,372,071	-	-	-	1,372,071
Non Investment Grade	2,111,816	-	-	-	2,111,816
Gross Carrying Amount	3,483,887	-	-	-	3,483,887
Loss allowance	(25,539)	-	-	-	(25,539)
Carrying Amount	3,458,348	-	-	-	3,458,348

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

Credit Grade

Investment grade
Non Investment Grade
Default

Gross Carrying Amount

Loss allowance

Carrying Amount

Loans and Advances to Customers - Retail Portfolio					
31 Dec 2025					
Stage 1 12-month ECL N'millions	Stage 2 Lifetime ECL N'millions	Stage 3 Lifetime ECL N'millions	Purchased Credit- Impaired N'millions	Total N'millions	
8,741	-	-	-	8,741	
453,723	8,618	-	-	462,341	
-	-	16,825	-	16,825	
462,464	8,618	16,825	-	487,907	
(7,165)	(387)	(8,657)	-	(16,209)	
455,299	8,231	8,168	-	471,698	

Credit Grade

Investment grade
Non Investment Grade
Default

Gross Carrying Amount

Loss allowance

Carrying Amount

Loans and Advances to Customers - Corporate Portfolio					
31 Dec 2025					
Stage 1 12-month ECL N'millions	Stage 2 Lifetime ECL N'millions	Stage 3 Lifetime ECL N'millions	Purchased Credit- Impaired N'millions	Total N'millions	
1,245,961	70,129	-	-	1,316,090	
5,097,199	1,215,642	-	-	6,312,841	
-	-	1,111,959	-	1,111,959	
6,343,160	1,285,771	1,111,959	-	8,740,890	
(30,875)	(5,236)	(210,156)	-	(246,267)	
6,312,285	1,280,535	901,803	-	8,494,623	

Credit Grade

Investment grade
Non Investment Grade

Carrying Amount

Loss allowance

Carrying Amount

Debt Investment Securities - at FVOCI					
31 Dec 2025					
Stage 1 12-month ECL N'millions	Stage 2 Lifetime ECL N'millions	Stage 3 Lifetime ECL N'millions	Purchased Credit- Impaired N'millions	Total N'millions	
4,156,479	-	-	-	4,156,479	
-	-	-	-	-	
4,156,479	-	-	-	4,156,479	
(11,740)	-	-	-	(11,740)	
4,144,739	-	-	-	4,144,739	

Credit Grade

Investment grade
Non Investment Grade

Gross Carrying Amount

Loss allowance

Carrying Amount

Investment Securities - at Amortised Cost					
31 Dec 2025					
Stage 1 12-month ECL N'millions	Stage 2 Lifetime ECL N'millions	Stage 3 Lifetime ECL N'millions	Purchased Credit- Impaired N'millions	Total N'millions	
2,317,299	-	-	-	2,317,299	
102,137	-	-	-	102,137	
2,419,436	-	-	-	2,419,436	
(6,470)	-	-	-	(6,470)	
2,412,966	-	-	-	2,412,966	

Credit Grade

Investment grade
Non Investment Grade

Gross Carrying Amount

Loss allowance

Carrying Amount

Assets Pledged as Collateral					
31 Dec 2025					
Stage 1 12-month ECL N'millions	Stage 2 Lifetime ECL N'millions	Stage 3 Lifetime ECL N'millions	Purchased Credit- Impaired N'millions	Total N'millions	
343,612	-	-	-	343,612	
-	-	-	-	-	
343,612	-	-	-	343,612	
-	-	-	-	-	
343,612	-	-	-	343,612	

Receivables (N'millions)
Expected Loss rate (%)

ECL (N'millions)

Other Assets -Simplified approach					
31 Dec 2025					
0-30 days	31-60 days	61-180 days	181 -365 days	> 365 days	Total
146,195	-	-	195,456	199,682	541,333
30%	0%	0%	5%	19%	17%
43,812	-	-	10,023	37,516	91,351

GROUP

Credit Grade

Investment grade
Non Investment Grade

Gross Carrying Amount

Loss allowance

Carrying Amount

Balances with Central Banks

31 Dec 2024				
Stage 1 12-month ECL N'millions	Stage 2 Lifetime ECL N'millions	Stage 3 Lifetime ECL N'millions	Purchased Credit- Impaired N'millions	Total N'millions
4,092,789	-	-	-	4,092,789
-	-	-	-	-
4,092,789	-	-	-	4,092,789
-	-	-	-	-
4,092,789	-	-	-	4,092,789

Loans and Advances to Banks

31 Dec 2024				
Stage 1 12-month ECL N'millions	Stage 2 Lifetime ECL N'millions	Stage 3 Lifetime ECL N'millions	Purchased Credit- Impaired N'millions	Total N'millions
1,343,396	-	-	-	1,343,396
1,969,610	-	-	-	1,969,610
3,313,006	-	-	-	3,313,006
(10,526)	-	-	-	(10,526)
3,302,480	-	-	-	3,302,480

Credit Grade

Investment grade
Non Investment Grade

Gross Carrying Amount

Loss allowance

Carrying Amount

Loans and Advances to Customers - Retail Portfolio

31 Dec 2024				
Stage 1 12-month ECL N'millions	Stage 2 Lifetime ECL N'millions	Stage 3 Lifetime ECL N'millions	Purchased Credit- Impaired N'millions	Total N'millions
16,638	-	-	-	16,638
460,170	7,512	-	-	467,682
-	-	18,626	-	18,626
476,808	7,512	18,626	-	502,946
(5,665)	(289)	(6,993)	-	(12,947)
471,143	7,223	11,633	-	489,999

Credit Grade

Investment grade
Non Investment Grade
Default

Gross Carrying Amount

Loss allowance

Carrying Amount

Loans and Advances to Customers - Corporate Portfolio

31 Dec 2024				
Stage 1 12-month ECL N'millions	Stage 2 Lifetime ECL N'millions	Stage 3 Lifetime ECL N'millions	Purchased Credit- Impaired N'millions	Total N'millions
1,850,707	101,217	-	-	1,951,924
3,428,197	2,453,635	-	-	5,881,832
-	-	926,251	-	926,251
5,278,904	2,554,852	926,251	-	8,760,007
(19,447)	(68,161)	(394,510)	-	(482,118)
5,259,457	2,486,691	531,741	-	8,277,889

Credit Grade

Investment grade
Non Investment Grade
Default

Gross Carrying Amount

Loss allowance

Carrying Amount

Debt Investment Securities - at FVOCI

31 Dec 2024				
Stage 1 12-month ECL N'millions	Stage 2 Lifetime ECL N'millions	Stage 3 Lifetime ECL N'millions	Purchased Credit- Impaired N'millions	Total N'millions
4,021,021	-	-	-	4,021,021
-	-	-	-	-
4,021,021	-	-	-	4,021,021
(5,958)	-	-	-	(5,958)
4,015,063	-	-	-	4,015,063

Credit Grade

Investment grade
Non Investment Grade

Gross Carrying Amount

Loss allowance

Carrying Amount

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

Credit Grade
Investment grade
Non Investment Grade
Default
Gross Carrying Amount
Loss allowance
Carrying Amount

Investment Securities - at Amortised Cost				
31 Dec 2024				
Stage 1 12-month ECL N'millions	Stage 2 Lifetime ECL N'millions	Stage 3 Lifetime ECL N'millions	Purchased Credit- Impaired N'millions	Total N'millions
1,990,956	-	-	-	1,990,956
86,770	-	-	-	86,770
-	-	-	-	-
2,077,726	-	-	-	2,077,726
(13,018)	-	-	-	(13,018)
2,064,708	-	-	-	2,064,708

Credit Grade
Investment grade
Non Investment Grade
Gross Carrying Amount
Loss allowance
Carrying Amount

Assets Pledged as Collateral				
31 Dec 2024				
Stage 1 12-month ECL N'millions	Stage 2 Lifetime ECL N'millions	Stage 3 Lifetime ECL N'millions	Purchased Credit- Impaired N'millions	Total N'millions
1,069,225	-	-	-	1,069,225
-	-	-	-	-
1,069,225	-	-	-	1,069,225
-	-	-	-	-
1,069,225	-	-	-	1,069,225

Receivables (N'millions)
Expected Loss rate (%)

Other Assets -Simplified approach					
31 Dec 2024					
0-30 days	31-60 days	61-180 days	181-365 days	> 365 days	Total
232,547	-	-	367,752	438,586	1,038,885
4%	0%	0%	3%	9%	5%
ECL	8,618	-	10,653	37,516	56,787

Company

Credit Grade
Investment grade
Non Investment Grade
Gross Carrying Amount
Loss allowance
Carrying Amount

Loans and Advances to Banks				
31 Dec 2025				
Stage 1 12-month ECL N'millions	Stage 2 Lifetime ECL N'millions	Stage 3 Lifetime ECL N'millions	Purchased Credit- Impaired N'millions	Total N'millions
11,961	-	-	-	11,961
-	-	-	-	-
11,961	-	-	-	11,961
-	-	-	-	-
11,961	-	-	-	11,961

Credit Grade
Investment grade
Non Investment Grade
Gross Carrying Amount
Loss allowance
Carrying Amount

Loans and Advances to Customers - Retail Portfolio				
31 Dec 2025				
Stage 1 12-month ECL N'millions	Stage 2 Lifetime ECL N'millions	Stage 3 Lifetime ECL N'millions	Purchased Credit- Impaired N'millions	Total N'millions
-	-	-	-	-
87	-	-	-	87
87	-	-	-	87
-	-	-	-	-
87	-	-	-	87

Credit Grade
Investment grade
Non Investment Grade
Gross Carrying Amount
Loss allowance
Carrying Amount

Debt Investment Securities - at FVOCI				
31 Dec 2025				
Stage 1 12-month ECL N'millions	Stage 2 Lifetime ECL N'millions	Stage 3 Lifetime ECL N'millions	Purchased Credit- Impaired N'millions	Total N'millions
11,377	-	-	-	11,377
-	-	-	-	-
11,377	-	-	-	11,377
-	-	-	-	-
11,377	-	-	-	11,377

Other assets
ECL
Carrying amount

31 Dec 2025

N'millions

18,594

-

18,594

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

Loans and Advances to Banks					
31 Dec 2024					
Stage 1 12-month ECL N'millions	Stage 2 Lifetime ECL N'millions	Stage 3 Lifetime ECL N'millions	Purchased Credit- Impaired N'millions	Total N'millions	
Credit Grade					
Investment grade	23,269	-	-	-	23,269
Non Investment Grade	-	-	-	-	-
Gross Carrying Amount	23,269	-	-	-	23,269
Loss allowance	-	-	-	-	-
Carrying Amount	23,269	-	-	-	23,269

Loans and Advances to Customers - Retail Portfolio					
31 Dec 2024					
Stage 1 12-month ECL N'millions	Stage 2 Lifetime ECL N'millions	Stage 3 Lifetime ECL N'millions	Purchased Credit- Impaired N'millions	Total N'millions	
Credit Grade					
Investment grade	-	-	-	-	-
Non Investment Grade	178	-	-	-	178
Gross Carrying Amount	178	-	-	-	178
Loss allowance	-	-	-	-	-
Carrying Amount	178	-	-	-	178

Debt Investment Securities - at FVOCI					
31 Dec 2024					
Stage 1 12-month ECL N'millions	Stage 2 Lifetime ECL N'millions	Stage 3 Lifetime ECL N'millions	Purchased Credit- Impaired N'millions	Total N'millions	
Credit Grade					
Investment grade	14,504	-	-	-	14,504
Non Investment Grade	-	-	-	-	-
Default	-	-	-	-	-
Gross Carrying Amount	14,504	-	-	-	14,504
Loss allowance	-	-	-	-	-
Carrying Amount	14,504	-	-	-	14,504

					31 Dec 2024 N'millions
Other assets					22,521
ECL					-
Carrying amount					22,521

(b) Financial instruments not subject to impairment

The following table contains an analysis of the maximum credit risk exposure from financial assets not subject to impairment

	GROUP		COMPANY	
	31 Dec 2025 N'millions	31 Dec 2024 N'millions	31 Dec 2025 N'millions	31 Dec 2024 N'millions
Financial Assets at FVPTL				
- Debt Securities	1,011,045	148,737	-	-
- Derivatives	7,569	182,093	-	-
- Equities	125,627	112,737		
Financial Assets at FVTOCI				
- Equities	412,382	456,624		

3.2.17 Concentration of risks of financial assets with credit risk exposure

(a) Geographical sectors

The following table breaks down the Group's credit exposure at their carrying amounts (without taking into account any collateral held or other credit support), as categorised by geographical region as of 31 December 2025 and 31 December 2024. For this table, the Group has allocated exposures to regions based on the country of domicile of its counterparties. Investment securities and financial assets at fair value through profit or loss analysed below excludes investments in equity instruments.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

**3.2.17 Concentration of risks of financial assets with credit risk exposure continued
GROUP**

	Lagos N 'million	Southern Nigeria N 'million	Northern Nigeria N 'million	Rest of Africa N 'million	Europe N 'million	America N 'million	Total N 'million
Balances with central bank	4,371,373	-	-	670,313	32,553	-	5,074,239
Loans and advances to banks	1,584,335	-	-	590,576	1,283,437	-	3,458,348
	66,211	37,211	40,030	56,716	271,530	-	471,698
Loans and advances to customers - Retail portfolio							
Loans and advances to customers - Corporate portfolio	5,454,740	657,088	263,142	2,042,840	-	76,813	8,494,623
Financial assets at FVTPL	955,431	-	-	58,811	4,372	-	1,018,614
Investment securities							
- FVOCI Investments	3,936,421	-	-	512,961	-	107,739	4,557,121
- Amortised cost investments	261,722	-	-	1,467,757	275,072	408,415	2,412,966
Asset pledged as collateral	287,429	-	-	56,183	-	-	343,612
Other assets	289,336	-	-	157,099	3,547	-	449,982
31 December 2025	17,206,998	694,299	303,172	5,613,256	1,870,511	592,967	26,281,203

Credit risk exposure relating to off balance sheet items are as follows

Loan commitments	70,487	5,025	10,354	167,239	18,184	-	271,289
Letters of credit and other credit related obligations	2,711,582	130,167	223,148	202,846	30,107	-	3,297,850
31 December 2025	2,782,069	135,192	233,502	370,085	48,291	-	3,569,139

	Lagos N 'million	Southern Nigeria N 'million	Northern Nigeria N 'million	Rest of Africa N 'million	Europe N 'million	America N 'million	Total N 'million
Balances with central bank	3,673,716	-	-	656,584	84,886	-	4,415,186
Loans and advances to banks	964,040	-	-	1,276,816	1,061,624	-	3,302,480
	46,207	69,655	52,284	41,647	280,206	-	489,999
Loans and advances to customers - Retail portfolio							
Loans and advances to customers - Corporate portfolio	5,712,769	613,937	123,788	1,164,606	652,758	10,031	8,277,889
Financial assets at FVTPL	330,830	-	-	-	-	-	330,830
Investment securities							
- FVOCI Investments	4,463,604	-	-	-	-	8,083	4,471,687
- Amortised cost investments	485,312	-	-	22,133	57,866	1,499,397	2,064,708
Asset pledged as collateral	1,026,159	-	-	43,066	-	-	1,069,225
Other assets	838,232	-	-	133,090	10,776	-	982,098
31 December 2024	17,540,869	683,592	176,072	3,337,942	2,148,116	1,517,511	25,404,102

Credit risk exposure relating to off balance sheet items are as follows

Loan commitments	55,623	6,754	11,390	91,522	2,602	-	167,891
Letters of credit and other credit related obligations	1,101,824	809,073	216,832	368,533	478,934	-	2,975,196
31 December 2024	1,157,447	815,827	228,222	460,055	481,536	-	3,143,087

COMPANY

	Lagos N 'million	Southern Nigeria N 'million	Northern Nigeria N 'million	Rest of Africa N 'million	Europe N 'million	America N 'million	Total N 'million
Loans and advances to banks	11,961	-	-	-	-	-	11,961
Loans and advances to customers							
- Term loans	87	-	-	-	-	-	87
Investment securities							
- FVOCI Investments	11,377	-	-	-	-	-	11,377
Other assets	18,594	-	-	-	-	-	18,594
31 December 2025	42,020	-	-	-	-	-	42,020

	Lagos N 'million	Southern Nigeria N 'million	Northern Nigeria N 'million	Rest of Africa N 'million	Europe N 'million	America N 'million	Total N 'million
Loans and advances to banks	23,269	-	-	-	-	-	23,269
Loans and advances to customers							
- Term loans	178	-	-	-	-	-	178
Investment securities							
- FVOCI Investments	14,504	-	-	-	-	-	14,504
Other assets	22,521	-	-	-	-	-	22,521
31 December 2024	60,472	-	-	-	-	-	60,473

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

3.2.17 Concentration of risks of financial assets with credit risk exposure continued
b) Industry sectors

The following table breaks down the Group's credit exposure at carrying amounts (without taking into account any collateral held or other credit support), as categorised by the industry sectors of the Group's counterparties. Investment securities and financial assets at fair value through profit or loss analysed below excludes investments in equity instruments.

GROUP

	Balances with central bank	Loans and advances to banks	Financial assets at fair value through profit or loss	Investment Securities -FVOCI	Investment Securities - Amortised cost	Asset pledged as collateral	Other assets
	N 'million	N 'million	N 'million	N 'million	N 'million	N 'million	N 'million
Agriculture	-	-	-	-	-	-	-
Oil and gas	-	-	667	-	-	-	115,523
Consumer credit	-	-	421	-	-	-	-
Manufacturing	-	-	-	179	306	-	-
Real estate	-	-	6,273	-	-	-	-
Construction	-	-	-	-	3,753	-	-
Finance and insurance	624,686	3,458,348	16,240	402,913	2,245,242	-	334,459
Transportation	-	-	-	-	-	-	-
Communication	-	-	1,283	-	-	-	-
General commerce	-	-	2,652	-	-	-	-
Utilities	-	-	6,579	-	-	-	-
Retail services	-	36	72,309	-	-	-	-
Public sector	5,074,239	-	912,190	4,154,029	163,665	343,612	-
Total at 31 December 2025	5,698,925	3,458,384	1,018,614	4,557,121	2,412,966	343,612	449,982

Loans and advances to customers - Retail Portfolio					
Overdraft	Term loans	Credit Cards	Mortgage	Total	
N 'million	N 'million	N 'million	N 'million	N 'million	
Agriculture	475	180	-	-	655
Oil and gas	632	267	1	-	900
Consumer credit	5,544	150,519	2,897	-	158,960
Manufacturing	144	102	38	-	284
Real estate	15	88	-	271,816	271,919
Construction	107	240	-	-	347
Finance and insurance	951	495	-	-	1,446
Transportation	3	17	-	-	20
Communication	2	190	1	-	193
General commerce	663	1,092	-	-	1,755
Utilities	-	-	-	-	-
Retail services	32,611	16,229	1,386	1,202	51,428
Education	-	-	-	-	-
Public sector	-	-	-	-	-
Total at 31 December 2025	41,147	169,419	4,323	273,018	487,907

Loans and advances to customers - Corporate Portfolio				
Overdraft	Term loans	Project finance	Total	
N 'million	N 'million	N 'million	N 'million	
Agriculture	87,154	166,238	-	253,392
Oil and gas	188,599	3,005,315	193	3,194,107
Consumer credit	594	5,714	-	6,308
Manufacturing	81,437	785,959	-	867,396
Real estate	2,496	6,273	-	8,769
Construction	39,141	380,743	602	420,486
Finance and insurance	8,099	386,569	-	394,668
Transportation	1,717	114,505	-	116,222
Communication	162,510	403,624	-	566,134
General commerce	143,422	391,484	229	535,135
Utilities	7,600	794,876	-	802,476
Retail services	210,666	555,258	56	765,980
Mining	-	-	-	-
Education	-	-	-	-
Public sector	9,247	800,570	-	809,817
Total at 31 December 2025	942,682	7,797,128	1,080	8,740,890

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

3.2.17 Concentration of risks of financial assets with credit risk exposure continued
GROUP

	Balances with central bank	Loans and advances to banks	Financial assets at fair value through profit or loss	Investment Securities - FVOCI	Investment Securities - Amortised cost	Asset pledged as collateral	Other assets
	N 'million	N 'million	N 'million	N 'million	N 'million	N 'million	N 'million
Agriculture	-	-	-	-	-	-	-
Oil and gas	-	-	-	6,889	1,579	-	74,249
Consumer credit	-	-	-	-	-	-	-
Manufacturing	-	-	449	84	306	-	-
Real estate	-	-	8,464	-	-	-	-
Construction	-	-	-	-	3,753	-	-
Finance and insurance	281,166	3,302,480	3,337	444,777	1,827,667	-	907,849
Transportation	-	-	-	-	-	-	-
Communication	-	-	1	-	-	-	-
General commerce	-	-	9,580	-	-	-	-
Utilities	-	-	6,166	-	-	-	-
Retail services	-	-	77,450	-	-	-	-
Public sector	4,415,186	-	225,383	4,019,937	231,403	1,069,225	-
Total at 31 December 2024	4,696,352	3,302,480	330,830	4,471,687	2,064,708	1,069,225	982,098

Loans and advances to customers - Retail Portfolio

	Overdraft	Term loans	Credit Cards	Mortgage	Total
	N 'million	N 'million	N 'million	N 'million	N 'million
Agriculture	-	924	2,641	2	3,639
Oil and gas	-	469	4,256	101	4,826
Consumer credit	-	24,268	126,133	2,042	152,731
Manufacturing	-	4,553	9,230	1,180	15,104
Real estate	-	173	761	43	264,672
Construction	-	286	1,099	96	1,481
Finance and insurance	-	1,059	339	-	1,398
Transportation	-	4	27	-	31
Communication	-	659	2,104	160	2,923
General commerce	-	3,960	10,258	367	14,591
Utilities	-	245	153	-	398
Retail services	-	4,582	34,427	311	40,494
Education	-	-	-	-	635
Public sector	-	-	23	-	23
Total at 31 December 2024	41,182	191,451	4,302	266,011	502,946

Loans and advances to customers - Corporate Portfolio

	Overdraft	Term loans	Project finance	Total
	N 'million	N 'million	N 'million	N 'million
Agriculture	-	47,760	249,253	304,567
Oil and gas	-	103,763	3,230,122	3,337,086
Consumer credit	-	16,070	51,693	69,163
Manufacturing	-	136,658	1,066,931	1,246,717
Real estate	-	3,024	8,167	12,102
Construction	-	23,159	120,004	296,891
Finance and insurance	-	4,399	18,216	22,615
Transportation	-	4,952	96,231	101,183
Communication	-	78,975	459,730	539,332
General commerce	-	89,636	448,779	546,983
Utilities	-	14,066	642,247	656,313
Retail services	-	62,733	450,213	520,385
Mining	-	131,516	226,541	358,057
Education	-	-	1,945	1,945
Public sector	-	2,526	742,555	746,668
Total at 31 December 2024	719,237	7,812,627	228,143	8,760,007

b) Industry sectors

	Loans and advances to banks	Financial assets at fair value through profit or loss	Investment Securities - FVOCI	Investment Securities - Amortised cost	Other assets	Loans to customers Retail portfolio
	N 'million	N 'million	N 'million	N 'million	N 'million	N 'million
COMPANY						
Finance and insurance	11,961	-	-	-	18,594	-
Retail services	-	-	-	-	-	87
Public sector	-	-	11,377	-	-	-
Total at 31 December 2025	11,961	-	11,377	-	18,594	87

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

	Loans and advances to banks	Financial assets at fair value through profit or loss	Investment Securities - FVOCI	Investment Securities - Amortised cost	Other assets	Loans to customers Retail portfolio
	N 'million	N 'million	N 'million	N 'million	N 'million	N 'million
COMPANY						
Finance and insurance	23,269	-	-	-	22,521	-
Retail services	-	-	-	-	-	269
Public sector	-	-	14,504	-	-	-
Total at 31 December 2024	23,269	-	14,504	-	22,521	269

Credit risk exposure relating to off balance sheet items are as follows

	Loan commitments	Letter of credit and other related obligations	Loan commitments	Letter of credit and other related obligations
	31 Dec 2025	31 Dec 2025	31 Dec 2024	31 Dec 2024
	N 'million	N 'million	N 'million	N 'million
	GROUP			
Agriculture	14,688	71,710	1,501	4,828
Oil and gas	105,061	952,053	83,142	488,717
Consumer credit	3,082	19,048	16,150	13,045
Manufacturing	17,818	742,907	24,155	1,336,202
Real estate	18,184	-	2,670	-
Construction	2,640	1,076,884	2,199	355,975
Finance and insurance	6,370	246,272	10,052	271,800
Transportation	137	4,538	100	8,645
Communication	6,311	19,480	10,349	156,950
General commerce	34,303	80,711	13,778	238,531
Utilities	457	51,979	544	49,074
Retail services	56,314	23,253	1,810	39,830
Public sector	5,924	9,015	1,441	11,599
TOTAL	271,289	3,297,850	167,891	2,975,196

3.2.18 Loans and advances to customers

Credit quality of Loans and advances to customers is summarised as follows:

December 2025

	Loans and advances to customers				Total
	Overdraft	Term loans	Credit Cards	Mortgage	
	N 'million	N 'million	N 'million	N 'million	N 'million
GROUP					
Retail					
Stage 1 loans	36,636	155,876	3,721	266,231	462,464
Stage 2 loans	317	4,093	13	4,195	8,618
Stage 3 loans	4,194	9,450	589	2,592	16,825
Gross	41,147	169,419	4,323	273,018	487,907
Less: allowance for impairment (note 22)	(3,865)	(9,830)	(1,337)	(1,177)	(16,209)
Net	37,282	159,589	2,986	271,841	471,698
Lifetime ECL (see note 22)	2,976	5,460	237	371	9,044
12-months' ECL (see note 22)	889	4,370	1,100	806	7,165
Total	3,865	9,830	1,337	1,177	16,209

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

3.2.18 Loans and advances to customers continued
December 2025

GROUP

Corporate

Stage 1 loans

Stage 2 loans

Stage 3 loans

Gross

Less: allowance for impairment (note 22)

Net

Lifetime ECL (see note 22)

12-months' ECL (see note 22)

Total

Loans and advances to customers			
Overdraft	Term loans	Project finance	Total
N 'million	N 'million	N 'million	N 'million
652,374	5,689,945	841	6,343,160
72,467	1,213,304	-	1,285,771
217,841	893,879	239	1,111,959
942,682	7,797,128	1,080	8,740,890
(39,475)	(206,736)	(56)	(246,267)
903,207	7,590,392	1,024	8,494,623
36,597	178,748	47	215,392
2,878	27,988	9	30,875
39,475	206,736	56	246,267

December 2024

GROUP

Retail

Stage 1 loans

Stage 2 loans

Stage 3 loans

Gross

Less: allowance for impairment (note 22)

Net

Lifetime ECL (see note 22)

12-months' ECL (see note 22)

Total

Loans and advances to customers				
Overdraft	Term loans	Credit Cards	Mortgage	Total
N 'million	N 'million	N 'million	N 'million	N 'million
38,415	180,488	4,001	253,904	476,808
755	2,814	51	3,892	7,512
2,012	8,149	250	8,215	18,626
41,182	191,451	4,302	266,011	502,946
-2,466	-8,396	-286	-1,799	-12,947
38,716	183,055	4,016	264,212	489,999
1,602	4,591	124	965	7,282
864	3,805	162	834	5,665
2,466	8,396	286	1,799	12,947

December 2023

GROUP

Corporate

Stage 1 loans

Stage 2 loans

Stage 3 loans

Gross

Less: allowance for impairment (note 22)

Net

Lifetime ECL (see note 22)

12-months' ECL (see note 22)

Total

Loans and advances to customers			
Overdraft	Term loans	Project finance	Total
N 'million	N 'million	N 'million	N 'million
577,560	4,482,071	219,273	5,278,904
40,191	2,514,660	1	2,554,852
101,486	815,896	8,869	926,251
719,237	7,812,627	228,143	8,760,007
-58,225	-418,005	-5,888	-482,118
661,012	7,394,622	222,255	8,277,889
57,244	400,518	4,909	462,671
981	17,487	979	19,447
58,225	418,005	5,888	482,118

COMPANY

Retail

December 2025

Stage 1 loans

Gross

Less: allowance for impairment

Net

Retail

December 2024

Stage 1 loans

Gross

Less: allowance for impairment

Net

Term loans	Total
N 'million	N 'million
87	87
87	87
-	-
87	87
178	178
178	178
-	-
178	178

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

3.2.18 Loans and advances to customers continued

GROUP

December 2025

Retail

(a) Loans and advances to customers - Stage 1

The credit quality of the portfolio of loans and advances to customers that are categorised in Stage 1 can be assessed by reference to the internal rating system adopted by the Group (See section 3.2.11 for an explanation of the internal rating system).

Grades:

A

Aa3

B

Ba

Baa

B1

B2

B3

Ba2

Ba3

Caa

Overdraft	Term loans	Credit cards	Mortgage	Total
N 'million	N 'million	N 'million	N 'million	N 'million
	58	8,638	-	8,696
	-	-	-	-
	333	59,356	-	325,604
	1,279	5,531	-	6,810
	-	45	-	45
	-	23	-	23
	-	-	-	-
	17,969	17,883	-	86
	16,997	100,163	3,721	121,197
	-	3	-	3
	-	-	-	-
	36,636	155,876	3,721	462,464

(b) Loans and advances - Stage 2

Ba2

Ba3

Past due up to 30 days

Past due by 30 - 60 days

Past due 60-90 days

Above 90 days

Gross amount

Overdraft	Term loans	Credit cards	Mortgage	Total
N 'million	N 'million	N 'million	N 'million	N 'million
	316	2,847	11	3,174
	-	-	-	-
	1	962	-	2,520
-	1	208	2	2,442
	1	67	-	473
	-	9	-	9
	317	4,093	13	8,618

(c) Loans and advances - Stage 3

Gross amount

Life time ECL- credit impaired

Net amount

4,194	9,450	589	2,592	16,825
(2,954)	(5,196)	(237)	(270)	(8,657)
1,240	4,254	352	2,322	8,168

December 2025

Corporate

(a) Loans and advances to customers - Stage 1

The credit quality of the portfolio of loans and advances to customers that are categorised in Stage 1 can be assessed by reference to the internal rating system adopted by the Group (See section 3.2.11 for an explanation of the internal rating system).

Grades:

A1

A2

A3

Aa1

Aa2

Aa3

Aaa

B1

B2

B3

Ba1

Ba2

Ba3

Baa1

Baa2

Baa3

A

Baa

Ba

B

Overdraft	Term loans	Project finance	Total
N 'million	N 'million	N 'million	N 'million
	-	6,038	6,038
	5,448	31,952	37,400
	-	18,215	18,215
	-	347,400	347,400
	-	-	-
-	154	5,125	4,971
	13,599	1,351	14,950
	13,997	375,828	389,825
	2,102	621,151	623,253
	46,631	202,453	249,084
	60,359	442,622	502,981
	109,661	1,228,299	1,337,960
	29,627	75,298	104,925
	5,532	108,686	115,059
	49	362,655	362,704
	101,755	43,589	145,344
	6,166	105,228	111,394
	-	82,486	82,486
	47,629	204,614	252,243
	209,973	1,426,955	1,636,928
	652,374	5,689,945	841
			6,343,160

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

3.2.18 Loans and advances to customers continued

	Overdraft	Term loans	Project finance	Total
	N 'million	N 'million	N 'million	N 'million
(b) Loans and advances - Stage 2				
Aa3	-	70,129	-	70,129
B2	-	259,778	-	259,778
B3	62,404	532,683	-	595,087
Ba1	-	12,917	-	12,917
Ba2	7,815	116,891	-	124,706
Ba3	-	24,815	-	24,815
Baa1	-	-	-	-
Caa1	-	-	-	-
Past due up to 30 days	2,102	46,350	-	48,452
Past due by 31 - 90 days	-	149,741	-	149,741
Above 90 days	146	-	-	146
Gross amount	72,467	1,213,304	0	1,285,771
(c) Loans and advances - Stage 3				
Gross amount	217,841	893,879	239	1,111,959
Life time ECL- credit impaired	(36,424)	(173,685)	(47)	(210,156)
Net amount	181,417	720,194	192	901,803

GROUP

December 2024

Retail

(a) Loans and advances to customers - Stage 1

The credit quality of the portfolio of loans and advances to customers that are categorised in Stage 1 can be assessed by reference to the internal rating system adopted by the Group (See section 3.2.11 for an explanation of the internal rating system).

	Overdraft	Term loans	Credit cards	Mortgage	Total
	N 'million	N 'million	N 'million	N 'million	N 'million
Grades:					
A	354	334	-	-	688
Aa3	-	9,275	-	-	9,275
B	419	18,145	-	253,403	271,967
Ba	850	3,071	-	-	3,921
Baa	247	6,428	-	-	6,675
B2	13	103	-	-	116
B3	46	-	-	-	46
Ba2	34,405	117,970	3,863	501	156,739
Ba3	16	213	138	-	367
Caa	2,065	24,949	-	-	27,014
	38,415	180,488	4,001	253,904	476,808

	Overdraft	Term loans	Credit cards	Mortgage	Total
	N 'million	N 'million	N 'million	N 'million	N 'million
(b) Loans and advances - Stage 2					
Ba2	607	81	51	-	739
Ba3	1	5	-	2,849	2,855
Past due up to 30 days	116	1,945	-	112	2,173
Past due by 30 - 60 days	20	478	-	931	
Past due 60-90 days	6	282	-	-	
Above 90 days	5	23	-	-	
Gross amount	755	2,814	51	3,892	5,767
(c) Loans and advances - Stage 3					
Gross amount	2,012	8,149	250	8,215	18,626
Life time ECL- credit impaired	(1,543)	(4,481)	(123)	(846)	(6,993)
Net amount	469	3,668	127	7,369	11,633

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

December 2024

Corporate

(a) Loans and advances to customers - Stage 1

The credit quality of the portfolio of loans and advances to customers that are categorised in Stage 1 can be assessed by reference to the internal rating system adopted by the Group (See section 3.2.2 for an explanation of the internal rating system).

	Overdraft	Term loans	Project finance	Total
	N 'million	N 'million	N 'million	N 'million
Grades:				
A1	511	82,299	-	82,810
A2	-	1	-	1
A3	-	73,914	24,425	98,339
Aa1	19,786	714,765	-	734,551
Aaa	-	66,623	-	66,623
B1	2,850	303,507	-	306,357
B2	498	168,492	1,556	170,546
B3	567	1,146	-	1,713
Ba1	33,699	364,547	430	398,676
Ba2	234,632	725,771	192,862	1,153,265
Ba3	5,442	70,597	-	76,039
Baa1	16,149	88,150	-	104,299
Baa2	-	199,500	-	199,500
Baa3	22,494	370,934	-	393,428
A	10,303	8,052	-	18,355
Baa	35,398	117,403	-	152,801
Ba	16,486	92,812	-	109,298
B	178,745	1,033,558	-	1,212,303
	577,560	4,482,071	219,273	5,278,904

3.2.18 Loans and advances to customers continued

	Overdraft	Term loans	Project finance	Total
	N 'million	N 'million	N 'million	N 'million
(b) Loans and advances - Stage 2				
A1	-	74,372	-	74,372
B1	5,718	994	-	6,712
B2	-	1,636	-	1,636
B3	2,984	223,301	1	226,286
Ba1	2,400	77,097	-	79,497
Ba2	11,491	351,919	-	363,410
Ba3	59	11,973	-	12,032
Baa1	-	26,845	-	26,845
Caa1	-	1,461,463	-	1,461,463
Past due up to 30 days	17,376	282,665	-	300,041
Past due by 31 - 90 days	163	2,395	-	2,558
Gross amount	40,191	2,514,660	1	2,554,852

(c) Loans and advances - Stage 3

Gross amount	101,486	815,896	8,869	926,251
Life time ECL- credit impaired	(57,203)	(332,398)	(4,909)	(394,510)
Net amount	44,283	483,498	3,960	531,741

3.2.19 Collateralized Assets

The financial effect of collateral is presented by disclosing collateral values separately for (i) those assets where collateral and other credit enhancements are equal to or exceed carrying value of the asset ("over-collateralised assets") and (ii) those assets where collateral and other credit enhancements are less than the carrying value of the asset. The effect of collateral at 31 December 2025 and 31 December 2024 are as shown below

GROUP

31 December 2025

Financial assets

Loans and advances to banks

Financial assets at fair value through profit or loss

Total Financial Assets

Collateralised assets		Under-collateralised assets	
Carrying value of the assets	Fair value of collateral held	Carrying value of the assets	Fair value of collateral held
N'million	N'million	N'million	N'million
32,428	33,660	0	-
-	-	0	-
32,428.00	33,660.00	0	-

GROUP

31 December 2024

Financial assets

Loans and advances to banks

Financial assets at fair value through profit or loss

Total Financial Assets

Collateralised assets		Under-collateralised assets	
Carrying value of the assets	Fair value of collateral held	Carrying value of the assets	Fair value of collateral held
N'million	N'million	N'million	N'million
-	-	3,262,097	-
-	-	330,830	-
-	-	3,592,927	-

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

COMPANY**31 December 2025****Financial assets**

Loans and advances to banks

Financial assets at fair value through profit or loss

Total Financial Assets

Collateralised assets	Under-collateralised assets		
	Carrying value of the assets	Fair value of collateral held	Fair value of collateral held
	-	-	11,961
	-	-	-
	-	-	11,961

COMPANY**31 December 2024****Financial assets**

Loans and advances to banks

Financial assets at fair value through profit or loss

Total Financial Assets

Collateralised assets	Under-collateralised assets		
	Carrying value of the assets	Fair value of collateral held	Fair value of collateral held
	-	-	23,269
	-	-	-
	-	-	23,269

The underlisted financial assets are not collateralised:

Cash and balances with Central Banks

Investment securities:

- Investment securities at fair value through other comprehensive income

- Amortised cost investments

Asset pledged as collateral

Other assets

The Group's investment in risk-free government securities and its Cash and balances with Central Banks are not considered to require collaterals given their sovereign nature.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

3.3 Liquidity risk

Liquidity risk is the risk that the Group does not have sufficient financial resources to meet its obligation as they fall due or will have to meet the obligations at excessive costs. This risk could arise from mismatches in the timing of cash flows.

Funding risk is a form of liquidity risk that arises when the liquidity needed to fund illiquid asset positions cannot be obtained at the expected terms and when required.

The objective of the Group's liquidity risk management is to ensure that all anticipated funding commitments can be met when due and that access to funding sources is coordinated and cost effective.

3.3.1 Management of liquidity risk

The Group's liquidity management process includes:

- Maintaining a portfolio of highly marketable assets that can easily be liquidated as protection against any unforeseen interruption to cash flow;
- Day-to-day funding, managed by monitoring future cash flows to ensure that requirements can be met. This includes replenishment of funds as they mature or are borrowed by customers.
- Active monitoring of the timing of cashflows and maturity profiles of assets and liabilities to ensure mismatches are within stipulated limits;
- Monitoring the liquidity ratios against internal and regulatory requirements; and
- Managing the concentration and profile of debt maturities.

Monitoring and reporting take the form of cash flow measurement and projections for the next day, week and month respectively, as these are key periods for liquidity management. The starting point for those projections is an analysis of the contractual maturity of the financial liabilities and the expected collection date of the financial assets

Particular attention is also paid to the level and type of undrawn lending commitments, the usage of overdraft facilities and the impact of contingent liabilities such as standby letters of credit and guarantees.

Liquidity risk on derivatives is managed using the same source of funding as for the non-derivative liabilities.

3.3.2 Funding approach

The Group is funded primarily by a well diversified mix of retail, corporate and public sector deposits. This funding base ensures stability and low funding cost with minimal reliance on more expensive tenured deposit and interbank takings as significant sources of funding.

3.3.3 Non-derivative financial liabilities and assets held for managing liquidity risk

The table below presents the cash flows payable by the Group under non-derivative financial liabilities and assets held for managing liquidity risk by remaining contractual maturities at the date of the consolidated statement of financial position. The amounts disclosed in table A below are the contractual undiscounted cash flow, whereas the Group manages the liquidity risk on a behavioural basis which is shown in table B below. See note 32b for maturity analysis of leases.

GROUP								
(a) TABLE A - LIQUIDITY ANALYSIS ON A CONTRACTUAL BASIS								
	Carrying Amount N 'million	0 - 30 days N 'million	31 - 90 days N 'million	91 - 180 days N 'million	181 - 365 days N 'million	Over 1 year but less than 5 yrs N 'million	Over 5 years N 'million	Total N 'million
31 December 2025								
Financial liabilities								
Deposits from banks	2,019,003	954,773	664,888	374,045	25,297	-	-	2,019,003
Deposits from customers	18,883,009	12,081,283	2,262,301	605,220	2,028,788	1,905,417	-	18,883,009
Borrowings	1,943,978	97,682	570,407	527,286	184,173	577,104	-	1,956,652
Debt Securities	35,059	-	-	35,059	-	-	-	35,059
Other liabilities	840,306	522,548	160,658	692	156,408	-	-	840,306
Total financial liabilities	23,721,355	13,656,286	3,658,254	1,542,302	2,394,666	2,482,521	0	23,734,029
Loan commitments	271,289	173,714	27,454	30,585	39,505	32	-	271,290
Letters of credit and other credit related obligations	3,297,850	415,111	672,830	247,987	748,723	847,432	365,767	3,297,850
Total commitments	3,569,139	588,825	700,284	278,572	788,228	847,464	365,767	3,569,140
Assets held for managing liquidity risk	152,526	60,978	46,152	27,263	27,117	26,954	5,452	193,916
31 December 2024								
Financial liabilities								
Deposits from banks	2,922,432	1,922,017	444,012	52,331	504,072	-	-	2,922,432
Deposits from customers	17,170,690	11,698,593	2,127,850	1,200,037	1,561,808	582,402	-	17,170,690
Borrowings	1,559,353	816	284,610	78,781	700,973	334,829	159,343	1,559,352
Debt Securities	198,188	-	103,616	94,572	-	-	-	198,188
Other liabilities	1,216,073	641,985	292,157	1,243	280,655	33	-	1,216,073
Total financial liabilities	23,066,736	14,263,411	3,252,245	1,426,964	3,047,508	917,264	159,343	23,066,735
Loan commitments	167,891	57,506	21,655	41,275	20,355	8,194	98,417	247,402
Letters of credit and other credit related obligations	2,975,196	1,254,821	283,387	154,432	909,338	53,276	319,942	2,975,196
Total commitments	3,143,087	1,312,327	305,042	195,707	929,693	61,470	418,359	3,222,598
Assets held for managing liquidity risk	17,328,092	3,693,392	2,929,018	1,920,127	1,870,675	3,299,225	7,946,523	21,658,960

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

3.3 Liquidity risk continued

COMPANY

	Carrying Amount N 'million	0 - 30 days N 'million	31 - 90 days N 'million	91 - 180 days N 'million	181 - 365 days N 'million	Over 1 year but less than 5 yrs N 'million	Over 5 years N 'million	Total N 'million
31 December 2025								
Financial liabilities								
Other liabilities	13,816	11,282	2,534	-	-	-	-	13,816
Total financial liabilities	13,816	11,282	2,534	-	-	-	-	13,816
Assets held for managing liquidity risk	23,338	11,465	2,527	974	3,494	5,507	5,452	29,419
31 December 2024								
Financial liabilities								
Other liabilities	29,077	20,691	8,386	-	-	-	-	29,077
Total financial liabilities	29,077	20,691	8,386	-	-	-	-	29,077
Assets held for managing liquidity risk	37,773	10,053	17,814	895	5,752	5,026	9,206	48,746

- (b) Table B below presents the undiscounted cashflows payable by the Group based on their behavioral patterns. In managing its liquidity risk, the Group profiles its cashflows statistically using historical observations, to ensure that projections are in tune with demonstrated behavioral trends. The Group adopts a Behavioral run-off model in estimating Core and Volatile components of its non-maturing liabilities, complemented by qualitative factors e.g. changes in collection sweep cycles, effect of new fiscal or monetary policies etc. The objective is to determine the proportion of the non-contractual balances to be spread across the Group's maturity bands.

TABLE B - LIQUIDITY ANALYSIS ON A BEHAVIOURAL BASIS

GROUP

	Carrying Amount N 'million	0 - 30 days N 'million	31 - 90 days N 'million	91 - 180 days N 'million	181 - 365 days N 'million	Over 1 year but less than 5 yrs N 'million	Over 5 years N 'million	Total N 'million
31 December 2025								
Financial liabilities								
Deposits from banks	2,019,003	954,773	664,888	374,045	25,296	-	-	2,019,002
Deposits from customers	18,904,665	1,794,922	2,822,742	1,431,828	3,725,810	9,129,363	-	18,904,665
Borrowings	1,943,977	8,319	454,112	410,041	118,247	940,883	-	1,931,602
Debt Securities	35,059	-	2	35,057	-	-	-	35,059
Other liabilities	839,076	233,761	373,930	16,624	186,943	2,508	25,293	839,059
Investment contracts	-	-	-	-	-	-	-	-
Total financial liabilities	23,741,780	2,991,775	4,315,674	2,267,595	4,056,296	10,072,754	25,293	23,729,387
31 December 2024								
Financial liabilities								
Deposits from banks	2,922,432	819,099	1,203,541	313,569	586,223	-	-	2,922,433
Deposits from customers	17,179,142	2,386,321	2,316,344	1,437,691	1,994,374	9,044,412	-	17,179,142
Borrowings	1,559,352	19,449	131,133	372	918,292	490,107	-	1,559,353
Debt Securities	198,188	-	103,616	94,572	-	-	-	198,188
Other liabilities	1,220,460	646,372	292,157	1,243	280,655	-	-	1,220,427
Investment contracts	-	-	-	-	-	-	-	-
Total financial liabilities	23,079,574	3,871,241	4,046,791	1,847,447	3,779,544	9,534,519	-	23,079,543
Loan commitments	167,891	57,506	21,655	41,275	20,355	8,194	98,417	247,402
Letters of credit and other credit related obligations	2,975,196	1,254,821	283,387	154,432	909,338	53,276	319,942	2,975,196
Total commitments	3,143,087	1,312,327	305,042	195,707	929,693	61,470	418,359	3,222,598
Assets held for managing liquidity risk	17,328,092	3,693,392	2,929,018	1,920,127	1,870,675	3,299,225	7,946,523	21,658,960

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

3.3.4 Assets held for managing liquidity risk

The Group holds a diversified portfolio of liquid assets - largely cash and government securities to support payment and funding obligations in normal and stressed market conditions across foreign and local currencies. The Group's liquid assets comprise

- Cash and balances with the central bank comprising reverse repos and Overnight deposits
- Short term and overnight placements in the interbank market
- Government bonds and T-bills that are readily accepted in repurchase agreements with the Central bank and other market participants
- Secondary sources of liquidity in the form of highly liquid instruments in the Group's trading portfolios.
- The ability to access incremental short term funding by interbank borrowing from the interbank market

First Bank of Nigeria Limited, the commercial banking segment of the group, is most exposed to liquidity risk. The bank is largely deposit funded and thus, as is typical amongst Nigerian banks, has significant funding mismatches on a contractual basis, given that the deposits are largely demand and short tenured, whilst lending is longer term. On an actuarial basis, the bank's demand deposits exhibit much longer duration, with 80.83% of the bank's current account balances and 88.57% of savings account balances being deemed core.

To manage liquidity shocks in either foreign or local currency, largely as a result of episodic movements, the bank typically holds significant short term liquidity in currency placements or taps the repo markets to raise short term funding as is required. To grow local currency liquidity, the bank has also systematically worked towards reducing the duration of our securities portfolio in the last year, shifting the emphasis to holding more liquid shorter dated treasury bills over longer term bonds, to allow more flexibility in managing liquidity. Whilst on the foreign currency side, the bank has built up placement balances with our offshore correspondents.

3.3.5 Derivative liabilities

(a) Derivatives settled on a net basis

The out options and the foreign exchange (FX) contract will be settled on a net basis.

The table below analyses the Group's derivative financial liabilities that will be settled on a net basis into relevant maturity groupings based on the remaining period at the date of the consolidated statement of financial position to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

GROUP	Up to 1 month N 'million	1-3 months N 'million	3-6 months N 'million	6 - 12 months N 'million	1-5 years N 'million	Over 5 years N 'million	Total N 'million
At 31 December 2025							
Derivative liabilities							
FX Futures	10,209	10,649	-	-	-	-	20,858
Put Option	1,005	-	706	599	250	-	2,560
	11,214	10,649	706	599	250	-	23,418
Derivative assets							
Put Option	1,203	-	841	836	317	-	3,197
	1,203	-	841	836	317	-	3,197
	(10,011)	(10,649)	135	237	67	-	(20,221)
At 31 December 2024							
Derivative liabilities							
FX Futures	-	341,517	164,943	68,151	-	-	574,611
Put Option	-	-	1,382	1,863	-	-	3,245
	-	341,517	166,325	70,014	-	-	577,856
Derivative assets							
FX Futures	-	331,167	139,410	55,784	-	-	526,361
Put Option	-	-	1,636	2,277	-	-	3,913
	-	331,167	141,046	58,061	-	-	530,274
	-	(10,350)	(25,279)	(11,953)	-	-	(47,582)

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

3.3.5 Derivative liabilities continued

(b) Derivatives settled on a gross basis.

The Group's derivatives that will be settled on a gross basis are foreign exchange derivatives. The table below analyses the Group's derivative financial instruments that will be settled on a gross basis into relevant maturity groupings based on the remaining period at the date of the consolidated statement of financial position to the contractual maturity date. Contractual maturities are assessed to be essential for an understanding of the timing of the cashflows on all derivatives including derivatives classified as 'liabilities held for trading'. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Up to 1 month	1-3 months	3-6 months	6 - 12 months	1-5 years	Over 5 years	Total
GROUP							
At 31 December 2025 (N'million)							
Assets held for trading							
Forward Contract - Receipt	85	356	1,197	2,734	-	-	4,372
	85	356	1,197	2,734	-	-	4,372
Liabilities held for trading							
Forward Contract - Payment	14	415	-	-	-	-	429
Forward Contract - Receipt	110	2,264	535	177	-	-	3,086
	124	2,679	535	177	-	-	3,515
At 31 December 2024 (N' million)							
Assets held for trading							
FX Swap - Payable	186,864	756,375	-	-	-	-	943,239
FX Swap - Receivable	309,800	774,500	-	-	-	-	1,084,300
Forward Contract - Receipt	114	383	814	55,352	-	-	56,663
	496,778	1,531,258	814	55,352	-	-	2,084,202
Liabilities held for trading							
Forward Contract - Payment	-	-	11,001	-	-	-	11,001
Forward Contract - Receipt	252	3,080	1,310	17	-	-	4,659
	252	3,080	12,311	17	-	-	15,660

3.4 Market risk

Market risk is the potential for adverse changes in the value of a trading or an investment portfolio due to changes in market risk variables such as equity and commodity prices, interest rates, and foreign exchange rates.

Market risk arises from positions in currencies, interest rate and securities held in our trading portfolio and from our retail banking business, investment portfolio, and other non-trading activities. The movement in market risk variables may have a negative impact on the balance sheet and or income statement.

Through the financial year, the Group was exposed to market risk in its trading, and non-trading activities mainly as a result of:

- interest rate movements in reaction to monetary policy changes by the Central Banks in each jurisdiction, fiscal policies changes, and market forces;
- foreign exchange fluctuations arising from demand and supply as well as government policies; and
- equity price movements in response to market forces and changing market dynamics, such as market making on the Stock Exchange.

3.4.1 Management of market risk

The Group's market risk management process applies disciplined risk-taking within a framework of well-defined risk appetite that enables the group to boost shareholders value while maintaining competitive advantage through effective utilisation of risk capital. Thus, the Group market risk management policy ensures:

- formal definition of market risk management governance – recognised individual roles and committees, segregation of duties, avoidance of conflicts, etc.;
- management is responsible for the establishment of appropriate procedures and processes in implementing the Board-approved market risk policy and strategy. The procedures are documented in a periodically reviewed market risk procedural manual that spells out the procedures for executing relevant market risk controls.;
- an independent market risk management function;
- a Group-wide market risk management process to which all risk-taking units are subjected;
- alignment of market risk management standards with international best practice. Risk measurements are progressively based on modern techniques such as sensitivity, value-at-risk methodology (VaR), stress testing and scenario analysis;
- a robust market risk management infrastructure reinforced by a strong management information system (MIS) for controlling, monitoring and reporting market risk;
- continual evaluation of risk appetite, communicated through risk limits and overall effectiveness of the market risk management process;
- the Group does not undertake any risk that cannot be managed, or risks that are not fully understood especially in new products and;
- where the Group takes on any risk, full consideration is given to product maturity, financial market sophistication and regulatory pronouncement, guidelines or policies. The risk taken must be adequately compensated by the anticipated reward.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

3.4.2 Market risk measurement techniques

The major measurement techniques used to measure and control market risk are outlined below:

(a) Value at risk (VaR)

VaR measures potential loss in fair value of financial instruments due to adverse market movements over a defined time horizon at a specified confidence level.

VaR is calculated for expected movements over a minimum of one business day and to a confidence level of 99% and a 10-day holding period. The confidence level suggests that potential daily losses, in excess of the VaR measure, are likely to be experienced three times per year in every 250 days. Only First Bank of Nigeria (the bank) is subject to the VaR methodology. The Group measures interest rate risk and foreign exchange risk using sensitivity analysis, see note 3.4.6 and 3.4.3 respectively.

The Bank continues to use VaR to estimate the potential losses that could occur on its positions as a result of movements in market factors.

The Bank uses the parametric method as its VaR methodology with an observation period of two years obtained from published data from pre-approved sources. VaR is calculated on the Bank's positions at close of business daily.

The table below shows the trading VaR of the Bank. The major contributors to the trading VaR are Treasury Bills and Foreign Exchange due to volatility in those instruments impacting positions held by the Bank during the period.

The assets included in the VaR analysis are the held for trading assets.

The Fixed Income portfolio (Interest Rate Risk) trading VaR is N1.76 billion as at 31st December 2024 (31 December 2023: N1.39 billion) and reflects the potential loss given assumptions of a 1-day holding period, volatility computed using 500-day return data, and a 99% statistical confidence level

The foreign exchange trading VaR was N54.92million as at 31st December 2025 (31 December 2024: N454.81 million), reflecting the regulatory Trading Open Position of 0.5% of Shareholder's Fund stipulated by the CBN.

VAR summary

Foreign exchange risk
Interest rate risk

Total VAR

12 months to 31 December 2025			
Average	High	Low	
1,389	4,162	14	
159	2,285	26	
1,548	6,447	40	

VAR summary

Foreign exchange risk
Interest rate risk

Total VAR

12 months to 31 December 2024			
Average	High	Low	
420	1,740	2	
481	1,951	11	
901	3,691	13	

(b) Stress tests

Based on the reality of unpredictable market environment and the frequency of regulations that have had significant effect on market rates and prices, the Group augments other risk measures with stress testing to evaluate the potential impact of possible extreme movements in financial variables on portfolio values.

Stress testing is an integral part of the market risk management framework and considers both historical market events and forward-looking scenarios. A consistent stress-testing methodology is applied to trading and non-trading books. Stress scenarios are regularly updated to reflect changes in risk profile and economic events.

The Asset and Liability Committee (ALCO) of each subsidiary is responsible for reviewing stress exposures and where necessary, enforcing reductions in overall market risk exposure. The stress-testing methodology assumes that scope for management action would be limited during a stress event, reflecting the decrease in market liquidity that often occurs. Regular stress-test scenarios are applied to interest rates, exchange rates and equity prices. This covers all asset classes in the financial markets banking and trading books. Ad hoc scenarios are also prepared reflecting specific market conditions and for particular concentrations of risk that arise within the businesses.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

3.4.2 Market risk measurement techniques continued
Non-trading portfolio

The principal objective of market risk management of non-trading portfolios is to optimise net interest income. Due to the size of the Group's holdings in rate-sensitive assets and liabilities the Group is exposed to interest rate risk.

Non-trading interest rate risk results mainly from differences in the mismatches or re-pricing dates of assets and liabilities, both on- and off-balance sheet as interest rate changes.

The Group uses a variety of tools to measure non-tradable interest rate risk such as:

- interest rate gap analysis (which allows the Group to maintain a positive or negative gap depending on the perceived interest rate direction). The size of the gap is then adjusted to either hedge net interest income against changing interest rates or to speculatively increase net interest income;
 - forecasting and simulating interest rate margins;
 - market value sensitivity;
 - calculating earnings at risk (EaR) using various interest rate forecasts; and
 - re-pricing risk in various portfolios and yield curve analysis.
- See note 3.4.5 for interest rate sensitivity disclosures.

Hedged non-trading market risk exposures

The Group's books have some key market risk exposures, which have been identified and are being managed using swaps and options.

3.4.3 Foreign exchange risk

The Group is exposed to foreign exchange risks due to fluctuations in foreign currency exchange rates on its financial position and cash flows. The Board sets limits on the level of exposure by currency and in aggregate for both overnight and intra-day positions, which are monitored daily. The table below summarises the Group's exposure to foreign currency exchange rate risk at 31 December 2025 and 31 December 2024. Included in the table are the Group's financial instruments at carrying amounts, categorised by currency.

GROUP

	Naira N 'million	USD N 'million	GBP N 'million	Euro N 'million	Others N 'million	Total N 'million
31 December 2025						
Financial assets						
Cash and balances with Central Banks	4,112,109	43,198	10,499	6,006	902,427	5,074,239
Loans and advances to banks	208,252	1,887,458	571,524	771,170	19,944	3,458,348
Loans and advances to customers - Retail portfolio	117,463	33,456	271,530	-	49,249	471,698
Loans and advances to customers - Corporate portfolio	3,492,627	4,184,083	-	390,301	427,612	8,494,623
Investment securities						
- FVOCI Investments	3,358,946	685,214	-	-	512,961	4,557,121
- Amortised cost investments	117,000	745,937	139,773	-	1,410,256	2,412,966
Asset pledged as collateral	199,825	87,604	-	-	56,183	343,612
Financial assets at fair value through profit or loss	330,702	802,279	4,374	-	6,886	1,144,241
Other assets	195,836	93,358	2,319	448	158,021	449,982
	12,132,760	8,562,587	1,000,019	1,167,925	3,543,539	26,406,830
Financial liabilities						
Customer deposits	8,954,330	6,924,002	1,278,239	195,383	1,531,055	18,883,009
Deposits from banks	284,136	1,084,477	16,013	67,816	566,561	2,019,003
Financial liabilities at FVTPL	55,918	6,074	-	-	-	61,992
Borrowings	65,967	1,137,496	990	285,413	454,112	1,943,978
Other liabilities	576,204	208,743	14,986	40,151	222	840,306
	9,936,555	9,360,792	1,310,228	588,763	2,551,950	23,748,288

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

3.4.3 Foreign exchange risk continued

	Naira N 'million	USD N 'million	GBP N 'million	Euro N 'million	Others N 'million	Total N 'million
31 December 2024						
Financial assets						
Cash and balances with Central Banks	3,629,788	293,483	7,923	13,199	470,793	4,415,186
Loans and advances to banks	196,644	1,989,306	434,903	503,290	178,337	3,302,480
Loans and advances to customers - Retail portfolio	163,862	11,250	16,511	263,693	34,683	489,999
Loans and advances to customers - Corporate portfolio	3,051,650	4,075,488	572,562	1,316	576,873	8,277,889
Investment securities						-
- FVOCI Investments	2,676,081	1,795,606	-	-	-	4,471,687
- Amortised cost investments	51,857	949,852	48,379	-	1,014,620	2,064,708
Asset pledged as collateral	752,529	281,974	-	-	34,722	1,069,225
Financial assets at fair value through profit or loss	281,553	106,815	52,385	-	2,814	443,567
Other assets	902,673	79,425	-	-	-	982,098
	<u>11,706,637</u>	<u>9,583,199</u>	<u>1,132,663</u>	<u>781,498</u>	<u>2,312,842</u>	<u>25,516,839</u>
Financial liabilities						
Customer deposits	7,242,011	6,924,002	1,278,239	195,383	1,531,055	17,170,690
Deposits from banks	278,833	2,465,809	20,405	67,451	89,934	2,922,432
Financial liabilities at FVTPL	45,598	-	4,658	-	-	50,256
Borrowings	46,606	1,362,067	1,787	871	148,022	1,559,353
Other liabilities	666,396	457,797	26,608	53,177	12,095	1,216,073
	<u>8,279,444</u>	<u>11,209,675</u>	<u>1,331,697</u>	<u>316,882</u>	<u>1,781,106</u>	<u>22,918,804</u>
COMPANY						
	Naira N 'million	USD N 'million	GBP N 'million	Euro N 'million	Others N 'million	Total N 'million
31 December 2025						
Financial assets						
Loans and advances to banks	11,944	17	-	-	-	11,961
Loans and advances to customers: Retail portfolio						
- Term loans	87	-	-	-	-	87
Investment securities						
- FVOCI Investments	11,377	-	-	-	-	11,377
Financial assets at fair value through profit or loss	-	-	-	-	-	-
Other assets	18,594	-	-	-	-	18,594
	<u>42,002</u>	<u>17</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,019</u>
Financial liabilities						
Other liabilities	13,816	-	-	-	-	13,816
	<u>13,816</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,816</u>
COMPANY						
	Naira N 'million	USD N 'million	GBP N 'million	Euro N 'million	Others N 'million	Total N 'million
31 December 2024						
Financial assets						
Loans and advances to banks	23,269	-	-	-	-	23,269
Loans and advances to customers: Retail portfolio						
- Term loans	178	-	-	-	-	178
Investment securities						
- FVOCI Investments	14,504	-	-	-	-	14,504
Financial assets at fair value through profit or loss	-	-	-	-	-	-
Other assets	22,521	-	-	-	-	22,521
	<u>60,472</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>60,472</u>
Financial liabilities						
Other liabilities	29,077	-	-	-	-	29,077
	<u>29,077</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,077</u>

The Company and Group's exposure to foreign currency risk is largely concentrated in the US Dollar. Movement in exchange rate between the US Dollar and the Nigerian Naira affects reported earnings through revaluation gain or loss and balance sheet size through increase or decrease in the revalued amounts of assets and liabilities denominated in US Dollars.

The Group is exposed to the US dollar, EURO and GBP currencies. The Group's exposure to other foreign exchange movements is not material.

The following table details the Group's sensitivity to a 9% (2024 9%) increase and decrease in Naira against the US dollar, EURO and GBP. Management believe that a 9% movement in either direction is reasonably possible at the balance sheet date. The sensitivity analyses below include outstanding US dollar, EURO and GBP denominated financial assets and liabilities. A positive number indicates an increase in profit where Naira weakens by 9% against the US dollar, EURO and GBP. For a 9% strengthening of Naira against the US dollar, EURO and GBP, there would be an equal and opposite impact on profit.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

3.4.3 Foreign exchange risk continued

	GROUP	
	31 Dec 2025	31 Dec 2024
Naira strengthens by 9% against the US dollar (2024: 9%) Profit/(loss)	79,821	162,648
Naira weakens by 9% against the US dollar (2024: 9%) Profit/(loss)	(79,821)	(162,648)
Naira strengthens by 9% against the EURO (2024: 9%) Profit/(loss)	(57,916)	(46,462)
Naira weakens by 9% against the EURO (2024: 9%) Profit/(loss)	57,916	46,462
Naira strengthens by 9% against the GBP (2024: 9%) Profit/(loss)	31,021	19,903
Naira weakens by 9% against the GBP (2024: 9%) Profit/(loss)	(31,021)	(19,903)

3.4.4 Interest rate risk

Interest rate risk is the risk of loss in income or portfolio value as a result of changes in market interest rates. The Group is exposed to interest rate risk in its fixed income securities portfolio, as well as on the interest sensitive assets and liabilities in the course of banking and or trading. The Board sets limits on the level of mismatch of interest rate repricing and value at risk that may be undertaken, which is monitored daily by the Asset and Liability Committee.

The table below summarises the Group's interest rate gap position showing its exposure to interest rate risks. Value at risk exposure is disclosed in Note 3.4.2

	Carrying amount N' million	Variable interest N' million	Fixed interest N' million	Non interest- bearing N' million
GROUP				
31 December 2025				
Financial assets				
Cash and balances with central banks	5,074,239	-	-	5,074,239
Loans and advances to banks	3,458,348	1,767,746	1,505,631	184,971
Loans and advances to customers - Retail portfolio	471,698	434,597	36,959	142
Loans and advances to customers - Corporate portfolio	8,494,623	7,440,536	1,054,030	57
Financial assets at fair value through profit or loss	1,144,241	16,240	1,011,045	116,956
Investment securities:				
- FVOCI Investments	4,557,121	-	4,023,441	533,680
- Amortised cost investments	2,412,966	7,700	155,965	2,249,301
Assets pledged as collateral	343,612	-	343,612	-
Other assets	449,982	-	266,159	183,823
	26,406,830	9,666,819	8,396,842	8,343,169
Financial liabilities				
Deposits from customers	18,883,009	12,713,338	6,137,354	32,317
Deposits from banks	2,019,003	865,270	1,153,733	-
Financial liabilities at FVTPL	61,992	-	35,060	26,932
Other liabilities	840,306	-	162,120	678,186
Borrowings	1,943,978	684,077	1,259,901	-
	23,748,288	14,262,685	8,748,168	737,435
Interest rate mismatch		-4,595,866	-351,326	7,605,734

	Carrying amount N' million	Variable interest N' million	Fixed interest N' million	Non interest- bearing N' million
GROUP				
31 December 2024				
Financial assets				
Cash and balances with central banks	4,415,186	-	-	4,415,186
Loans and advances to banks	3,302,480	1,964,753	1,334,026	3,701
	489,701	155,928	333,773	-
Loans and advances to customers - Retail portfolio	8,277,889	6,460,550	1,817,339	-
Loans and advances to customers - Corporate portfolio				
Financial assets at fair value through profit or loss	443,567	3,337	330,830	112,737
Investment securities:				
- FVOCI Investments	4,471,687	-	4,014,943	456,744
- Amortised cost investments	2,064,708	193	2,064,515	-
Assets pledged as collateral	1,069,225	-	1,063,332	5,893
Other assets	982,098	-	69,870	912,228
	25,516,541	8,584,761	11,028,628	5,906,489

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

3.4.4 Interest rate risk continued

Financial liabilities

Deposits from customers	17,170,690	14,802,452	2,368,238	-
Deposits from banks	2,922,432	-	2,922,432	-
Financial liabilities at FVTPL	50,256	21,995	-	28,261
Other liabilities	1,216,073	-	-	1,216,073
Borrowings	1,559,353	59,590	1,499,763	-
	22,918,804	14,884,037	6,790,433	1,244,334

Interest rate mismatch

(6,299,276) 4,238,195 4,662,155

COMPANY

31 December 2025

Financial assets

Loans and advances to banks	11,961	-	11,961	-
Loans and advances to customers: Retail portfolio				
- Term loans	87	-	87	-
Financial assets at fair value through profit or loss	-	-	-	-
Investment securities:				
- FVOCI Investments	11,377	-	11,377	-
Other assets	680	-	-	680
	24,105	-	23,425	680

Financial liabilities

Other liabilities	13,816	-	-	13,816
	13,816	-	-	13,816

Interest rate mismatch

- 23,425 (13,135)

COMPANY

31 December 2024

Financial assets

Loans and advances to banks	23,269	-	23,269	-
Loans and advances to customers: Retail portfolio				
- Term loans	178	-	178	-
Financial assets at fair value through profit or loss	-	-	-	-
Investment securities:				
- FVOCI Investments	14,504	-	14,504	-
Other assets	87	-	-	87
	38,038	-	37,951	87

Financial liabilities

Other liabilities	29,077	-	-	29,077
	29,077	-	-	29,077

Interest rate mismatch

- 37,951 (28,990)

3.4.5 Interest rate repricing profile

The tables below summarise the repricing profile of First Bank Nigeria Limited's non-trading book as at 31st December 2025 and 31st December 2024. Carrying amounts of items are allocated to time bands by reference to the earlier of the next contractual interest rate repricing date and the maturity date. The cash flows bucketing on non-maturing financial asset and financial liabilities were determined using their behavioural assumptions based in historical trend analysis. The interest rate exposure of the other subsidiaries' is considered insignificant to the Group. Thus, the repricing profile of the bank is deemed to be fairly representative of the Group.

Figures in N'million		<=30 DAYS	31 - 90 DAYS	91 - 180 DAYS	181 - 365 DAYS	1 - 2 YEARS	2 YEARS & ABOVE	Rate Sensitive
31 December 2025								
Treasury Bills		53,070	342,774	1,987,230	65,683	-	-	2,448,757
Government Bonds		45,278	69,674	-	16	128,660	1,453,895	1,697,522
Corporate Bonds		-	237	-	-	2,673	-	2,910
Loans and advances to banks		1,301,504	442,281	211,186	262,666	-	-	2,217,636
Loans and advances to Customers-Retail								
- Overdrafts		4,321	4,784	1,291	6,800	39	462	17,696
- Term loans		4,456	17,953	9,065	12,394	20,985	39,254	104,107
- Credit Cards		250	65	62	169	826	1,616	2,987
- Mortgage		-	-	-	33	23	244	301
Loans and advances to Customers-Corporate								
- Overdrafts		365,287	61,042	27,145	171,860	1,355	1,164	627,853
- Term loans		1,064,532	1,105,306	176,071	327,279	240,237	2,931,716	5,845,142
- Project Finance		193	-	-	-	831	-	1,024
TOTAL ASSETS		2,838,890	2,044,115	2,412,049	846,900	395,630	4,428,351	12,965,935
Deposits from customers		11,995,899	842,766	177,181	124,451	76	-	13,140,373
Deposits from banks		642,368	496,983	304,613	19,396	-	-	1,463,360
Treasury Bills		-	-	35,059	-	-	-	35,059
Medium term loan		-	570,407	527,286	1,888	71,633	6,084	1,177,298
TOTAL LIABILITIES		12,638,267	1,910,156	1,044,139	145,735	71,709	6,084	15,816,090
INTEREST RATE REPRICING GAP		(9,799,377)	133,959	1,367,910	701,165	323,921	4,422,267	(2,850,155)

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

3.4.5 Interest rate repricing profile continued

Figures in N'million 31 December 2024		<=30 DAYS	31 - 90 DAYS	91 - 180 DAYS	181 - 365 DAYS	1 - 2 YEARS	2 YEARS & ABOVE	Rate Sensitive
Treasury Bills		281,878	115,029	540,651	672,375	-	-	1,609,933
Government Bonds		-	173,829	31,933	946	12,067	1,800,897	2,019,672
Corporate Bonds		-	-	-	-	-	3,753	3,753
Loans and advances to banks		30,023	750,294	248,249	1,410,573	-	-	2,439,139
Loans and advances to Customers-Retail								
- Overdrafts		7,032	14,551	3,303	9,348	137	532	34,904
- Term loans		4,492	3,575	13,445	13,354	27,100	66,126	128,092
- Credit Cards		172	479	226	1,598	331	1,211	4,017
- Mortgage		22	19	41	42	86	308	517
Loans and advances to Customers-Corporate								
- Overdrafts		120,005	112,698	43,964	104,018	30,180	6	410,870
- Term loans		641,244	1,303,901	347,242	1,177,873	253,572	2,103,593	5,827,426
- Project Finance		45	6,421	1,419	777	9,275	204,317	222,254
TOTAL ASSETS		1,084,913	2,480,796	1,230,473	3,390,903	332,748	4,180,744	12,700,577
Deposits from customers		-	-	-	-	-	-	-
Deposits from banks		953,096	444,012	52,331	504,072	-	-	1,953,511
Treasury Bills		-	-	99,380	29,970	68,839	-	198,188
Medium term loan		816	101,365	53,375	630,677	127,596	202,343	1,116,172
TOTAL LIABILITIES		953,912	545,377	205,086	1,164,719	196,435	202,343	3,267,871
INTEREST RATE REPRICING GAP		131,001	1,935,419	1,025,387	2,226,184	136,313	3,978,401	9,432,706

3.4.6 Interest rate sensitivity showing fair value interest rate risk

The aggregate figures presented above are further segregated into their various components as shown below:

	GROUP		COMPANY	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N' million	N' million	N' million	N' million
Financial assets at fair value through profit or loss				
Treasury bills	273,970	90,043	-	-
Bonds	737,075	58,694	-	-
Total	1,011,045	148,737	-	-
Impact on income statement:				
Unfavourable change @ 2% reduction in interest rates	(20,221)	(2,975)	-	-
Favourable change @ 2% increase in interest rates	20,221	2,975	-	-
Investment securities - FVOCI				
Treasury bills	2,126,405	2,707,152	5,248	8,412
Bonds	2,018,334	1,307,911	6,129	6,092
Total	4,144,739	4,015,063	11,377	14,504
Impact on other comprehensive income statement:				
Unfavourable change @ 2% reduction in interest rates	(82,895)	(80,301)	(228)	(290)
Favourable change @ 2% increase in interest rates	82,895	80,301	228	290

3.5 Equity risk (Market risk)

The Group is exposed to equity price risk by holding investments quoted on the Nigerian Stock Exchange (NSE) and other non-quoted investments. Equity securities quoted on the NSE is exposed to movement based on the general movement of the all share index and movement in prices of specific securities held by the Group.

As at 31 December 2025, the market value of quoted securities held by the Group was N26.72bn (2024: N19.23 billion). If the all share index of the NSE moves by 15,561 (10%) basis points from the 155,613.03 position at 31 December 2025, the effect on the fair value of these quoted securities and the other comprehensive income statement would have been N2.67 billion.

The Group holds a number of investments in unquoted securities with a market value of N511.28bn (2024: N550.11 billion) of which investments in African Finance Corporation (AFC) is the significant holding (69.77%). AFC is a private sector led investment bank and development finance institution which has the Central Bank of Nigeria as a single major shareholder with other African financial institutions and investors holding the remaining shares. See fair value hierarchy of these investments and sensitivity analysis in note 3.6.

The Group does not deal in commodities and is therefore not exposed to any commodity price risk.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

3.6 Fair value of financial assets and liabilities

3.6.1 Financial instruments measured at fair value – Fair value hierarchy

The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position. The fair values include any deferred differences between the transaction price and the fair value on initial recognition when the fair value is based on a valuation technique that uses unobservable inputs.

GROUP

	Level 1 N 'million	Level 2 N 'million	Level 3 N 'million	Total N 'million
31 December 2025				
Financial assets				
Financial assets at fair value through profit or loss				
Debt Securities	1,011,045	-	-	1,011,045
Equity	10,304	5,737	109,586	125,627
Derivatives	-	7,569	-	7,569
Assets pledged as collateral	-	-	-	-
FVOCI Investments				
Investment securities - debt	4,144,739	-	-	4,144,739
Investment securities - unlisted debt	-	-	-	-
Investment securities - unlisted equity	-	364,139	37,563	401,702
Investment securities - listed equity	10,680	-	-	10,680
Assets pledged as collateral	287,429	-	-	287,429
Financial liabilities at fair value through profit or loss				
Debt Securities	35,059	-	-	35,059
Derivatives	-	26,933	-	26,933
	Level 1 N 'million	Level 2 N 'million	Level 3 N 'million	Total N 'million
31 December 2024				
Financial assets at fair value through profit or loss				
Debt Securities	148,737	-	-	148,737
Equity	5,131	5,076	102,530	112,737
Derivatives	-	182,093	-	182,093
Assets pledged as collateral	-	-	-	-
FVOCI Investments				
Investment securities - debt	4,015,063	-	-	4,015,063
Investment securities - unlisted debt	-	-	-	-
Investment securities - unlisted equity	-	402,784	37,930	440,714
Investment securities - listed equity	15,910	-	-	15,910
Assets pledged as collateral	822,897	-	-	822,897
Financial liabilities at fair value through profit or loss				
Debt Securities	-	-	-	-
Derivatives	-	50,256	-	50,256

COMPANY

	Level 1 N 'million	Level 2 N 'million	Level 3 N 'million	Total N 'million
31 December 2025				
Financial assets				
Financial assets at FVTPL				
Investment securities - unlisted equity	-	-	-	-
FVOCI Investments				
Investment securities - debt	11,377	-	-	11,377
31 December 2024				
Financial assets				
Financial assets at FVTPL				
Investment securities - unlisted equity	-	-	-	-
FVOCI Investments				
Investment securities - debt	14,504	-	-	14,504

- (a) Financial instruments in level 1
The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in Level 1. Instruments included in Level 1 comprise primarily bonds and equity investments classified as trading securities or available for sale.
- (b) Financial instruments in level 2
The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

3.6.1 Financial instruments measured at fair value continued

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments;
 - The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date, with the resulting value discounted back to present value;
 - Other techniques, such as discounted cash flow analysis, sales prices of comparable properties in close proximity, are used to determine fair value for the remaining financial instruments.
- Note that all of the resulting fair value estimates are included in Level 2 except for certain unquoted equities and equity derivatives explained below.

- (c) Financial instruments in level 3
Inputs for the asset or liability in this fair value hierarchy are not based on observable market data (unobservable inputs). This level includes debt and equity investments with significant unobservable components.

Transfers in and out of level 3 instruments are recognised on the date of the event or change in circumstances that caused the transfer.

The following table shows a reconciliation from the beginning balances to the ending balances for fair value measurements in Level 3 of the fair value hierarchy.

GROUP	N'millions
At 1 January 2024	83,737
Acquisitions	11,912
Matured/redeemed	(2,715)
Total gains recognised through profit/loss	26,193
Total gains recognised through OCI	21,333
Transfer into Level 2 due to change in observability of market data	-
At 31 December 2024	140,460
Acquisitions	15,158
Matured/redeemed	(135)
Total gains recognised through profit/loss	(7,968)
Total gains recognised through OCI	(366)
Transfer into Level 2 due to change in observability of market data	-
At 31 December 2025	147,149

During the year ended 31 December 2025, there was transfer between level 3 and 2 fair value measurements based on availability of observable inputs.

COMPANY

At 1 January 2024	-
Acquisitions	-
Disposal	-
Total losses recognised through profit/loss	-
At 31 December 2024	-
Acquisitions	-
Disposal	-
Total losses recognised through profit/loss	-
At 31 December 2025	-

Total gains or losses for the period included in profit or loss are presented in 'Net gains/(losses) from investment securities

Information about the fair value measurements using significant unobservable inputs (Level 3)

The equity sensitivity measures the impact of a +/- 250bps movements in the comparative companies. The sensitivity of the fair values of investment in unlisted equities to changes in the P/E multiples, EBITDA, cost of capital, illiquidity discount and transaction price as at 31 December, 2025 is as shown in the below table:

Description	Valuation technique	Assumption	
NIBSS PLC	P/E MULTIPLES	Base	7,744
		Sensitivity of +2.5%	7,938
		Sensitivity of -2.5%	7,550
AFREXIM BANK LTD	P/E MULTIPLES	Base	8,056
		Sensitivity of +2.5%	8,257
		Sensitivity of -2.5%	7,855
UNIFIED PAYMENT SYSTEMS LIMITED	P/B MULTIPLES	Base	15,264
		Sensitivity of +2.5%	15,646
		Sensitivity of -2.5%	14,882
CRC CREDIT BUREAU LIMITED	P/B multiples	Base	743
		Sensitivity of +2.5%	762
		Sensitivity of -2.5%	724
FMDQ OTC SECURITIES EXCHANGE	P/B MULTIPLES	Base	5,706
		Sensitivity of +2.5%	5,849
		Sensitivity of -2.5%	5,563

EV/EBITDA, P/B valuation or P/E valuation multiple - the group determines appropriate comparable public company/ies based on industry, size, developmental stage, revenue generation and strategy. The group then calculates a trading multiple for each comparable company identified. The multiple is calculated by either dividing the enterprise value of the comparable company by its earning before interest, tax, depreciation and amortisation (EBITDA), or dividing the quoted price of the comparable company by its net income (P/E). The trading multiple is then adjusted for discounts/premiums with regards to such consideration as illiquidity and other differences, advantages and disadvantages between the group's investee company and the comparable public companies based on company-specific facts and circumstances.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

3.6.1 Financial instruments measured at fair value continued

Income approach (discounted cashflow) - the group determines the free cash flow of the investee company, and discounts these cashflows using the relevant cost of equity. The cost of equity is derived by adjusting the yield on the risk free securites (FGN Bonds) with the equity risk premium and company/sector specific premium. The present value derived from the calculation represents the investee company's enterprise value.

3.6.2 Group's valuation process

The Group's asset liability management (ALM) unit performs the valuation of financial assets required for financial reporting purposes. This team also engages external specialist valuers when the need arises, and reports directly to the Chief Risk Officer. Discussions on the valuation process and results are held between the ALM team and the Chief Risk Officer on a monthly basis in line with the group's management reporting dates.

3.6.3 Financial instruments not measured at fair value

- (a) **The carrying value of the following financial assets and liabilities for both the company and group approximate their fair values:**

Cash and balances with Central banks
Loans and advances to banks
Other assets (excluding prepayments)
Deposits from banks
Deposits from customers
Other liabilities (excluding provisions and accruals)

- (b) Table below shows the carrying value of other financial assets not measured at fair value.

GROUP

	Level 1 N 'million	Level 2 N 'million	Level 3 N 'million	Total Fair Value N 'million	Total Carrying Amount N 'million
31 December 2025					
Financial assets					
Cash and balances with central banks	-	5,074,239	-	5,074,239	5,074,239
Loans and advances to banks	-	3,458,348	-	3,458,348	3,458,348
Loans and advances to Customers: Retail Portfolio					
- Overdrafts	-	37,282	-	37,282	37,282
- Term loans	-	159,589	-	159,589	159,589
- Credit cards	-	2,986	-	2,986	2,986
- Mortgage	-	271,841	-	271,841	271,841
Loans and advances to Customers: Corporate Portfolio					
- Overdrafts	-	903,207	-	903,207	903,207
- Term loans	-	7,590,392	-	7,590,392	7,590,392
- Project finance	-	1,024	-	1,024	1,024
- Advances under finance lease	-	-	-	-	-
Investments at amortised cost	2,406,843	6,123	-	2,412,966	2,412,966
Asset pledged as collateral	56,183	-	-	56,183	56,183
Other assets	-	449,982	-	449,982	449,982

	Level 1 N 'million	Level 2 N 'million	Level 3 N 'million	Total Fair Value N 'million	Total Carrying Amount N 'million
31 December 2025					
Financial liabilities					
Deposit from customers	-	18,883,009	-	18,883,009	18,883,009
Deposit from bank	-	2,019,003	-	2,019,003	2,019,003
Borrowing	-	1,943,978	-	1,943,978	1,943,978
Other liabilities	-	840,306	-	-	840,306

	Level 1 N 'million	Level 2 N 'million	Level 3 N 'million	Total Fair Value N 'million	Total Carrying Amount N 'million
31 December 2024					
Financial assets					
Cash and balances with central banks	-	4,415,186	-	4,415,186	4,415,186
Loans and advances to banks	-	3,302,480	-	3,302,480	3,302,480
Loans and advances to Customers: Retail Portfolio					
- Overdrafts	-	-	38,716	38,716	38,716
- Term loans	-	-	183,055	183,055	183,055
- Staff loans	-	-	-	-	-
- Credit cards	-	-	4,016	4,016	4,016
- Mortgage	-	-	264,212	264,212	264,212
Loans and advances to Customers: Corporate Portfolio					
- Overdrafts	-	-	661,012	661,012	661,012
- Term loans	-	-	7,394,622	7,394,622	7,394,622
- Staff loans	-	-	-	-	-
- Project finance	-	-	222,255	222,255	222,255
- Advances under finance lease	-	-	-	-	-
Investments at amortised cost	2,010,098	54,610	-	2,064,708	2,064,708
Asset pledged as collateral	246,328	-	-	246,328	246,328
Other assets	-	982,098	-	982,098	982,098

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

3.6.3 Financial instruments not measured at fair value continued

	Level 1 N 'million	Level 2 N 'million	Level 3 N 'million	Total Fair Value N 'million	Total Carrying Amount N 'million
31 December 2024					
Financial liabilities					
Deposit from customers	-	17,170,690	-	17,170,690	17,170,690
Deposit from bank	-	2,922,432	-	2,922,432	2,922,432
Borrowing	-	1,559,353	-	1,559,353	1,559,353
Other liabilities		-	1,216,073	-	1,216,073

	Level 1 N 'million	Level 2 N 'million	Level 3 N 'million	Total Fair Value N 'million	Total Carrying Amount N 'million
COMPANY					
31 December 2025					
Financial assets					
Loans and advances to Customers: Retail Portfolio					
- Term loans	-	-	87	87	87
31 December 2024					
Financial assets					
Loans and advances to Customers: Retail Portfolio					
- Term loans	-	-	178	178	178

- (c) The fair value of loans and advances to customers (including loan commitments) and investment securities are as follows:

	31 December 2025		31 December 2024	
	Carrying value N 'million	Fair value N 'million	Carrying value N 'million	Fair value N 'million
GROUP				
Financial assets				
Loans and advances to customers				
Fixed rate loans	1,090,631	1,090,631	820,345	820,345
Variable rate loans	7,874,779	7,874,978	7,946,926	7,946,926
Investment securities (Amortised cost)	2,249,301	2,186,379	1,814,553	1,789,634
Asset pledged as collateral	56,183	54,611	246,328	223,245
Loan commitments	271,289	271,289	168,733	168,733
Financial liability				
Borrowings	1,631,798	1,631,798	1,264,565	1,264,565

Investment securities have been fair valued using the market prices and is within level 1 of the fair value hierarchy.

Loans and advances to customers have been fair valued using average benchmarked lending rates which are adjusted to specific entity risks based on history of losses.

Borrowings which are listed on stock exchange are fair valued using market prices and are within level 1 of the fair value hierarchy while other borrowings are fair valued using valuation techniques and are within level 3 of the fair value hierarchy.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

4. Capital management

The Group's objectives when managing capital are (i) to comply with the capital requirements set by the regulators (Central Bank of Nigeria, Securities and Exchange Commission, National Insurance Commission etc), (ii) to safeguard the Group's ability to continue as a going concern and (iii) to maintain a sufficient capital base to achieve the current regulatory capital requirement of First HoldCo Plc. and its subsidiaries. The regulatory capital requirement for entities within the Group, as well as the internal target for capital management are as follows:

Name of Entity	Primary Regulator	Regulatory Requirement
First HoldCo Plc.	Central Bank of Nigeria	Paid-up Capital in excess of aggregated minimum paid up capital of subsidiaries (share capital + share premium)
First Bank of Nigeria Limited	Central Bank of Nigeria	N500billion Capital; and 15% Capital Adequacy Ratio
First Asset Management Bank Limited	Securities and Exchange Commission	Portfolio & Investment Management - N150million
First Securities Brokers Limited	Securities and Exchange Commission	Broker-Dealer: N300million; Investment Adviser: N5million
FirstCap Limited	Securities and Exchange Commission	Issuing House: N200million;
First Trustees Limited	Securities and Exchange Commission	Trusteeship: N300million Corporate Investment Adviser: N5million Fund & Portfolio Manager: N150million
FirstInsurance Brokers Limited	National Insurance Commission	Insurance Brokerage: N5million

The Group's capital management approach is driven by its strategy and organisational requirements, taking into account the regulatory and commercial environment in which it operates. It is the Group's policy to maintain a strong capital base to support the development of its business and to meet regulatory capital requirements at all times.

Through its corporate governance processes, the Group maintains discipline over its investment decisions and where it allocates its capital, seeking to ensure that returns on investment are appropriate after taking account of capital costs.

The Group's strategy is to allocate capital to businesses based on their economic profit generation and, within this process, regulatory and economic capital requirements and the cost of capital are key factors. The Group has an Internal Capital Adequacy Assessment Process which proactively evaluates capital needs vis-a-vis business growth and the operating environment. It also guides the capital allocation among the subsidiaries and the business units. The Group's internal capital adequacy assessment entails periodic review of risk management processes, monitoring of levels of risk and strategic business focus through a system of internal controls that provides assurance to those charged with governance on risk management models and processes.

The Group considers both equity and debt, subject to regulatory limits as capital.

The test of capital adequacy for First HoldCo Plc is as below for the year ended 31 december 2025

i. First Holdco Plc.

Subsidiary	Paid-up-Capital	Proportion of shares held	First HoldCo Plc.'s share of up capital
	31 December 2025 N 'million	31 December 2025 (%)	31 December 2025 N 'million
First Bank of Nigeria Limited	500,027	100	500,027
FirstCap Limited	5,818	100	5,818
First Trustees Limited	4,521	100	4,521
First Securities Brokers Limited	2,500	100	2,500
First Asset Management Limited	150	100	150
First Insurance Brokers Limited	25	100	25
Aggregated paid up Capital of Subsidiaries	513,041		513,041
First HoldCo Plc.'s Paid-up Capital			480,616
Shortfall of First Holdco'spaid-up capital against aggregated paid-up capital of subcos			(32,425)

In line with the 14 November 2025 clarification circular of the Central Bank of Nigeria (CBN) with respect to the interpretation of Section 7.1 of the Financial Holding Companies Regulation & Guidelines, minimum paid-up capital for Financial Holding Companies shall be the aggregate par value of the issued shares and any share premium arising from the issuance. Financial Holding companies are required to apply this definition in computing their minimum capital requirement including those of their subsidiaries without exception.

In line with the directive, the Group carried out a capital raise via a private placement in March 2026 to raise N45bn. The capital raise which was concluded in March 2026 is undergoing the CBN capital verification exercise and approval process.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

4. Capital management (continued)

Capital risk management

This represents the capital adequacy ratio calculated in accordance with the Basel II regulatory framework. The Basel II framework stipulates a minimum level of capital that banks must maintain to ensure that they can meet their obligations, cover unexpected losses; and promote public confidence. The objective of this requirement is to ensure that the Group maintains a sound capital base to support the risks inherent in its business and to protect depositors and investors.

The Group's capital is divided into two tiers:

- Tier 1 capital: core equity tier one capital including ordinary shares, statutory reserve, share premium and general reserve. Non-controlling interests arising on consolidation from interests in permanent shareholders' equity. The book value of goodwill, unpublished losses and under provisions are deducted in arriving at qualifying Tier 1 capital; and
- Tier 2 capital: qualifying subordinated loan capital and unrealised gains arising from the fair valuation of financial instruments held in fair value reserves. Under the Basel II requirements as implemented in Nigeria, Tier 2 capital is restricted to Tier 1 capital based on CBN's guidelines.

The Central Bank of Nigeria specifies approaches for quantifying the risk weighted assets for credit, market and operational risk for the purpose of determining regulatory capital. Although the computations are consistent with the requirements of Pillar 1 Basel II Accord, certain sections have been adjusted to reflect the peculiarities of the Nigerian environment. In compliance with CBN, the Standardized Approach (SA) was adopted in determining capital charge for Credit Risk and Market Risk while capital charge for Operational Risk was determined using the Basic Indicator Approach (BIA)

As at December 31, 2025, the Group's Capital Adequacy Ratio (CAR) was below the applicable regulatory minimum, stemming from its banking subsidiary. The Group's CAR had been restored subsequently as at March 2026 through capital remediation plan which included improved earnings from continuing operations for Quarter 1 2026, and capital injection. This will further improve with the planned injection of additional Tier 1 capital of N200 billion into the banking subsidiary, and ongoing recoveries.

The table below summarises the Basel II capital adequacy ratio of the Group for 2025 and 2024. It shows the composition of regulatory capital and ratios for the years.

	First HoldCo Group	
	31 December 2025	31 December 2024
	N 'million	N 'million
Tier 1 capital		
Share capital	22,227	17,948
Share premium	458,389	233,392
Statutory reserve	301,820	332,091
Non-controlling interest	60,501	52,827
SMEES reserves	6,076	6,076
Retained earnings	401,798	1,116,309
Total Tier 1	1,250,811	1,758,643
Less: Intangible assets/Deferred tax assets	(76,234)	(93,844)
Less: Excess over single obligor limit	-	-
Less: Loan to subsidiary	-	-
Less: Investment in subsidiaries	-	-
Total qualifying for tier 1 capital	1,174,577	1,664,799
Tier 2 capital		
Fair value reserve	512,484	356,675
Other borrowings	403,180	247,840
Total tier 2 capital	915,664	604,515
Tier 2 Capital Restriction	391,526	554,933
Less: Investment in subsidiaries	-	-
Total qualifying for tier 2 capital	391,526	554,933
Total regulatory capital	1,566,103	2,219,732
Risk-weighted assets		
Credit Risk	10,260,397	10,015,641
Operational Risk	3,488,766	2,408,457
Market Risk	552,146	394,573
Total risk-weighted assets	14,301,309	12,818,672
Risk-weighted Capital Adequacy Ratio (CAR)	10.95%	17.32%
Tier 1 CAR	8.21%	12.99%

iii. Other Regulated Subsidiaries

	31 December 2025		31 December 2024		
	Regulatory Capital	Shareholders fund	Excess/ (Shortfall)	Shareholders fund	Excess/ (Shortfall)
	N 'million	N 'million	N 'million	N 'million	N 'million
FirstCap Limited	200	52,471	52,271	54,161	53,806
First Trustees Limited	455	20,576	20,121	15,118	14,663
First Insurance Brokers Limited	5	410	405	650	645
First Asset Management Limited	150	18,137	17,987	20,647	20,497
First Securities Brokers Limited	305	2,966	2,661	1,835	1,030

All the regulated entities within the Group complied with all the regulatory capital requirements to which they were subjected

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

At 31 December 2025

5 Material accounting judgements, estimates and assumptions

The Group's financial statements and its financial result are influenced by accounting policies, assumptions, estimates and management judgement, which necessarily have to be made in the course of preparation of the consolidated financial statements. The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. All estimates and assumptions required in conformity with IFRS Accounting Standards are best estimates undertaken in accordance with the applicable standard. Estimates and judgements are evaluated on a continuous basis, and are based on past experience and other factors, including expectations with regard to future events. Accounting policies and management's judgements for certain items are especially critical for the Group's results and financial situation due to their materiality.

a Impairment of financial assets

The measurement of the expected credit loss allowance for financial assets measured at amortised cost and debt instruments measured at FVOCI is an area that requires the use of complex models and material assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses).

A number of material judgements are also required in applying the accounting requirements for measuring ECL, such as:

- ☐ Determining criteria for significant increase in credit risk;
- ☐ Generating the term structure of the probability of default;
- ☐ Determining whether credit risk has increased significantly;
- ☐ Incorporation of forward-looking information;
- ☐ Determination of definition of default
- ☐ Estimation of loss given default.

The detailed methodologies, areas of estimation and judgement applied in the calculation of the Group's impairment charge on financial assets are set out in the Financial risk management section of the annual report

b Fair value of financial instruments

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability at the measurement date in an orderly arm's length transaction between market participants in the principal market under current market conditions (i.e., the exit price). Fair value measurements are categorized into levels within a fair value hierarchy based on the nature of the valuation inputs (Level 1, 2 or 3). Fair value is based on unadjusted quoted prices in an active market for the same instrument, where available (Level 1). If active market prices or quotes are not available for an instrument, fair value is then based on valuation models in which the significant inputs are observable (Level 2) or in which one or more of the significant inputs are non-observable (Level 3). Estimating fair value requires the application of judgment. The type and level of judgment required is largely dependent on the amount of observable market information available. For instruments valued using internally developed models that use significant non-observable market inputs and are therefore classified within Level 3 of the hierarchy, the judgment used to estimate fair value is more significant than when estimating the fair value of instruments classified within Levels 1 and 2. To ensure that valuations are appropriate, a number of policies and controls are in place. Valuation inputs are verified to external sources such as exchange quotes, broker quotes or other management-approved independent pricing sources.

Where valuation techniques (for example, models) are used to determine fair values, they are validated and periodically reviewed by qualified personnel independent of those that sourced them. All models are certified before they are used, and models are calibrated to ensure that outputs reflect actual data and comparative market prices. To the extent practical, models use only observable data; however, areas such as credit risk (both own credit risk and counterparty risk), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments. All fair values are on a recurring basis. Refer to Note 3.6 for additional sensitivity information for financial instruments.

c Retirement benefit obligation

The Group recognises its obligations to its employees on the gratuity scheme at the period end, less the fair value of the plan assets after performing actuarial valuation of the obligation. The scheme's obligations are calculated using the projected unit credit method. Plan assets are stated at fair value as at the period end. Changes in pension scheme liabilities or assets (remeasurements) that do not arise from regular pension cost, net interest on net defined benefit liabilities or assets, past service costs, settlements or contributions to the scheme, are recognised in other comprehensive income. Remeasurements comprise experience adjustments (differences between previous actuarial assumptions and what has actually occurred), the effects of changes in actuarial assumptions, return on scheme assets (excluding amounts included in the interest on the assets) and any changes in the effect of the asset ceiling restriction (excluding amounts included in the interest on the restriction).

The measurement of the group's benefit obligation and net periodic pension cost/(income) requires the use of certain assumptions, including, among others, estimates of discount rates and expected return on plan assets. See note 40, "Retirement benefits obligation," for a description of the defined benefit pension plans. An actuarial valuation is performed by actuarial valuation experts on an annual basis to determine the retirement benefit obligation of the group.

d Impairment of Goodwill

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy. The recoverable amounts of cash-generating units (CGU) have been determined based on value-in-use calculations. These calculations require the use of significant amount of judgement and estimates of future cash flows. A number of factors affect the value of such cash flows, including discount rates, changes in the economic outlook, customer behavior and competition. See note 32 for detailed information on impairment assessment performed on the CGU. There was no impairment charge during the year (2024: Nil)

e Determining the lease term : Extension and termination options

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of properties, the following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Group is reasonably certain to extend (or not terminate).
- Otherwise, the Group considers other factors, including historical lease durations and the costs and business disruption required to replace the leased asset.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and is within the control of the Group.

f Deferred tax assets

Deferred tax assets are recognized for deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Management judgement is required to determine the amount of deferred tax assets that can be recognized, based on the likely timing and level of future taxable profits, together with future tax planning strategies. In determining the timing and level of future taxable profits together with future tax planning strategies, the Group assessed the probability of expected future taxable profits based on expected revenues for the next five years. Details of the Group's recognized and unrecognized deferred tax assets and liabilities are as disclosed in note 32.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

6 Segment information

Following the management approach of IFRS 8, operating segments are reported in accordance with the internal reports provided to the Board of Directors (the chief operating decision maker), which is responsible for allocating resources to the operating segments and assesses its performance.

The identifiable reportable business groups of First HoldCo Plc.

1. Commercial Banking Business Group
2. Investment Banking and Asset Management Business Group
3. Others

Commercial Banking Business Group

This is the Group's core business, which provides both individual and corporate clients/ customers with financial intermediation services. This business segment includes the Group's local, international and representative offices offering commercial banking services.

Investment Banking and Asset Management Business Group (IBAM)

This is the investment-banking arm of the Group, providing advisory, asset management, markets and private equity services to a large institutional (corporations and governments) clientele, as well as merchant banking services.

Others

Others, previously referred to as Other Financial Services, comprises of First HoldCo Plc., the parent company, FirstInsurance Brokers Limited, Rainbow Town Development Limited.

The Group's management reporting is based on a measure of operating profit comprising net interest income, loan impairment charges, net fee and commission income, other income and non-interest expenses. This measurement basis excludes the effect of non-recurring expenditure from the operating segments such as restructuring costs, legal expenses and goodwill impairments when the impairment is the result of an isolated, non-recurring events.

As the Board of Directors reviews operating profit, the results of discontinued operations are not included in the measure of operating profit. The transactions between segments are carried out at arm's length, which is consistent with the basis of transacting with external parties.

The information provided about each segment is based on the internal reports about segment profit or loss, assets and other information, which are regularly reviewed by the Board of Directors.

Segment assets and liabilities comprise operating assets and liabilities, being the majority of the consolidated statement of financial position.

Segment result of operations

Total revenue in the segment represents: Interest income, fee and commission income, foreign exchange income, net gains/losses on sale of investment securities, net gains/losses from financial instruments at fair value through profit/loss, dividend income, other operating income and share of profit/loss of associates.

The segment information provided to the Group Executive Committee for the reportable segments for the period ended 31 December 2025 is as follows:

	Commercial Banking Group	Investment Banking and Asset Management Group	Others	Total
	N 'million	N 'million	N 'million	N 'million
At 31 December 2025				
Total segment revenue	3,355,380	72,808	57,306	3,485,494
Inter-segment revenue	(73)	49	(50,109)	(50,133)
Revenue from external customers	3,355,307	72,857	7,197	3,435,361
Interest income	2,944,903	44,790	4,452	2,994,145
Interest expense	(1,050,514)	(26,691)	(1)	(1,077,206)
Impairment charge on financial instruments	(828,489)	2,203	(17)	(826,303)
Depreciation	(57,247)	(612)	(750)	(58,609)
Profit/(loss) before tax	208,883	31,956	(5,847)	234,992
Income tax expense	(71,863)	(15,159)	(716)	(87,738)
Profit/(loss) for the year from continuing operations	137,020	16,797	(6,563)	147,254
Profit for the year from discontinued operations	-	-	(7,771)	(7,771)

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

6 Segment information continued

	Commercial Banking Group	Investment Banking and Asset Management Group	Others	Total
	N 'million	N 'million	N 'million	N 'million
At 31 December 2025				
Total assets	26,677,899	520,797	52,239	27,250,935
Other measures of assets:				
Loans and advances to customers	8,965,608	590	123	8,966,321
Expenditure on non-current assets	536,609	2,796	1,789	541,194
Investment securities	6,770,137	188,573	11,377	6,970,087
Total liabilities	23,508,590	423,090	17,890	23,949,570
At 31 December 2024				
Total segment revenue	3,104,517	104,224	67,366	3,276,107
Inter-segment revenue	(1,736)	(637)	(61,085)	(63,458)
Revenue from external customers	3,102,781	103,587	6,281	3,212,649
Interest income	2,361,161	33,404	2,863	2,397,428
Interest expense	(975,257)	(20,854)	(8)	(996,119)
Impairment charge on financial instruments	(416,875)	(9,413)	(6)	(426,294)
Depreciation	(43,610)	(354)	(420)	(44,384)
Profit/(loss) before tax	743,219	56,714	(3,466)	796,467
Income tax expense	(121,507)	(10,970)	(500)	(132,977)
Profit/(loss) for the year from continuing operations	621,712	45,744	(3,966)	663,490
Profit for the year from discontinued operations	-	-	13,515	13,515

At 31 December 2024

Total assets	25,457,929	512,457	553,832	26,524,218
Other measures of assets:				
Loans and advances to customers	8,767,270	416	202	8,767,888
Expenditure on non-current assets	220,166	1,044	954	222,164
Investment securities	6,245,520	276,371	14,504	6,536,395
Total liabilities	22,842,455	411,481	474,948	23,728,884

Geographical information

Revenues

	31 Dec 2025 N 'million	31 Dec 2024 N 'million
Nigeria	2,672,422	2,541,064
Outside Nigeria	762,939	671,585
Total	3,435,361	3,212,649

Non current asset

Property and equipment

	31 Dec 2025 N 'million	31 Dec 2024 N 'million
Nigeria	432,965	134,491
Outside Nigeria	108,229	87,673
Total	541,194	222,164

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

7 Interest income

	GROUP		COMPANY	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N 'million	N 'million	N 'million	N 'million
Loans and advances to customers	1,852,294	1,363,715	14	44
Investment securities at FVOCI	705,859	436,643	3,350	1,912
Investment securities at amortized cost	290,501	296,811	-	-
Loans and advances to banks	134,407	183,258	9,836	4,053
Total interest income calculated using effective interest income	2,983,061	2,280,427	13,200	6,009
Investment securities at Fair value through profit or loss	11,084	117,001	-	-
	2,994,145	2,397,428	13,200	6,009

8 Interest expense

	GROUP		COMPANY	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N 'million	N 'million	N 'million	N 'million
Deposit from customers	658,120	615,153	-	-
Deposit from banks	208,827	210,117	-	-
Borrowings	209,004	169,008	-	-
Lease liability	1,255	1,841	1	8
	1,077,206	996,119	1	8

9 Impairment charge on financial instruments

	GROUP		COMPANY	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N 'million	N 'million	N 'million	N 'million
Loans and advances to banks (refer to note 21)				
Stage 1 - 12- month ECL	15,636	(5,041)	-	-
	15,636	(5,041)	-	-
Investment securities (refer to note 24)				
Stage 1 - 12- month ECL	(1,461)	(1,594)	-	-
	(1,461)	(1,594)	-	-
Loans and advances to customers (refer to note 22)				
Stage 1 - 12- month ECL	12,062	6,411	-	-
Stage 2 - Lifetime ECL	(62,646)	(64,326)	-	-
Stage 3 - Lifetime ECL	837,407	428,959	-	-
	786,823	371,044	-	-
Other assets (refer to note 26)				
ECL impairment charge	36,517	43,769	14	3
Write-off	-	-	-	-
	36,517	43,769	14	3
Off balance sheet (refer to note 36)				
Impairment (reversal)/charge	(11,239)	18,116	-	-
Net impairment charge	826,303	426,294	14	3

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

10a Fee and commission income

	GROUP	
	31 December 2025	31 December 2024
	N 'million	N 'million
Credit related fees	34,924	46,700
Letters of credit commissions and fees	54,153	35,501
Electronic banking fees	89,465	77,014
Money transfer commission	3,281	1,928
Commission on bonds and guarantees	7,199	5,798
Funds transfer and intermediation fees	65,765	46,594
Account maintenance	27,054	43,503
Brokerage and intermediations	11,098	6,730
Custodian fees	26,055	17,206
Fund management fees	13,409	11,495
Trust fee income	3,538	2,791
Other fees and commissions	21,562	9,238
	<u>357,503</u>	<u>304,498</u>
Timing of revenue recognition		
At a point in time	273,166	237,679
Over time	84,337	66,819
	<u>357,503</u>	<u>304,498</u>

10b Fee and commission expense

	GROUP	
	31 December 2025	31 December 2024
	N 'million	N 'million
Acceptance cost (Alternative channels)	43,821	40,527
SMS charge	11,939	11,939
Agent banking expenses	5,929	5,929
Internet/web expenses	1,355	1,214
	<u>63,044</u>	<u>59,609</u>

Fee and commission expense primarily relates to charges raised by switching platforms on holders of First Bank Limited ATM cards, who make use of the other banks machines while transacting business, and SMS alert related expenses.

11 Foreign exchange gain/(loss)

	GROUP		COMPANY	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N 'million	N 'million	N 'million	N 'million
Revaluation gain/(loss) on foreign currency balances	28,732	(90,965)	(280)	1,164
Net monetary gain/(loss) [see note (i)]	-	(10,474)	-	-
Foreign exchange trading gain	64,637	36,494	-	-
	<u>93,369</u>	<u>(64,945)</u>	<u>(280)</u>	<u>1,164</u>

(i) This is the net monetary positions as a result of applying IAS 29 'Financial Reporting in Hyperinflationary Economies'.

12 Net gains/(losses) on sale of investment securities

	GROUP		COMPANY	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N 'million	N 'million	N 'million	N 'million
Gain/(loss) on sale of investment securities	50,042	(48,059)	155	21
	<u>50,042</u>	<u>(48,059)</u>	<u>155</u>	<u>21</u>

This relates to gain on sale of financial assets at fair value through other comprehensive income.

13 Net (losses)/gains from financial instruments at FVTPL

	GROUP		COMPANY	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N 'million	N 'million	N 'million	N 'million
Fair value (loss)/gain on derivatives	(189,973)	533,971	-	-
Fair value (loss)/gain on equities	(3,187)	(553)	-	4
Fair value gain on debt securities	1,811	1,550	-	-
Fair value (loss)/gain on financial instruments at FVTPL	<u>(191,349)</u>	<u>534,968</u>	<u>-</u>	<u>4</u>
Trading income on debt securities	35,722	15,021	-	-
Net (losses)/gains from financial instruments at FVTPL	<u>(155,627)</u>	<u>549,989</u>	<u>-</u>	<u>4</u>

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

14 Dividend income

	GROUP		COMPANY	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N 'million	N 'million	N 'million	N 'million
First Bank of Nigeria Limited	-	-	-	12,500
FirstCap Limited	-	-	9,200	5,000
FBNQuest Merchant Bank Limited	-	-	7,655	-
First Trustees Limited	-	-	3,712	5,294
First Insurance Brokers Limited	-	-	900	600
First Asset Management Limited	-	-	5,000	4,000
Entities outside the group*	13,597	10,657	-	-
Withholding tax on dividend	-	-	(226)	(304)
	13,597	10,657	26,241	27,090

*This represents dividend income earned on equity investments held by subsidiaries of First HoldCo Plc.

15 Other operating income

	GROUP		COMPANY	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N 'million	N 'million	N 'million	N 'million
Profit/(loss) on sale of property and equipment	170	(194)	(34)	(130)
Other income (i)	72,122	26,599	-	36
Recoveries	9,303	36,141	-	-
	81,595	62,546	(34)	(94)

(i) Other income largely comprises income made by the group from private banking services, and gain on disposal of repossessed collateral.

16 Personnel expenses

	GROUP		COMPANY	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N 'million	N 'million	N 'million	N 'million
Wages and salaries	304,761	229,103	2,710	2,619
Pension costs:		-		
- Defined contribution plans	14,926	15,660	142	87
- Defined benefit cost (note 38)	490	1,098	-	-
Post employment benefit	365	710	365	239
Other staff benefits	22,544	61,901	10	7
	343,086	308,472	3,227	2,952

Other Staff benefits include benefits to staff other than Wages, Salaries and Pensions. These benefits include staff productivity expenses, relocation expenses and payment for professional examinations

The average number of persons employed by the Group during the period was as follows:

	GROUP		COMPANY	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Executive directors	1	2	1	2
Management	357	241	7	7
Non-management	10,552	9,707	37	32
	10,910	9,950	45	41

The number of employees of the Group, other than directors, who received emoluments in the following ranges (excluding pension contributions and certain benefits) were:

Below N2,000,000	635	252	-	2
N2,000,001 - N2,800,000	503	148	-	1
N2,800,001 - N3,500,000	230	73	-	2
N3,500,001 - N4,000,000	168	112	-	-
N4,000,001 - N5,500,000	101	650	1	3
N5,500,001 - N6,500,000	108	1,949	1	2
N6,500,001 - N7,800,000	780	432	3	4
N7,800,001 - N9,000,000	46	1,297	3	1
N9,000,001 and above	8,338	5,035	36	24
	10,909	9,948	44	39

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

17 Operating expenses

	GROUP		COMPANY	
	31 December	31 December	31 December	31 December
	2025	2024	2025	2024
	N 'million	N 'million	N 'million	N 'million
Auditors' remuneration ¹	3,956	2,982	60	50
Directors' emoluments	6,384	5,018	992	936
AMCON resolution cost	130,527	74,865	-	-
Deposit insurance premium	48,331	47,668	-	-
IT maintenance	108,967	110,503	48	32
Other repairs & maintenance	42,376	24,257	115	150
Insurance premium	9,894	6,065	269	196
Rent and rates	13,580	8,735	-	-
Advert and corporate promotions	183,421	75,934	521	90
Legal and other professional fees	36,122	34,514	952	1,110
Donations & subscriptions	5,117	1,912	53	51
Stationery & printing	6,226	4,228	59	28
Communication, light and power	35,775	34,619	20	22
Cash handling charges	7,820	5,673	-	-
Administrative and other charges ²	45,529	20,718	-	-
Passages and travels	33,657	26,073	1,964	1,099
Outsourced cost	51,379	36,448	43	20
Statutory fees	208	167	146	129
WHT on retained dividend	226	304	-	-
Fines and penalties	352	42	2	8
Other operating expenses	46,315	42,981	830	679
	816,162	563,706	6,074	4,600

¹Auditors' remuneration for the group represents the aggregate of the fees paid by the various entities in the group to their respective auditors.

²Administrative expense and Other Charges comprise operational losses, judgement debts, and direct tax back duties.

18 Taxation - income tax expense and liability

	GROUP		COMPANY	
	31 December	31 December	31 December	31 December
	2025	2024	2025	2024
	N 'million	N 'million	N 'million	N 'million
a Tax expense				
a(i) Minimum Tax	14,712	14,584	67	36
a(ii) Income tax expense				
Corporate tax	45,401	58,661	-	-
Education tax	1,011	4,428	84	-
Technology tax	1,918	5,031	172	-
Police trust fund levy	54	26	-	1
National agency for science and engineering infrastructure levy	2,154	1,184	-	-
Windfall Levy	-	33,492	-	-
Over provision in prior years	(58)	-	-	-
	50,480	102,822	256	1
Origination and reversal of temporary deferred tax differences (Note 32)	22,546	15,571	-	-
Income tax expense	73,026	118,393	256	1
Total tax expense	87,738	132,977	323	37

In 2024 financial year, the Federal Government of Nigeria enacted a new tax legislation to implement a windfall profit levy of 70% on realized profits from all foreign exchange transactions of banks in Nigeria licensed to carry out foreign exchange transactions under the Banks and Other Financial Institutions Act, 2020 and all other relevant Nigerian laws. The windfall profit levy impacts the Commercial Banking subsidiary, First Bank Nigeria and applies to the 2023, 2024 and 2025 financial years. Based on the assessment for the 2025 financial year, First Bank Nigeria had no taxable foreign exchange transaction profits subject to the windfall profit levy, and accordingly, no liability or charge has been recognised in the current year.

In 2025 the company concluded the disposal of its merchant banking subsidiary, FBNQuest Merchant Bank. The company utilized the proceeds for re-investment in similar assets and filed for rollover relief in line with section 31 of Capital Gains Tax Act.

GROUP

Effective tax reconciliation

	2025		2024	
Profit before income tax	220,280		781,883	
Tax calculated using the domestic corporation tax rate of 30% (2023: 30%)	66,084	30%	234,565	30%
Effect of tax rates in foreign jurisdictions	(23,384)	-11%	(12,315)	-2%
Tax exempt income	(726,918)	-330%	(409,853)	-52%
Non-deductible expenses	654,147	297%	243,688	31%
Effect of education tax levy	1,011	0%	4,428	1%
Effect of Information technology	1,918	1%	5,031	1%
Effect of windfall tax levy	-	0%	33,492	4%
Tax incentives	98,018	44%	18,258	2%
Under-provision in prior years	(58)	0%	(111)	0%
NASENI Levy	2,154	1%	1,184	0%
Effect of police trust fund Levy	54	0%	26	0%
Income tax expense	73,026	33%	118,393	15%

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

18 Taxation - income tax expense and liability continued

COMPANY

Effective tax reconciliation

Profit before income tax

	2025		2024	
	43,284		26,225	
Tax calculated using the domestic corporation tax rate of 30% (2024: 30%)	12,985	30%	7,868	30%
Tax exempt income	(13,352)	-31%	(8,075)	-31%
Non-deductible expenses	451	1%	207	1%
Effect of police trust fund levy	-	0%	1	0%
Income tax expense	256	1%	1	0%

b Current tax liability

The movement in the current income tax liability is as follows:

	GROUP		COMPANY	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N 'million	N 'million	N 'million	N 'million
At start of the period	122,563	52,662	49	29
Tax paid	(75,197)	(52,327)	-	-
Withholding tax credit utilised	(2,420)	(2,203)	(30)	(17)
Minimum tax charge	14,712	14,584	67	36
Income tax charge	50,480	102,822	256	1
Effect of changes in exchange rate	8,140	7,025	-	-
At 31 December	118,278	122,563	342	49
Current	118,278	122,563	342	49

19 Cash and balances with central banks

	GROUP		Company	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N 'million	N 'million	N 'million	N 'million
Cash	305,928	322,397	-	-
Balances with central banks excluding mandatory reserve deposits	624,686	348,758	-	-
	930,614	671,155	-	-
Mandatory reserve deposits with Central Banks	4,143,625	3,744,031	-	-
	5,074,239	4,415,186	-	-

Mandatory reserve deposits with central banks are not available for use in the Group's day to day operations. First Bank of Nigeria Limited had restricted balances of N4,016 billion with Central Bank of Nigeria (CBN) as at 31 December 2025 (December 2024: N3,595 billion). This balance includes CBN Cash Reserve Requirement and Special Intervention Reserve. Special Intervention Reserve represents a 5% reserve held with the Central Bank of Nigeria. The cash reserve ratio includes a mandatory 45% (2024: 32.5%) of qualifying deposits which should be held with the Central Bank of Nigeria as a regulatory requirement. The Group balance of mandatory reserve deposit also includes restricted balances of N128 billion (December 2024: N149 billion) for other subsidiaries with their respective Central Banks.

20 Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisition, including cash in hand, deposits held at call with other banks and other short-term highly liquid investments with original maturities less than three months.

	GROUP		COMPANY	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N 'million	N 'million	N 'million	N 'million
Cash (Note 19)	305,928	322,397	-	-
Balances with central banks other than mandatory reserve deposits (Note 19)	624,686	348,758	-	-
Loans and advances to banks excluding long term placements (Note 21)	2,244,437	3,280,758	11,961	23,269
Treasury bills included in financial assets at FVTPL (Note 23)	97,619	33,808	-	-
Treasury bills and eligible bills excluding pledged treasury bills (Note 24.1&24.2)	988,599	1,719,955	-	-
	4,261,269	5,705,676	11,961	23,269

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

21 Loans and advances to banks

	GROUP		COMPANY	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N 'million	N 'million	N 'million	N 'million
Current balances with banks within Nigeria (i)	787,111	517,647	2,041	2,067
Current balances with banks outside Nigeria (ii)	1,324,705	1,451,963	-	-
Placements with banks and discount houses (iii)	132,621	1,311,148	9,920	21,202
	2,244,437	3,280,758	11,961	23,269
Long term placement/Cash collateral balance (iv)	1,239,450	32,248	-	-
Stage 1 : 12 month ECL on placements	(25,539)	(10,526)	-	-
Carrying amount	3,458,348	3,302,480	11,961	23,269

- (i) The balances includes clearing balance with other deposit money banks. First Bank of Nigeria Limited provides clearing services for some banks in Nigeria. The current balances with banks within Nigeria includes clearing exposures to banks as at 31 December 2025. The Central Bank of Nigeria has undertaken that the Bank will suffer no financial loss on the outstanding balance.
- (ii) These balances include the sum of N195 billion (2024: N33.63billion) in respect of trade finance and other short term financing advanced to banks on the back of their letters of credit/trade related transactions.
- (iii) These are short term placements with banks and discount houses. These balances also include the sum of N1.86 bn (2024: N5.02bn) relating to unclaimed dividend fund.
- (iv) These balances includes long term placement/cash collateral which does not qualify as cash and cash equivalent.

Reconciliation of impairment account on loans and advances to banks

	GROUP		COMPANY	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N 'million	N 'million	N 'million	N 'million
At start of year	(10,526)	(41,311)	-	-
Impairment writeback /(charge)	(15,636)	5,041	-	-
Effect of discontinued operations	-	56	-	-
Write off	-	28,594	-	-
Exchange difference	623	(2,906)	-	-
At end of year	(25,539)	(10,526)	-	-

22 Loans and advances to customers

GROUP

	Gross Amount N 'million	Stage 1 12 months ECL N 'million	Stage 2 Lifetime ECL N 'million	Stage 3 Lifetime ECL N 'million	Total Impairment N 'million	Carrying Amount N 'million
Corporate						
31 December 2025						
Overdrafts	942,682	(2,878)	(173)	(36,424)	(39,475)	903,207
Term loans	7,797,128	(27,988)	(5,063)	(173,685)	(206,736)	7,590,392
Project finance	1,080	(9)	-	(47)	(56)	1,024
	8,740,890	(30,875)	(5,236)	(210,156)	(246,267)	8,494,623
Retail						
31 December 2025						
Overdrafts	41,147	(889)	(22)	(2,954)	(3,865)	37,282
Term loans	169,419	(4,370)	(264)	(5,196)	(9,830)	159,589
Credit cards	4,323	(1,100)	-	(237)	(1,337)	2,986
Mortgage	273,018	(806)	(101)	(270)	(1,177)	271,841
	487,907	(7,165)	(387)	(8,657)	(16,209)	471,698
Total Loans and advances to customers	9,228,797	(38,040)	(5,623)	(218,813)	(262,476)	8,966,321

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

22 Loans and advances to customers continued
GROUP

	Gross Amount N 'million	Stage 1 12 months ECL N 'million	Stage 2 Lifetime ECL N 'million	Stage 3 Lifetime ECL N 'million	Total Impairment N 'million	Carrying Amount N 'million
Corporate						
31 December 2024						
Overdrafts	719,237	(981)	(41)	(57,203)	(58,225)	661,012
Term loans	7,812,627	(17,487)	(68,120)	(332,398)	(418,005)	7,394,622
Project finance	228,143	(979)	-	(4,909)	(5,888)	222,255
	<u>8,760,007</u>	<u>(19,447)</u>	<u>(68,161)</u>	<u>(394,510)</u>	<u>(482,118)</u>	<u>8,277,889</u>

	Gross Amount N 'million	Stage 1 12 months ECL N 'million	Stage 2 Lifetime ECL N 'million	Stage 3 Lifetime ECL N 'million	Total Impairment N 'million	Carrying Amount N 'million
Retail						
31 December 2024						
Overdrafts	41,182	(864)	(59)	(1,543)	(2,466)	38,716
Term loans	191,451	(3,805)	(110)	(4,481)	(8,396)	183,055
Credit cards	4,302	(162)	(1)	(123)	(286)	4,016
Mortgage	266,011	(834)	(119)	(846)	(1,799)	264,212
	<u>502,946</u>	<u>(5,665)</u>	<u>(289)</u>	<u>(6,993)</u>	<u>(12,947)</u>	<u>489,999</u>
Total Loans and advances to customers	<u>9,262,953</u>	<u>(25,112)</u>	<u>(68,450)</u>	<u>(401,503)</u>	<u>(495,065)</u>	<u>8,767,888</u>

	Gross Amount N 'million	Stage 1 12 months ECL N 'million	Stage 2 Lifetime ECL N 'million	Stage 3 Lifetime ECL N 'million	Total Impairment N 'million	Carrying Amount N 'million
COMPANY						
31 December 2025						
Term loans	87	-	-	-	-	87
	<u>87</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>87</u>

	Gross Amount N 'million	Stage 1 12 months ECL N 'million	Stage 2 Lifetime ECL N 'million	Stage 3 Lifetime ECL N 'million	Total Impairment N 'million	Carrying Amount N 'million
COMPANY						
31 December 2024						
Term loans	178	-	-	-	-	178
	<u>178</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>178</u>

	GROUP		COMPANY	
	31 December 2025 N 'million	31 December 2024 N 'million	31 December 2025 N 'million	31 December 2024 N 'million
Current	4,461,568	4,923,010	-	114
Non-current	4,504,753	3,844,878	87	64
	<u>8,966,321</u>	<u>8,767,888</u>	<u>87</u>	<u>178</u>

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

22 Loans and advances to customers continued

**Reconciliation of impairment allowance on loans and advances to customers:
GROUP**

At 1 January 2025

	Corporate N 'million	Retail N 'million	Total N 'million
12 months ECL- Stage 1	19,447	5,665	25,112
Life time ECL not credit impaired - Stage 2	68,161	289	68,450
Life time ECL credit impaired - Stage 3	394,510	6,993	401,503
	482,118	12,947	495,065
Additional allowance			
12 months ECL- Stage 1	10,658	1,404	12,062
Life time ECL not credit impaired - Stage 2	(62,754)	108	(62,646)
Life time ECL credit impaired - Stage 3	834,411	2,996	837,407
	782,315	4,508	786,823
Transfer between stages			
12 months ECL- Stage 1	-	-	-
Life time ECL not credit impaired - Stage 2	-	-	-
Life time ECL credit impaired - Stage 3	-	-	-
Exchange difference			
12 months ECL- Stage 1	770	96	866
Life time ECL not credit impaired - Stage 2	(171)	(10)	(181)
Life time ECL credit impaired - Stage 3	3,792	276	4,068
Loan write off			
12 months ECL- Stage 1	-	-	-
Life time ECL not credit impaired - Stage 2	-	-	-
Life time ECL credit impaired - Stage 3	(1,022,557)	(1,608)	(1,024,165)

At 31 December 2025

	Corporate N 'million	Retail N 'million	Total N 'million
12 months ECL- Stage 1	30,875	7,165	38,040
Life time ECL not credit impaired - Stage 2	5,236	387	5,623
Life time ECL credit impaired - Stage 3	210,156	8,657	218,813
	246,267	16,209	262,476

At 31 December 2025

**Reconciliation of impairment allowance on loans and advances to customers:
GROUP**

At 1 January 2024

	Corporate N 'million	Retail N 'million	Total N 'million
12 months ECL- Stage 1	13,200	2,066	15,266
Life time ECL not credit impaired - Stage 2	131,645	190	131,835
Life time ECL credit impaired - Stage 3	125,132	2,119	127,251
	269,977	4,375	274,352
Additional allowance			
12 months ECL- Stage 1	2,833	3,578	6,411
Life time ECL not credit impaired - Stage 2	(64,552)	226	(64,326)
Life time ECL credit impaired - Stage 3	424,876	4,083	428,959
	363,157	7,887	371,044
Transfer between stages			
12 months ECL- Stage 1	-	-	-
Life time ECL not credit impaired - Stage 2	(1)	-	(1)
Life time ECL credit impaired - Stage 3	1	-	1
Exchange difference			
12 months ECL- Stage 1	3,414	21	3,435
Life time ECL not credit impaired - Stage 2	1,069	(127)	942
Life time ECL credit impaired - Stage 3	35,604	1,189	36,793
Loan write off			
12 months ECL- Stage 1	-	-	-
Life time ECL not credit impaired - Stage 2	-	-	-
Life time ECL credit impaired - Stage 3	(191,103)	(398)	(191,501)

At 31 December 2024

	Corporate N 'million	Retail N 'million	Total N 'million
12 months ECL- Stage 1	19,447	5,665	25,112
Life time ECL not credit impaired - Stage 2	68,161	289	68,450
Life time ECL credit impaired - Stage 3	394,510	6,993	401,503
	482,118	12,947	495,065

At 31 December 2024

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

22 Loans and advances to customers continued

Nature of security in respect of loans and advances:

	GROUP		COMPANY	
	31 December	31 December	31 December	31 December
	2025	2024	2025	2024
	N 'million	N 'million	N 'million	N 'million
Legal Mortgage/Debenture On Business Premises, Factory Assets Or Real Estates	14,122,593	14,024,514	-	-
Guarantee/Receivables Of Investment Grade Banks & State Govt.	595,236	392,005	-	-
Domiciliation of receivables	801,812	436,746	-	-
Clean/Negative Pledge	8,359	123,522	-	-
Marketable Securities/Shares	17,927	16,945	-	-
Otherwise Secured	120,382	37,689	87	178
Cash/Government Securities	546,465	869,928	-	-
Unsecured	51	67	-	-
	<u>16,212,825</u>	<u>15,901,416</u>	<u>87</u>	<u>178</u>

The Group is not permitted to sell or repledge the collateral in the absence of default by the owner of the collateral.

23 Financial assets and liabilities at fair value through profit or loss

	GROUP		COMPANY	
	31 December	31 December	31 December	31 December
	2025	2024	2025	2024
	N 'million	N 'million	N 'million	N 'million
Treasury bills with maturity of less than 90 days	97,619	33,808	-	-
Treasury bills with maturity over 90 days	176,351	56,235	-	-
Bonds	737,075	58,694	-	-
Total debt securities	<u>1,011,045</u>	<u>148,737</u>	<u>-</u>	<u>-</u>
Listed equity securities	16,041	10,207	-	-
Unlisted equity securities	109,586	102,530	-	-
Total equity securities	<u>125,627</u>	<u>112,737</u>	<u>-</u>	<u>-</u>
Derivative assets (refer note 23b)	7,569	182,093	-	-
Total assets at fair value through profit or loss	<u>1,144,241</u>	<u>443,567</u>	<u>-</u>	<u>-</u>
Current	1,143,429	434,242	-	-
Non Current	812	9,325	-	-
	<u>1,144,241</u>	<u>443,567</u>	<u>-</u>	<u>-</u>

Derivatives are only used for economic hedging purposes and not as speculative investments. They are classified as 'held for trading' for accounting purposes and are accounted for at fair value through profit or loss.

a Financial liabilities at FVTPL

	GROUP		COMPANY	
	31 December	31 December	31 December	31 December
	2025	2024	2025	2024
	N 'million	N 'million	N 'million	N 'million
Debt securities				
Treasury bills with maturity over 90 days	35,059	-	-	-
Total debt securities	<u>35,059</u>	<u>-</u>	<u>-</u>	<u>-</u>
Derivative liabilities (Note 23b(i))	26,933	50,256	-	-
Total liabilities at FVTPL	<u>61,992</u>	<u>50,256</u>	<u>-</u>	<u>-</u>

b (i) Derivatives

	GROUP		
	31 December 2025		
	Notional contract amount	Fair values Asset	Fair values Liability
	N 'million	N 'million	N 'million
Foreign exchange derivatives			
Forward FX contract	762,120	4,372	3,086
FX Futures	642,940	-	20,858
Currency swap	220,172	-	430
Put options	178,098	3,197	2,559
	<u>1,803,330</u>	<u>7,569</u>	<u>26,933</u>
Current	1,786,950	7,252	26,683
Non Current	16,380	317	250
	<u>1,803,330</u>	<u>7,569</u>	<u>26,933</u>

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

23 Financial assets and liabilities at fair value through profit or loss continued

	GROUP 31 December 2024		
	Notional contract amount N 'million	Fair values	
		Asset N 'million	Liability N 'million
Foreign exchange derivatives			
Forward FX contract	743,446	22,809	25,015
FX Futures	548,287	-	21,996
Currency swap	943,239	155,371	-
Put options	229,532	3,913	3,245
	<u>2,464,504</u>	<u>182,093</u>	<u>50,256</u>
Current	2,464,504	182,093	50,256
Non Current	-	-	-
	<u>2,464,504</u>	<u>182,093</u>	<u>50,256</u>

24 Investment Securities

	GROUP		COMPANY	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N 'million	N 'million	N 'million	N 'million
Investment securities at FVOCI (Note 24.1)	4,557,121	4,471,687	11,377	14,504
Investment securities at amortised (Note 24.3)	2,412,966	2,064,708	-	-
	<u>6,970,087</u>	<u>6,536,395</u>	<u>11,377</u>	<u>14,504</u>

24.1 Investment securities at FVOCI

Debt securities – at fair value:				
– Treasury bills with maturity of less than 90 days	411,828	1,520,715	-	-
– Treasury bills with maturity of more than 90 days	1,714,577	1,186,437	5,248	8,412
– Government bonds	2,003,917	1,307,812	6,129	6,092
– Other bonds	14,417	99	-	-
Total debt securities classified as FVOCI	<u>4,144,739</u>	<u>4,015,063</u>	<u>11,377</u>	<u>14,504</u>
Equity securities:				
– Listed	10,680	15,910	-	-
– Unlisted (Note 24.2)	401,702	440,714	-	-
Total equity securities classified as FVOCI	<u>412,382</u>	<u>456,624</u>	<u>-</u>	<u>-</u>
Total securities classified as FVOCI	<u>4,557,121</u>	<u>4,471,687</u>	<u>11,377</u>	<u>14,504</u>
Current	2,182,966	3,159,223	5,301	8,513
Non current	2,374,155	1,312,464	6,076	5,991
	<u>4,557,121</u>	<u>4,471,687</u>	<u>11,377</u>	<u>14,504</u>

Reconciliation of impairment on investment securities at FVOCI

	GROUP		COMPANY	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N 'million	N 'million	N 'million	N 'million
At start of year	12,311	9,989	-	-
(Writeback)/Charge	5,475	(1,574)	-	-
Reclassification to retained earnings	5,782	3,896	-	-
At end of year	<u>23,568</u>	<u>12,311</u>	<u>-</u>	<u>-</u>

24.2 Analysis of Unlisted Equity Investments:

	GROUP		COMPANY	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N 'million	N 'million	N 'million	N 'million
Unlisted Equity Investments:				
NIBSS Plc	7,744	13,187	-	-
AFREXIM Bank Ltd	8,056	7,916	-	-
Africa Finance Corporation	357,079	398,732	-	-
Unified Payment Systems Limited	15,264	13,196	-	-
CRC Credit Bureau Limited	743	1,155	-	-
FMDQ OTC Securities Exchange	5,706	2,426	-	-
Anchorage Leisures Limited	347	153	-	-
JDI Investments Company Limited (JDI)	59	29	-	-
Capital Alliance Private Equity Fund (CAPE)	2,262	3,203	-	-
FBN Heritage Fund	236	162	-	-
Food Concept	125	84	-	-
NASD Plc	179	32	-	-
Mutual Funds	3,852	389	-	-
	<u>401,652</u>	<u>440,664</u>	<u>-</u>	<u>-</u>
Other Unlisted Equity Investments:				
SANEF Investment Scheme	50	50	-	-
Total Unlisted Equities	<u>401,702</u>	<u>440,714</u>	<u>-</u>	<u>-</u>

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

24.3 Investment securities at amortised cost

Debt securities – at amortised cost:

– Treasury bills with maturity of less than 90 days	576,771	199,240	-	-
– Treasury bills with maturity of more than 90 days	255,772	210,646	-	-
– Bonds	1,586,893	1,667,840	-	-

Impairment on Amortised Cost securities

- Stage 1: 12- month ECL

	(6,470)	(13,018)	-	-
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Total securities at amortised cost

	2,412,966	2,064,708	-	-
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Current	832,699	414,330	-	-
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Non Current	1,580,267	1,650,378	-	-
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	2,412,966	2,064,708	-	-
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Total investment securities	6,970,087	6,536,395	11,377	14,504
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Reconciliation of impairment on investment securities at amortised cost

	GROUP		COMPANY	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N 'million	N 'million	N 'million	N 'million
At start of year	13,018	14,810	-	-
Impairment writeback	(6,936)	(20)	-	-
Exchange difference	388	(1,772)	-	-
At end of year	6,470	13,018	-	-

25 Assets pledged as collateral

The assets pledged by the group are strictly for the purpose of providing collateral to the counterparty. To the extent that the counterparty is not permitted to sell and/or repledge the assets in the absence of default, they are classified in the statement of financial position as pledged assets. These transactions are conducted under terms that are usual and customary to standard securities borrowing and lending activities

The nature and carrying amounts of the assets pledged as collaterals are as follows:

	GROUP	
	31 December 2025	31 December 2024
	N 'million	N 'million
Debt securities at FVOCI (note 25.1)	287,429	822,897
Debt securities at amortised cost (note 25.2)	56,183	246,328
	343,612	1,069,225

25.1 Debt securities at FVOCI

– Treasury bills	181,687	323,360
– Bonds	105,742	499,537
	287,429	822,897

25.2 Debt securities at amortized cost

– Treasury bills	-	-
– Bonds	56,183	246,328
	56,183	246,328

25.3 Debt securities at FVTPL

– Treasury bills	-	-
	-	-

The related liability for assets held as collateral include:

Bank of Industry	111,583	23,163
Central Bank of Nigeria/Commercial Agriculture Credit Scheme Intervention fund	15,326	102,684
Due to Other Banks	96,256	764,782

The assets pledged as collateral include assets pledged to third parties under secured takings and borrowings with the related liability disclosed above. Included in pledged assets are assets pledged as collateral or security deposits to clearing house and payment agencies of N122bn for the Bank in December 2025 (2024: N71bn) for which there is no related liability.

Current	202,835	323,360
Non current	140,777	745,865
	343,612	1,069,225

All assets pledged as collateral are Stage 1 assets

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

26 Other assets

	GROUP		COMPANY	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N 'million	N 'million	N 'million	N 'million
Financial assets:				
Other receivables	251,844	209,331	2	-
Accounts receivable (Note (i))	289,489	829,554	18,606	22,521
	541,333	1,038,885	18,608	22,521
Impairment on other assets - Simplified Approach	(91,351)	(56,787)	(14)	-
	449,982	982,098	18,594	22,521
Non financial assets:				
Stock of consumables	38,902	21,645	26	41
Inventory- repossessed collateral (Note (ii))	74,957	74,877	-	-
Prepayments	59,923	44,140	180	77
Deferred expenses	19,014	17,087	-	1,499
Impairment on non financial other assets	(484)	(127)	-	-
	192,312	157,622	206	1,617
Net other assets balance	642,294	1,139,720	18,800	24,138

(i) Accounts receivable includes cards receivables, receivables on matured foreign exchange forwards and Letters of Credit etc

(ii) Inventory (repossessed collateral) of N74.9bn (2024: N74.8bn) comprises assets recovered from defaulted loan customers

	GROUP		COMPANY	
	2025	2024	2025	2024
	N 'million	N 'million	N 'million	N 'million
Total impairment on other assets				
Impairment on other assets - Simplified Approach	91,351	56,787	14	-
Impairment on non financial other assets	484	127	-	-
At end of year	91,835	56,914	-	-
Reconciliation of impairment account				
	GROUP		COMPANY	
	2025	2024	2025	2024
	N 'million	N 'million	N 'million	N 'million
At start of year	56,914	17,252	-	-
Discontinued operation	-	(1,388)	-	-
Write off	133	(223)	(14)	(3)
Impairment charge	36,517	43,769	14	3
Exchange difference	(1,729)	(2,496)	-	-
At end of year	91,835	56,914	-	-

All other assets on the statement of financial position of the Group had a remaining period to contractual maturity of less than 12 months.

27 Investment in associates (equity method)

i **Seawolf Oilfield Services Limited (SOSL)**

First HoldCo Plc. holds 42% shareholding in Seawolf Oilfields Services Limited (SOSL). SOSL is a company incorporated in Nigeria and is involved in the oil and gas sector. SOSL has share capital consisting only of ordinary share capital which are held directly by the Group; the country of incorporation or registration is also their principal place of business. SOSL is not publicly traded and there is no published price information.

In 2014, Asset Management Corporation of Nigeria (AMCON), a major creditor of SOSL, appointed a receiver manager to take over the business. The investment has been fully impaired.

ii **FBN Balanced Fund**

FBN Balanced Fund (Formerly FBN Heritage Fund) is an open-ended Securities and Exchange Commission (SEC) registered mutual fund that invests in stocks, bonds, money market instruments, real estate and other securities in the Nigerian Capital Markets. The fund manager publishes daily unit price of the fund on the memorandum listing section of the Nigerian Exchange. The unit price of FBN Balanced Fund as at reporting date N427.26 (Cost: N100). FBN Balanced Fund's principal place of business is Nigeria while its principal activity is Fund management. The Group's ownership interest in the Fund is 28.23%.

	GROUP	
	31 December 2025	31 December 2024
	N 'million	N 'million
FBN Balanced Fund		
Balance at beginning of year	2,540	2,005
Dividend received	(293)	-
Disposal of investment	(2,397)	-
Additional investment	2,397	-
Gain on disposal of investment in associate	239	-
Share of profit	737	535
Reduction in share capital	(107)	-
Share of other comprehensive income	(7)	-
At end of year	3,109	2,540

On the 24th February 2025, the Group disposed of its entire equity interest in FBN Balance Funds limited, which had been accounted for as an associate using the equity method in accordance with IAS 28. The disposal resulted in the derecognition of the carrying amount of the investment as at the date of disposal. The consideration received amounted to N2.39 billion. The Group recognized a gain of N239 million, representing the difference between the consideration received and the carrying amount of the investment at the disposal date.

The Group repurchased the equity interest in FBN Balance funds Limited for the consideration of N2.39 billion. Following the repurchase, the Group assessed that it retained significant influence over the investee and accordingly classified the investment as an associate accounted for using the equity method.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

28 Investment in subsidiaries

28.1 Principal subsidiary undertakings

	COMPANY	
	31 December 2025	31 December 2024
	N 'million	N 'million
DIRECT SUBSIDIARIES OF FIRST HOLDCO PLC.		
First Bank of Nigeria Limited (Note 28 (i))	500,027	230,557
FirstCap Limited (Note 28 (ii))	5,812	5,812
First Insurance Brokers Limited (Note 28 (iii))	25	25
FBNQuest Merchant Bank Limited (Note 28 (iv))	-	17,206
First Trustees Limited (Note 28 (v))	4,521	4,521
First Securities Brokers Limited (Note 28 (vi))	289	289
First Asset Management Limited (Note 28 (vii))	1,228	1,228
	511,902	259,638
INDIRECT SUBSIDIARIES OF FIRST HOLDCO PLC.		
FBNQuest Funds Limited (Note 28 (viii))	4,550	4,550
	4,550	4,550
	516,452	264,188

All shares in subsidiary undertakings are ordinary shares. For the year ended 31 December 2025, the group owned the total issued shares in all its subsidiary undertakings except New Villa Limited (Rainbow Town Development Limited) in which it owned 55%. There are no significant restrictions on any of the subsidiaries. All subsidiary undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the parent company and the group do not differ from the proportion of ordinary shares held. The total non-controlling interest as at the end of the year N57.85bn billion (2024: N52.84 billion).

Subsidiary	Principal activity	Country of incorporation	Proportion of shares held directly by the parent/group (%)	Statutory year end
First Bank of Nigeria Limited (Note 28 (i))	Banking	Nigeria	100	31 December
FirstCap Limited (Note 28 (ii))	Investment Banking & Funds Management	Nigeria	100	31 December
First Insurance Brokers Limited (Note 28 (iii))	Insurance Brokerage	Nigeria	100	31 December
First Trustees Limited (Note 28 (v))	Trusteeship	Nigeria	100	31 December
First Securities Brokers Limited (Note 28 (vi))	Funds Management	Nigeria	100	31 December
First Asset Management Limited (Note 28 (vii))	Asset Management Services	Nigeria	100	31 December
FBNQuest Funds Limited (Note 28 (viii))	Investment Banking & Funds Management	Nigeria	100	31 December
New Villa Limited (Rainbow Town Development Limited) (Note 28 (ix))	Investment and General Trading	Nigeria	55	31 December

i First Bank of Nigeria Limited

The bank commenced operations in Nigeria in 1894 as a branch of Bank of British West Africa (BBWA), and was incorporated as a private limited liability company in Nigeria in 1969. The Bank was the parent company of the Group until 30 November 2012, when a business restructuring was effected in accordance with the directives of the Central Bank of Nigeria and First HoldCo Plc became the parent company of the Group.

ii FirstCap Limited

FirstCap Limited (FBNQuest Capital Limited) is a private limited liability company incorporated in Nigeria and commenced operations on 1 April 2005. It is registered with the Securities and Exchange Commission (SEC) to undertake issuing house business. It is also involved in the business of asset management and financial advisory.

iii First Insurance Brokers Limited

The company was incorporated under the Companies and Allied Matters Act, as a limited liability company on March 31, 1994 with the name 'Trust Link Insurance Brokers Limited'. The company prepared financial statements up to March 31, 1998 after which it became dormant. The company was resuscitated on April 1, 2000 as FBN Insurance Brokers Limited. The principal activity of the company is insurance brokerage business.

iv FBNQuest Merchant Bank Limited

The Company was incorporated in Nigeria as a limited liability company on 14 February 1995 and was granted a license to carry on the business of a discount house and commenced operations on 16 November 1995. In 2015, the Company was transformed into a merchant bank. The Central Bank of Nigeria (CBN) license for merchant banking was obtained in May 2015 and while merchant banking operations commenced on 2 November, 2015. Following the decision and resolution of the Board of Directors to divest from FBNQuest Merchant Bank, the subsidiary was classified as discontinued operations in 2024 in line with IFRS 5. The divestment was finalised as at end of September 2025 and FBNQuest Merchant Bank ceased to be a subsidiary of First HoldCo Plc. Please refer to Note 29 for details.

The proceeds of the disposal were re-invested in another subsidiary, First Bank Nigeria Limited (i.e. a similar class of asset) within the relevant year of assessment in line with Section 31 of the Capital Gains Tax Act.

v First Trustees Limited

First Trustees Limited (FBNQuest Trustees Limited) was incorporated in Nigeria as a limited liability company on 8 August 1979 and commenced business on 3 September 1979. The company was established to engage in the business of trusteeship as well as portfolio management, financial/ investment advisory services.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

28.1 Principal subsidiary undertakings continued

vi First Securities Brokers Limited

The Company was incorporated as a private limited liability company on 23 July, 1991 and is a wholly owned subsidiary of First HoldCo Plc. The name of the Company was first changed from Premium Securities Limited to FBN Securities Limited on 25 February, 2008 and approval obtained from the Corporate Affairs Commission (CAC) on 26 March, 2008. Furthermore, the CAC approval was equally granted on 25 October, 2017 to change the name to FBNQuest Securities Limited. Subsequent to year end, CAC approved the change of name to First Securities Brokers Limited effective 24 February 2025.

vii First Asset Management Limited

The Company was incorporated on 8 September 2011 and commenced operations on 1 January, 2013. It is registered with the Securities and Exchange Commission to undertake asset management business.

viii FBNQuest Funds Limited

FBNQuest Funds Limited (formerly FBN Funds Limited) was incorporated on 14 November 2002. It commenced operations on 1 April 2003. Its principal activities are to carry on venture capital and private equity business.

ix New Villa Limited (Rainbow Town Development Limited)

New Villa Limited is a special purpose vehicle incorporated on 28 November 2008. Its principal activities include real estate investments and general trading.

As at 31 December 2025, the recoverable amount of investment in Rainbow Town Development Limited was lower than the carrying amount. (Cost: N5billion; Total Impairment: N5billion).

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

28.2 Condensed results of consolidated entities from continuing operations

31 December 2025	First HoldCo Plc. N'million	First Bank Limited N'million	FirstCap Limited N'million	First Trustees Limited N'million	First Asset Management Limited N'million	First Securities Brokers Limited N'million	FirstInsurance Brokers Limited N'million	FBNQuest Merchant Bank Limited N'million	Rainbow Town Development Limited N'million	Total N'million	Adjustments N'million	Group N'million
Summarized Income Statement												
Operating income	53,359	2,235,257	13,815	10,848	17,885	2,457	3,369	23,699	-	2,360,689	(66,315)	2,294,374
Operating expenses	(9,994)	(1,205,569)	(5,702)	(3,825)	(5,563)	(964)	(2,308)	(11,295)	(167)	(1,245,387)	11,571	(1,233,816)
Impairment charge for credit losses	(14)	(828,489)	2,635	(195)	(232)	(5)	(3)	(2,838)	-	(829,141)	2,838	(826,303)
Operating profit	43,351	201,199	10,748	6,828	12,090	1,488	1,058	9,566	(167)	286,161	(51,906)	234,255
Associate	-	-	737	-	-	-	-	-	-	737	-	737
Profit before tax	43,351	201,199	11,485	6,828	12,090	1,488	1,058	9,566	(167)	286,898	(51,906)	234,992
Tax	(323)	(71,863)	(3,409)	(1,926)	(5,314)	(451)	(393)	(1,914)	-	(85,593)	(2,145)	(87,738)
Profit/(Loss) for the year from continuing operations	43,028	129,336	8,076	4,902	6,776	1,037	665	7,652	(167)	201,305	(54,051)	147,254
Profit for the year from discontinued operations	-	-	-	-	-	-	-	-	-	-	(7,771)	(7,771)
Other comprehensive income	988	147,620	(566)	4,338	(44)	357	-	4,799	-	157,492	(200)	157,292
Total comprehensive income	44,016	276,956	7,510	9,240	6,732	1,394	665	12,451	(167)	358,797	(62,022)	296,775
Total comprehensive income allocated to non controlling interest	-	3,016	-	-	-	-	-	-	(75)	2,941	-	2,941
Summarized Financial Position												
Assets												
Cash and balances with central banks	-	5,074,239	-	-	-	-	-	-	-	5,074,239	-	5,074,239
Loans and advances to banks	11,961	3,366,040	80,375	5,546	12,095	1,399	2,024	-	564	3,480,004	(21,656)	3,458,348
Loans and advances to customers	87	8,965,608	238	34	210	108	36	-	-	8,966,321	-	8,966,321
Financial assets at fair value through profit or loss	-	1,028,614	106,423	-	8,709	495	-	-	-	1,144,241	-	1,144,241
Investment securities	11,377	6,770,137	156,268	24,361	4,890	3,054	-	-	-	6,970,087	-	6,970,087
Assets pledged as collateral	-	343,612	-	-	-	-	-	-	-	343,612	-	343,612
Other assets	18,800	517,617	115,570	2,767	5,437	135	68	-	42,836	703,230	(60,936)	642,294
Investments in associates accounted for using the equity method	-	-	3,253	-	-	-	-	-	-	3,253	(144)	3,109
Investment in subsidiaries	516,452	-	-	-	-	-	-	-	-	516,452	(516,452)	-
Property and equipment	1,342	536,609	1,684	488	819	154	98	-	4	541,198	(4)	541,194
Intangible assets	-	35,542	1	268	485	8	14	-	5	36,323	(5)	36,318
Deferred tax assets	-	39,916	-	-	-	-	-	-	-	39,916	-	39,916
Assets held for sale	-	-	-	-	-	-	-	-	-	-	31,256	31,256
	560,019	26,677,934	463,812	33,464	32,645	5,353	2,240	-	43,409	27,818,876	(567,941)	27,250,935
Financed by												
Deposits from banks	-	2,019,003	-	-	-	-	-	-	-	2,019,003	-	2,019,003
Deposits from customers	-	18,904,665	-	-	-	-	-	-	-	18,904,665	(21,656)	18,883,009
Financial liabilities at fair value through profit or loss	-	61,992	-	-	-	-	-	-	-	61,992	-	61,992
Financial liabilities at amortized cost	-	-	-	-	-	-	-	-	-	-	-	-
Current tax liabilities	342	106,832	2,672	2,613	5,190	312	317	-	6	118,284	(6)	118,278
Other liabilities	13,816	794,497	86,767	7,982	8,173	1,835	1,452	-	1,776	916,298	(19,723)	896,575
Borrowings	-	1,631,798	312,180	-	-	-	-	-	-	1,943,978	-	1,943,978
Retirement benefit obligations	-	11,490	-	-	-	-	-	-	-	11,490	-	11,490
Deferred tax liabilities	-	-	9,719	2,295	1,144	241	63	-	-	13,462	-	13,462
Liabilities held for sale	-	-	-	-	-	-	-	-	-	-	1,783	1,783
	14,158	23,530,277	411,338	12,890	14,507	2,388	1,832	-	1,782	23,989,172	(39,602)	23,949,570
Equity and reserves	545,861	3,147,657	52,474	20,574	18,138	2,965	408	-	41,627	3,829,704	(528,339)	3,301,365
Total equity and liabilities	560,019	26,677,934	463,812	33,464	32,645	5,353	2,240	-	43,409	27,818,876	(567,941)	27,250,935
Summarized Cash Flows												
Operating activities												
Interest received	12,906	1,918,207	34,834	7,756	1,627	240	375	-	-	1,975,946	(16,759)	1,959,187
Interest paid	-	(1,048,585)	(31,795)	-	-	-	(450)	-	-	(1,080,830)	10,844	(1,069,986)
Income tax paid	-	(69,567)	(1,350)	(1,629)	(2,172)	(29)	-	-	-	(74,747)	(450)	(75,197)
Cash flow generated from operations	(21,954)	(1,424,138)	(38,522)	851	8,333	890	-	-	468	(1,474,072)	(79,071)	(1,553,143)
Net cash generated from operating activities	(9,048)	(624,083)	(36,832)	6,978	7,787	1,101	(75)	-	468	(653,704)	(85,435)	(739,139)
Net cash used in investing activities	(206,229)	(1,284,652)	61,939	(4,555)	(1,733)	(38,715)	(101)	-	-	(1,474,045)	262,401	(1,211,644)
Net cash used in financing activities	204,060	491,831	34,949	(3,794)	(1,000)	-	(900)	-	-	725,147	(258,683)	466,464
Increase in cash and cash equivalents	(11,217)	(1,416,904)	60,057	(1,371)	5,055	(37,614)	(1,076)	-	468	(1,402,602)	(81,717)	(1,484,319)
Cash and cash equivalents at start of year	23,269	5,096,095	12,501	(5,691)	7,155	1,964	2,389	-	96	5,137,779	567,897	5,705,676
Effect of exchange rate fluctuations on cash held	(91)	(80,282)	(1,901)	267	-	41,375	-	-	-	(40,633)	80,545	39,912
Cash and cash equivalents at end of year	11,961	3,598,909	70,657	(6,795)	12,210	5,725	1,313	-	564	3,694,544	566,725	4,261,269

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

28.2 Condensed results of consolidated entities from continuing operations

31 December 2024	First HoldCo Plc. N'million	First Bank Limited N'million	FirstCap Limited N'million	First Trustees Limited N'million	First Asset Management Limited N'million	First Securities Brokers Limited N'million	FirstInsurance Brokers Limited N'million	FBNQuest Merchant Bank Limited N'million	Rainbow Town Development Limited N'million	Total N'million	Adjustments N'million	Group N'million
Summarized Income Statement												
Operating income	34,186	2,069,347	41,939	16,218	22,295	1,591	2,663	24,975	28,639	2,241,853	(85,467)	2,156,386
Operating expenses	(7,922)	(908,732)	(3,911)	(5,245)	(6,633)	(832)	(1,375)	(12,418)	(387)	(947,455)	13,295	(934,160)
Impairment charge for credit losses	(3)	(439,821)	(8,854)	(271)	(232)	(56)	(3)	345	-	(448,895)	22,601	(426,294)
Operating profit	26,261	720,794	29,174	10,702	15,430	703	1,285	12,902	28,252	845,503	(49,571)	795,932
Associate	-	-	535	-	-	-	-	-	-	535	-	535
Profit before tax	26,261	720,794	29,709	10,702	15,430	703	1,285	12,902	28,252	846,038	(49,571)	796,467
Tax	(37)	(121,507)	(7,269)	(3,579)	(10)	(169)	(463)	(1,533)	-	(134,567)	1,590	(132,977)
Profit/(Loss) for the year from continuing operations	26,224	599,287	22,440	7,123	15,420	534	822	11,369	28,252	711,471	(47,981)	663,490
Profit for the year from discontinued operations	-	-	-	-	-	-	-	-	-	-	13,515	13,515
Other comprehensive income	(635)	381,734	5,614	(3)	7	46	-	(1,097)	-	385,666	-	385,666
Total comprehensive income	25,589	981,021	28,054	7,120	15,427	580	822	10,272	28,252	1,097,137	(34,466)	1,062,671
Total comprehensive income allocated to non controlling interest	-	24,574	-	-	-	-	-	-	(174)	24,400	(16)	24,384
Summarized Financial Position												
Assets												
Cash and balances with central banks	-	4,415,185	-	1	-	-	-	29,007	-	4,444,193	(29,007)	4,415,186
Loans and advances to banks	23,269	3,262,096	22,316	3,778	7,156	4,002	1,925	190,771	96	3,515,409	(212,929)	3,302,480
Loans and advances to customers	178	8,767,270	99	41	161	115	24	124,394	-	8,892,282	(124,394)	8,767,888
Financial assets at fair value through profit or loss	-	330,830	105,447	-	7,114	176	-	34,594	-	478,161	(34,594)	443,567
Investment securities	14,504	6,245,520	248,625	20,052	6,928	766	-	94,845	-	6,631,240	(94,845)	6,536,395
Assets pledged as collateral	-	1,069,225	-	-	-	-	-	7,726	-	1,076,951	(7,726)	1,069,225
Other assets	24,138	1,007,366	66,175	1,941	5,893	(29)	158	4,355	43,471	1,153,468	(13,748)	1,139,720
Investments in associates accounted for using the equity method	-	-	2,684	-	-	-	-	-	-	2,684	(144)	2,540
Investment in subsidiaries	264,188	-	-	-	-	-	-	-	-	264,188	(264,188)	-
Property and equipment	545	220,166	414	565	360	54	60	2,900	4	225,068	(2,904)	222,164
Intangible assets	-	39,398	5	237	481	3	14	154	5	40,297	(159)	40,138
Deferred tax assets	-	53,364	-	-	-	342	-	9,114	-	62,820	(9,114)	53,706
Assets held for sale	-	-	-	-	-	-	-	-	-	-	531,209	531,209
	326,822	25,410,420	445,765	26,615	28,093	5,429	2,181	497,860	43,576	26,786,761	(262,543)	26,524,218
Financed by												
Deposits from banks	-	2,922,432	-	-	-	-	-	13,079	-	2,935,511	(13,079)	2,922,432
Deposits from customers	-	17,179,141	-	-	-	-	-	351,496	-	17,530,637	(359,947)	17,170,690
Financial liabilities at fair value through profit or loss	-	50,256	-	-	-	-	-	-	-	50,256	-	50,256
Financial liabilities at amortized cost	-	198,188	-	-	-	-	-	-	-	198,188	-	198,188
Current tax liabilities	49	116,677	2,971	2,246	1	169	450	1,679	6	124,248	(1,685)	122,563
Other liabilities	29,077	1,122,287	94,031	7,185	6,623	3,508	1,074	83,546	1,776	1,349,107	(109,982)	1,239,125
Borrowings	-	1,264,565	294,788	-	-	-	-	8,022	-	1,567,375	(8,022)	1,559,353
Retirement benefit obligations	-	8,640	-	-	-	-	-	-	-	8,640	-	8,640
Deferred tax liabilities	-	-	7,882	2,889	821	-	53	-	-	11,645	-	11,645
Liabilities held for sale	-	-	-	-	-	-	-	-	-	-	445,992	445,992
	29,126	22,862,186	399,672	12,320	7,445	3,677	1,577	457,822	1,782	23,775,607	(46,723)	23,728,884
Equity and reserves	297,696	2,548,234	46,093	14,295	20,648	1,752	604	40,038	41,794	3,011,154	(215,820)	2,795,334
Total equity and liabilities	326,822	25,410,420	445,765	26,615	28,093	5,429	2,181	497,860	43,576	26,786,761	(262,543)	26,524,218
Summarized Cash Flows												
Operating activities												
Interest received	4,796	1,823,068	25,739	5,667	77	483	225	43,101	-	1,903,156	(51,470)	1,851,686
Interest paid	-	(973,394)	(21,639)	-	-	-	-	(30,037)	-	(1,025,069)	30,307	(994,762)
Income tax paid	-	(49,564)	(837)	(1,364)	(277)	-	(320)	(96)	-	(52,458)	131	(52,327)
Cash flow generated from operations	435	4,263,565	(82,613)	97	7,158	882	762	179,113	288	4,369,688	(164,292)	4,205,396
Net cash generated from operating activities	5,231	5,063,675	(79,349)	4,400	6,958	1,365	667	192,082	288	5,195,317	(185,324)	5,009,993
Net cash used in investing activities	15,252	(1,583,862)	62,714	(910)	(3,476)	609	(33)	(26,618)	-	(1,536,324)	(44,590)	(1,580,914)
Net cash used in financing activities	(14,358)	(464,774)	639	(2,500)	(4,941)	-	(600)	(16,764)	-	(503,298)	40,070	(463,228)
Increase in cash and cash equivalents	6,125	3,015,040	(15,996)	990	(1,459)	1,974	34	148,699	288	3,155,695	(189,844)	2,965,851
Cash and cash equivalents at start of year	16,523	2,039,825	14,955	(8,279)	8,615	(5)	2,355	36,721	(192)	2,110,518	572,068	2,682,586
Effect of exchange rate fluctuations on cash held	621	41,230	13,543	1,598	-	(5)	-	5,574	-	62,561	(5,322)	57,239
Cash and cash equivalents at end of year	23,269	5,096,095	12,501	(5,691)	7,155	1,964	2,389	190,995	96	5,328,774	376,902	5,705,676

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

29 Asset Held for Sale**Discontinued operations:**

The assets classified as held for sale include Rainbow Town Development Limited.

(i) Rainbow Town Development Limited

The assets and liabilities of Rainbow Town Development Limited (RTDL) were classified as held for sale following the decision and resolution of the Board of Directors of First HoldCo Plc. in October 2016 to dispose the Group's interest in RTDL. The carrying amount of the investment is expected to be recovered principally by a sale rather than through continuing use.

The operating results and net cash flows are separately presented in the income statement and statement of cash flows respectively because the disposal group represents a separate line of business within the Group, and as such meets the definition of discontinued operation.

(ii) FBNQuest Merchant Bank Limited

During the year ended 31 December 2025, upon receipt of transactional and regulatory approvals, the Group completed the disposal of its 100% investment in FBNQuest merchant bank Limited in line with earlier disclosures in the accounts and notification to the market

The operating results are separately presented in the income statement because the disposal group represents a separate line of business within the Group, and as such meets the definition of discontinued operations.

29.1 The carrying amount of the assets and liabilities of the disposal group classified as held for sale are as listed below.

	GROUP	
	31 December 2025	31 December 2024
	N 'million	N 'million
Assets classified as held for sale		
Cash and balances with central banks	-	29,007
Loans and advances to banks	-	190,867
Loans and advances to customers	-	124,394
Financial assets at fair value through profit or loss	-	34,594
Investment securities	-	94,845
Asset pledged as collateral	-	7,726
Other assets	-	5,370
Inventory	31,247	31,880
Property, plant and equipment	4	3,253
Intangible assets	5	159
Deferred tax assets	-	9,114
	31,256	531,209
Liabilities classified as held for sale		
Deposits from banks	-	13,079
Deposits from customers	-	337,884
Financial liabilities at fair value through profit or loss	-	-
Current tax liabilities	6	1,685
Other liabilities	1,777	85,322
Borrowings	-	8,022
Retirement benefit obligations	-	-
Deferred tax liabilities	-	-
	1,783	445,992
Net Asset	29,473	85,217

29.2 The operating results of the discontinued operations are as follows.

	GROUP	
	31 December 2025	31 December 2024
	N 'million	N 'million
Revenue	57,796	63,076
Expenses	(46,763)	(48,028)
Profit before tax from discontinuing operations	11,033	15,048
Income tax expense	(1,914)	(1,533)
Profit from discontinued operations after tax	9,119	13,515
Loss on disposal of investment in subsidiary (see note 29.3)	(16,890)	-
Profit from discontinued operations	(7,771)	13,515
Profit from discontinued operations is attributable to:		
Owners of the parent	(7,696)	13,689
Non-controlling interests	(75)	(174)
	(7,771)	13,515

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

29.3 The Group disposed its investment in FBNQuest Merchant Bank Limited in 2025

	GROUP 31 December 2025 N 'million	COMPANY 31 December 2025 N 'million
FBNQuest Merchant Bank Limited		
Investment in Subsidiary	-	17,206
Total assets	499,525	-
Total liabilities	(451,351)	-
Net assets disposed	48,174	17,206
Net sale proceeds on disposal	31,284	31,284
Carrying amount	(48,174)	(17,206)
(Loss)/ profit on sale of FBNQuest Merchant Bank Limited	(16,890)	14,078

	GROUP 31 December 2025 N 'million	GROUP 31 December 2024 N 'million
29.4 The cash flows of the discontinued operations are as follows.		
Net cash flow from operating activities	34,321	(8,240)
Net cash flow used in investing activities	(27,248)	(2,055)
Net cash flow used in financing activities	(8,022)	8,022
	(949)	(2,273)

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

**30 Property and equipment
GROUP**

	Improvement & buildings N million	Land N million	Motor vehicles N million	Office equipment N million	Computer equipment N million	Furniture & fittings N million	Machinery N million	Work in progress* N million	Right of Use Asset N million	Total N million
Cost										
At 1 January 2025	79,033	37,181	51,014	85,787	103,183	16,174	957	9,922	60,144	443,395
Additions	12,043	4,191	37,062	20,460	30,947	2,876	1,399	262,091	10,415	381,484
Reclassifications	1,191	-	208	240	381	195	73	(2,378)	-	(90)
Transfers	-	-	-	-	-	-	-	(2,612)	-	(2,612)
Disposals	-	-	(5,436)	-	(17)	(23)	-	-	(10)	(5,486)
Write Offs	(291)	-	(91)	(526)	(329)	(76)	-	(245)	(3,036)	(4,594)
Exchange difference	(3,797)	(4,105)	(5,265)	2,725	3,697	858	908	9,518	(10,398)	(5,859)
At 31 December 2025	88,179	37,267	77,492	108,686	137,862	20,004	3,337	276,296	57,115	806,238
Accumulated depreciation										
At 1 January 2025	30,641	(19)	27,686	59,758	61,502	10,500	1,174	-	29,989	221,231
Charge for the year	3,248	-	11,375	10,732	25,854	1,412	78	-	5,910	58,609
Reclassifications	-	-	-	-	-	(1)	-	-	(26)	(27)
Disposals	-	-	(3,777)	-	(87)	(3)	-	-	-	(3,867)
Write Offs	(226)	-	(71)	(485)	(328)	(73)	-	-	(3,036)	(4,219)
Exchange differences	(5,470)	(7)	(4,092)	(59)	3,348	1,310	37	-	(1,750)	(6,683)
At 31 December 2025	28,193	(26)	31,121	69,946	90,289	13,145	1,289	-	31,087	265,044
Net book amount at 31 December 2025	59,986	37,293	46,371	38,740	47,573	6,859	2,048	276,296	26,028	541,194
Net book amount at 1 January 2025	48,392	37,200	23,328	26,029	41,681	5,674	(217)	9,922	30,155	222,164
Cost										
At 1 January 2024	66,404	34,038	31,992	70,670	64,756	11,567	1,140	14,863	32,673	328,103
Additions	4,068	716	20,074	14,052	30,994	3,575	264	8,512	12,746	95,001
Reclassifications	1,776	-	-	(88)	30	-	-	(1,841)	-	(123)
Transfers	802	-	212	661	-	52	-	(1,727)	-	-
Disposals	-	-	(5,029)	(3,097)	(125)	(209)	(1,158)	(6,275)	(3,193)	(19,086)
Write Offs	(1,526)	-	(166)	(817)	(815)	(226)	-	(24)	-	(3,574)
Exchange difference	9,221	2,627	5,146	4,581	9,681	1,597	711	(3,066)	17,964	48,462
Reclassification to asset held for sale	(1,712)	(200)	(1,215)	(175)	(1,338)	(182)	-	(520)	(46)	(5,388)
At 31 December 2024	79,033	37,181	51,014	85,787	103,183	16,174	957	9,922	60,144	443,395
Accumulated depreciation										
At 1 January 2024	23,970	2,749	20,367	50,832	41,337	8,901	670	-	17,603	166,429
Charge for the year	3,355	(1,234)	7,953	8,669	17,430	1,192	231	-	6,788	44,384
Reclassifications	-	-	-	-	-	-	-	-	(38)	(38)
Disposals	(56)	-	(3,781)	(1,693)	(132)	(565)	(225)	-	(3,130)	(9,582)
Write Offs	(1,526)	-	(166)	(817)	(815)	(226)	-	-	-	(3,550)
Exchange differences	5,222	(1,534)	4,285	2,848	4,535	1,325	498	-	8,812	25,991
Reclassification to asset held for sale	(324)	-	(972)	(81)	(853)	(127)	-	-	(46)	(2,403)
At 31 December 2024	30,641	(19)	27,686	59,758	61,502	10,500	1,174	-	29,989	221,231
Net book amount at 31 December 2024	48,392	37,200	23,328	26,029	41,681	5,674	(217)	9,922	30,155	222,164
Net book amount at 1 January 2024	42,434	31,289	11,625	19,838	23,419	2,666	470	14,863	15,070	161,674

* Work in progress refers to capital expenditures incurred on items of property and equipment which are however not ready for use and as such are not being depreciated.

No capitalised borrowing cost relates to the acquisition of property, plant and equipment during the year.

Right of Use Asset

See note 30b for additional disclosure on right of use assets

i These exchange difference on PPE occurred as a result of translation of balances relating to the foreign entities of the group as at reporting date.

ii There were no impairment losses on any class of property and equipment during the year. (31 December 2024: Nil)

iii There were no capitalised borrowing cost related to acquisition of property and equipment during the year. (31 December 2024: Nil)

iv There were no liens or encumbrances on assets as at the year end. No assets have been pledged as security for borrowing. (31 December 2024: Nil)

v There were no capital commitments as at year end. (31 December 2024: Nil)

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

30 Property and equipment
COMPANY

	Improvement & buildings N million	Land N million	Motor vehicles N million	Office equipment N million	Computer equipment N million	Furniture & fittings N million	Machinery N million	Work in progress* N million	Right of Use Asset N million	Total N million
Cost										
At 1 January 2025	615	-	1,106	458	77	423	75	-	131	2,885
Additions	-	-	1,433	37	32	2	20	-	-	1,524
Disposal	-	-	(398)	-	-	-	-	-	-	(398)
At 31 December 2025	615	-	2,141	495	109	425	95	-	131	4,011
Accumulated depreciation										
At 1 January 2025	615	-	650	457	56	423	66	-	73	2,340
Charge for the year	-	-	626	3	17	1	7	-	39	693
Disposal	-	-	(364)	-	-	-	-	-	-	(364)
At 31 December 2025	615	-	912	460	73	424	73	-	112	2,669
Net book amount at 31 December 2025	-	-	1,229	35	36	1	22	-	19	1,342
Net book amount at 1 January 2025	-	-	456	1	21	-	9	-	58	545
Cost										
At 1 January 2024	615	-	1,468	458	65	422	75	-	108	3,211
Additions	-	-	138	-	13	1	-	-	23	175
Disposal	-	-	(500)	-	(1)	-	-	-	-	(501)
At 31 December 2024	615	-	1,106	458	77	423	75	-	131	2,885
Accumulated depreciation										
At 1 January 2024	615	-	629	455	43	422	59	-	40	2,263
Charge for the year	-	-	314	2	13	1	7	-	33	370
Disposal	-	-	(293)	-	-	-	-	-	-	(293)
At 31 December 2024	615	-	650	457	56	423	66	-	73	2,340
Net book amount at 31 December 2024	-	-	456	1	21	-	9	-	58	545
Net book amount at 1 January 2024	-	-	839	3	22	-	16	-	68	948

i There were no impairment losses on any class of property and equipment during the year. (31 December 2024: Nil)

ii There were no capitalized borrowing cost related to acquisition of property and equipment during the year. (31 December 2024: Nil)

iii There were no liens or encumbrances on assets as at the year end. No assets have been pledged as security for borrowing. (31 December 2024: Nil)

iv There were no capital commitments as at year end. (31 December 2024: Nil)

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

At 31 December 2025

30 b) Leases

This note provides information for leases where the Group is a lessee.

(i) Right-of-use assets

	GROUP			COMPANY	
	Buildings N'million	Land N'million	Total N'million	Buildings N'million	Total N'million
Opening balance at 1 January 2025	59,855	289	60,144	131	131
Additions for the year	10,415	-	10,415	-	-
Derecognition	(3,046)	-	(3,046)	-	-
Exchange difference	(10,398)	-	(10,398)	-	-
Closing balance as at 31 December 2025	56,826	289	57,115	131	131

Depreciation

Opening balance at 1 January 2025	29,913	76	29,989	73	73
Charge for the year	5,910	-	5,910	39	39
Exchange difference	(1,750)	-	(1,750)	-	-
Derecognition	(3,062)	-	(3,062)	-	-
Closing balance as at 31 December 2025	31,011	76	31,087	112	112

Net book value as at 31 December 2025

	25,815	213	26,028	19	19
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Net book value at 1 January 2025

	GROUP			COMPANY	
	Buildings N'million	Land N'million	Total N'million	Buildings N'million	Total N'million
Opening balance at 1 January 2024	32,384	289	32,673	108	108
Additions for the year	12,746	-	12,746	23.00	23.00
Derecognition	(3,193)	-	(3,193)	-	-
Exchange difference	17,964	-	17,964	-	-
Reclassification to asset held for sale	(46)	-	(46)	-	-
Closing balance as at 31 December 2024	59,855	289	60,144	131	131

Depreciation

Opening balance at 1 January 2024	17,527	76	17,603	40	40
Charge for the year	6,788	-	6,788	33	33
Exchange difference	8,812	-	8,812	-	-
Derecognition	(3,130)	-	(3,130)	-	-
Reclassification	(38)	-	(38)	-	-
Reclassification to asset held for sale	(46)	-	(46)	-	-
Closing balance as at 31 December 2024	29,913	76	29,989	73	73

Net book value as at 31 December 2024

	29,942	213	30,155	58	58
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Net book value at 1 January 2025

	14,857	213	15,070	68	68
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(ii) Lease liabilities

	GROUP N'million	COMPANY N'million
Opening balance at 1 January 2025	20,131	88
Additions	12,799	-
Interest expense	1,255	1
Principal paid	(3,632)	(89)
Interest expense paid	(3,087)	-
Reversal	(33)	-
Exchange difference	(6,213)	-
Closing balance as at 31 December 2025	21,220	-
Current lease liabilities	2,638	-
Non-current lease liabilities	18,582	-
	21,220	-

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

At 31 December 2025

30 b) Leases continued

	GROUP N'million	COMPANY N'million
Opening balance at 1 January 2024	14,379	57
Additions	3,391	23
Interest expense	1,841	8
Principal paid	(1,549)	-
Interest expense paid	(2,407)	-
Reversal	(15)	-
Exchange difference	4,491	-
Closing balance as at 31 December 2024	20,131	88
Current lease liabilities	2,734	88
Non-current lease liabilities	17,397	-
	20,131	88

(iii) Amounts recognised in the statement of profit or loss

	GROUP N'million	COMPANY N'million
31 December 2025		
Depreciation charge of right-of-use assets	5,910	39
Interest expense	1,255	1
31 December 2024	N'million	N'million
Depreciation charge of right-of-use assets	6,788	33
Interest expense	1,841	8

(iv) Amounts recognised in the statement of cashflow

	GROUP N'million	COMPANY N'million
31 December 2025		
Principal paid	3,632	89
Interest expense paid	3,087	-
	6,719	89
31 December 2024	N'million	N'million
Principal paid	1,549	-
Interest expense paid	2,407	-
	3,956	-

Liquidity risk (maturity analysis of lease liabilities)

GROUP

	0-30 days	31-90 days	91-180 days	181-365 days	Over 1 year but less than 5 years	Over 5 years	Total
31 December 2025							
Lease liability	476	590	464	1,080	9,978	8,632	21,220

	0-30 days	31-90 days	91-180 days	181-365 days	Over 1 year but less than 5 years	Over 5 years	Total
31 December 2024							
Lease liability	602	588	445	1,077	8,787	8,632	20,131

COMPANY

	0-30 days	31-90 days	91-180 days	181-365 days	Over 1 year but less than 5 years	Over 5 years	Total
31 December 2025							
Lease liability	-	-	-	-	-	-	-

	0-30 days	31-90 days	91-180 days	181-365 days	Over 1 year but less than 5 years	Over 5 years	Total
31 December 2024							
Lease liability	88	-	-	-	-	-	88

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

31 Intangible assets

	Goodwill	GROUP Computer Software	Work in Progress	Total
Cost				
At 1 January 2024	8,941	89,519	1,042	99,502
Additions	-	25,042	-	25,042
Reclassification	-	89	-	89
Write off	-	-	-	-
Transfers	-	2,302	(2,302)	-
Disposals	-	-	-	-
Reclassification to asset held for sale	-	(3,513)	(61)	(3,574)
Exchange difference	3,962	1,336	410	5,708
At 31 December 2024	12,903	114,775	(911)	126,767
Additions	-	9,699	-	9,699
Reclassification	-	-	-	-
Write off	-	(397)	-	(397)
Transfers	-	4,600	(4,600)	-
Disposals	-	-	-	-
Reclassification to asset held for sale	-	-	-	-
Exchange difference	1,033	(1,806)	-	(773)
At 31 December 2025	13,936	126,871	(5,511)	135,296
Amortisation and Impairment				
At 1 January 2024	3,022	62,923	-	65,945
Amortisation charge	-	17,598	-	17,598
Reclassification	-	(3,481)	-	(3,481)
Exchange difference	1,567	5,000	-	6,567
At 31 December 2024	4,589	82,040	-	86,629
Amortisation charge	-	15,959	-	15,959
Reclassification to asset held for sale	-	-	-	-
Exchange difference	(219)	(3,391)	-	(3,610)
At 31 December 2025	4,370	94,608	-	98,978
Net book value				
At 31 December 2025	9,566	32,263	(5,511)	36,318
At 31 December 2024	8,314	32,734	(911)	40,138
At 1 January 2024	5,919	26,596	1,042	33,557

The amortisation charge for the year is included in the income statement

The software is not internally generated

Impairment tests for goodwill

Goodwill is monitored on the operating segment level. The entity to which the goodwill relates is recognized as a cash generating unit (CGU) and segmented as part of the Commercial Banking Business, see analysis by segment below.
Each CGU to which goodwill is allocated for impairment testing purposes reflects the lowest level at which goodwill is monitored for internal management purposes. The carrying value of goodwill is determined in accordance with IFRS 3 Business Combinations and IAS 36 Impairment of Assets.

Goodwill is reviewed annually for impairment, or more frequently when there are indications that impairment may have occurred. The test involves comparing the carryin value of goodwill with the recoverable amount, which is the present value of the pre-tax cash flows, discounted at a rate of interest that reflects the inherent risks of the cash-generating unit to which the goodwill relates or the CGU's fair value if this is higher.

There was no impairment identified in the year ended 31 December 2025.

The recoverable amount of each CGU has been based on value in use and the weighted average cost of capital (WACC). These calculations use pre-tax cash flow projection covering five years. The cash flow projections for each CGU are based on forecasts approved by senior management. The nominal growth rate reflects GDP and inflation for the countries within which the CGU operates or derives revenue from. The rates are based on IMF forecast growth rates as they represent an objective estimate of likely future trends.

The discount rate used to discount the cash flows is based on the cost of capital assigned to each CGU, which is derived using a Capital Asset Pricing Model (CAPM). The CAPM depends on inputs reflecting a number of financial and economic variables including the risk free rate and a premium to reflect the inherent risk of the business being evaluated. These variables are based on the market's assessment of the economic variables and management's judgement. The discount rates for each CGU are refined to reflect the rates of inflation for the countries within which the CGU operates.

Impairment testing on cash generating units containing goodwill
Analysis of Goodwill balances

	31 December 2025 N'million	31 December 2024 N'million
Commercial banking group segment		
FirstBank DRC	2,000	2,064
FirstBank Ghana	6,154	4,706
FirstBank Sierra-Leone	503	552
FirstBank Guinea	909	991
	9,566	8,314

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

31 Intangible assets continued

The cash generating unit (CGUs) with material goodwill balances relates to FirstBank DRC and FirstBank Ghana and the key assumptions used in the value-in-use calculation are as follows:

	2025		2024	
	FirstBank DRC	FirstBank Ghana	FirstBank DRC	FirstBank Ghana
Terminal growth rate: %	16.6%	11.6%	16.6%	27.3%
Discount rate: %	39%	39%	39%	45%
Deposit growth rate: %	-13%	-36%	46%	64%
Recoverable amount of the CGU: (N' million)	3,295,886	4,128,709	2,954,974	409,021

The discount rate has been determined based on the Capital Asset Pricing Model and comprise a risk-free interest rate, the market risk premium and a factor covering the systematic market risk (beta factor). The values for the risk-free interest rate, the market risk premium and the beta factor are determined using external sources of information.

Terminal growth rates reflect the expected long-term gross domestic product growth and inflation for the countries within which the CGU operates. Cash flows in the terminal period reflect net earnings (dividend) in the preceding year growing at a constant rate.

Management determined deposits to be the key value driver in each of the entities. Deposits are considered by Management as the most important source of funds for the banks' subsidiaries to finance their assets. Deposit growth rate was determined using historical trend of deposit growth in the last 5 years.

Sensitivity analysis was performed by flexing two key inputs (WACC and Terminal Growth Rate) in the DCF valuation model:

For the two material CGUs, FirstBank Ghana and FirstBank DRC, if the weighted average cost of capital (WACC) rate had been higher by 0.5%, the recoverable amount (VIU) would have been higher than the carrying amount by N3,795.27bn and N3,002.88bn respectively, while if it had been lower by 0.5% the recoverable amount (VIU) would have been higher than the carrying amount by N4,133.44bn and N3,165.01bn respectively.

If the terminal growth rate had been higher by 0.5% the recoverable amount would have been higher than the carrying amount by N4,021.32bn and N3,104.25bn respectively, while if lower by 0.5% the recoverable amount would have been higher by N3,898.1bn and N3,059.54bn respectively.

For the above scenarios, at no point was the recoverable amount (VIU) lower than the carrying amount to result in impairment of Goodwill.

Goodwill Sensitivity Analysis

	% Change	Recoverable amount	Excess of recoverable amount over carrying amount
FirstBank DRC			
Terminal growth rate:	+0.5%	3,312,365	3,097,869
	-0.5%	3,279,406	3,064,910
WACC	+0.5%	3,729	(210,767)
	-0.5%	3,692	(210,804)
FirstBank Ghana			
Terminal growth rate:	+0.5%	2,969,749	2,799,642
	-0.5%	2,940,199	2,770,092
WACC	+0.5%	113,976	(56,131)
	-0.5%	112,842	(57,265)

Management have considered and assessed reasonably possible changes for other key assumptions and have not identified any instances that could cause the carrying amount of the respective CGUs to exceed their recoverable amounts.

	2025		2024	
	FirstBank DRC	FirstBank Ghana	FirstBank DRC	FirstBank Ghana
Goodwill (N' million)	2,000	6,154	2,064	4,706
Net Asset (N' million)	211,994	163,953	170,581	131,075
Total carrying amount (N' million)	213,994	170,107	172,645	135,781
Excess of recoverable amount over carrying amount	3,081,892	3,958,602	2,782,329	273,240

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

32 Deferred tax

- (a) Deferred taxes are calculated on all temporary differences under the liability method using an effective tax rate of 30% (2024: 30%).

In recognising the deferred tax asset of N39.92 billion (2024: N53.7 billion), the Group has evaluated that the it would have sufficient assessable profit in the nearest future to enable utilization of recognised deferred tax assets

	Total deferred tax assets	Recognised deferred tax assets	Unrecognised deferred tax assets
	N 'million	N 'million	N 'million
Group	122,938	39,916	83,022
Company	7,949	-	7,949

Group	Gross Amount N 'million	Tax Effect N 'million	Recognized N 'million	Unrecognized N 'million
Analysis of unrecognized deferred tax assets:				
Property and equipment	83,293	24,988	(2,027)	27,015
Allowance for loan losses	125,139	40,670	21,012	19,658
Tax losses carried forward	171,719	51,516	13,268	38,248
Other assets	8,342	2,892	4,316	(1,424)
Other liabilities	7,445	2,420	52	2,368
Defined benefit obligation	8,286	2,693	1,904	789
Unrealised foreign exchange difference:	(6,566)	(2,241)	46,652	(48,893)
Fair value adjustment	-	-	(833)	833
Derivatives	20,650	-	(44,428)	44,428
	418,308	122,938	39,916	83,022

Company	Gross Amount N 'million	Tax Effect N 'million	Recognized N 'million	Unrecognized N 'million
Analysis of unrecognized deferred tax assets:				
Property and equipment	4,287	1,286	-	1,286
Tax losses carried forward	24,239	7,272	-	7,272
Other assets	(19)	(7)	-	(7)
Other liabilities	-	-	-	-
Defined benefit obligation	-	-	-	-
Prior year adjustment	(1,772)	(602)	-	(602)
	26,735	7,949	-	7,949

	GROUP	
	31 December 2025	31 December 2024
	N 'million	N 'million
(b) Deferred income tax assets and (liabilities) are attributable to the following items:		
(i) Deferred tax assets		
Property and equipment	-2,027	-8,961
Allowance for loan losses	21,012	30,086
Tax losses carried forward	13,268	22,569
Other assets	4,316	2,668
Other liabilities	52	3,318
Defined benefit obligation	1,904	2,293
Unrealised foreign exchange difference:	46,652	46,667
Fair value adjustment	(833)	-507
Derivatives	(44,428)	(44,427)
	39,916	53,706
(ii) Deferred tax liabilities		
Property and equipment	5,020	4,758
Other assets	8,442	6,887
	13,462	11,645
<u>Deferred tax assets</u>		
- Deferred tax asset to be recovered after more than 12 month	39,916	53,706
- Deferred tax asset to be recovered within 12 month:	-	-
	39,916	53,706
<u>Deferred tax liabilities</u>		
- Deferred tax liability to be recovered after more than 12 month	13,462	11,645
- Deferred tax liability to be recovered within 12 month:	-	-
	13,462	11,645

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

32 Deferred tax continued

Group	Effect of		Recognised in P&L	Recognised in Equity	Recognised in OCI	31 Dec 2025
	1 Jan 2025	Discontinued Operation				
	N 'million	N 'million	N 'million	N 'million	N 'million	N 'million
Movements in Deferred tax assets during the year:						
Property and equipment	(8,961)	-	(310)	7,244	-	(2,027)
Allowance for loan losses	30,086	-	(5,006)	(4,068)	-	21,012
Tax losses carried forward	22,569	-	(10,340)	1,039	-	13,268
Other assets	2,668	-	(3,914)	5,562	-	4,316
Other liabilities	3,318	-	(293)	(2,973)	-	52
Defined benefit obligation	2,293	-	(410)	21	-	1,904
Prior year adjustment	-	-	-	-	-	-
Unrealised foreign exchange difference:	46,667	-	(15)	-	-	46,652
Fair value adjustment	(507)	-	(326)	(69)	69	(833)
Derivatives	(44,427)	-	(1)	-	-	(44,428)
	53,706	-	(20,615)	6,756	69	39,916

Group	Effect of		Recognised in P&L	Recognised in Equity	Recognised in OCI	31 Dec 2024
	1 Jan 2024	Discontinued Operation				
	N 'million	N 'million	N 'million	N 'million	N 'million	N 'million
Movements in Deferred tax assets during the year:						
Property and equipment	26,599	607	(36,167)	-	-	(8,961)
Allowance for loan losses	54,603	(667)	(23,850)	-	-	30,086
Tax losses carried forward	31,187	9,635	(18,253)	-	-	22,569
Other assets	486	(648)	2,830	-	-	2,668
Other liabilities	387	-	2,931	-	-	3,318
Defined benefit obligation	3,402	-	2	-	(1,111)	2,293
Prior year adjustment	-	-	-	-	-	-
Unrealised foreign exchange difference:	114,027	69	(67,429)	-	-	46,667
Fair value adjustment	(3,953)	-	3,446	-	-	(507)
Derivatives	(170,843)	-	126,416	-	-	(44,427)
	55,895	8,996	(10,074)	-	(1,111)	53,706

(c.) Reconciliation of recognised deferred tax assets and liabilities to the amounts disclosed in the statement of financial positic

(i) Deferred tax assets

	GROUP		COMPANY	
	2025	2024	2025	2024
	N 'million	N 'million	N 'million	N 'million
Recognised deferred tax assets	87,204	107,601	-	-
Amounts offset*:				
- Property, plant and equipment	(2,027)	(8,961)	-	-
- Fair value adjustment	(833)	(507)	-	-
- Derivatives	(44,428)	(44,427)	-	-
Deferred tax assets in the statement of financial positior	39,916	53,706	-	-

(ii) Deferred tax liabilities

	GROUP		COMPANY	
	2025	2024	2025	2024
	N 'million	N 'million	N 'million	N 'million
Deferred tax liabilities that are not offset				
Property and equipment	5,020	4,758	-	-
Other assets	8,442	6,887	-	-
Deferred tax liabilities in the statement of financial positior	13,462	11,645	-	-

	Recognised in		Recognised in	
	1 Jan 2025	P&L	OCI	31 Dec 2025
	N 'million	N 'million	N 'million	N 'million
Movements in Deferred tax liabilities during the year:				
Property and equipment	4,758	262	-	5,020
Other assets	6,887	1,669	(114)	8,442
	11,645	1,931	(114)	13,462

	Recognised in		Recognised in	
	1 Jan 2024	P&L	OCI	31 Dec 2024
	N 'million	N 'million	N 'million	N 'million
Movements in Deferred tax liabilities during the year:				
Property and equipment	3,922	836	-	4,758
Other assets	1,602	4,661	624	6,887
	5,524	5,497	624	11,645

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

32 Deferred tax continued

Deferred tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable profit is probable. The Group did not recognise deferred income tax assets of N83.02 billion (2024: N38.6 billion).

As the Group exercises control over the subsidiaries, it has power to control the timing of the reversals of the temporary difference arising from its investments in them. The Group has determined that the subsidiaries will not be disposed of. Hence, the deferred tax arising from temporary differences above will not be recognised.

The Group has assessed that based on the Group's profit forecast, it is probable that there will be future taxable profits against which the tax losses, from which deferred tax asset has been recognised, can be utilised.

(d.) Analysis of Group Deferred Tax Assets by Subsidiaries:

	GROUP	
	31 December 2025	31 December 2024
	N 'million	N 'million
First Bank Nigeria Limited	39,916	53,364
FirstCap Limited	-	-
FBNQuest Merchant Bank Limited	-	-
First Securities Brokers Limited	-	342
	<u>39,916</u>	<u>53,706</u>

33 Deposits from banks

	GROUP	
	31 December 2025	31 December 2024
	N 'million	N 'million
Due to banks within Nigeria	1,320,337	2,485,249
Due to banks outside Nigeria	<u>698,666</u>	<u>437,183</u>
	<u>2,019,003</u>	<u>2,922,432</u>
Current	2,019,003	2,922,432
Non-current	-	-
	<u>2,019,003</u>	<u>2,922,432</u>

Deposits from banks only include financial instruments classified as liabilities at amortised cost

34 Deposits from customers

	GROUP	
	31 December 2025	31 December 2024
	N 'million	N 'million
Current	5,709,769	4,918,333
Savings	4,631,126	4,154,169
Term	3,269,070	2,372,762
Domiciliary	5,207,647	5,720,073
Electronic purse	<u>65,397</u>	<u>5,353</u>
	<u>18,883,009</u>	<u>17,170,690</u>
Current	16,977,592	16,588,288
Non-current	<u>1,905,417</u>	<u>582,402</u>
	<u>18,883,009</u>	<u>17,170,690</u>

Deposits from customers only include financial instruments classified as liabilities at amortised cost

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

35 Financial liabilities at amortized cost

	GROUP	
	31 December 2025	31 December 2024
	N 'million	N 'million
Debt securities – at amortised cost		
– Bonds	-	198,188
	-	198,188

36 Other liabilities

	GROUP		COMPANY	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N 'million	N 'million	N 'million	N 'million
Financial liabilities:				
Customer deposits for letters of credit	372,742	481,208	-	-
Accounts payable	305,408	311,926	-	-
Lease liability	21,220	20,131	-	88
Creditors	20,710	20,477	723	2,166
Bank cheques	45,274	47,889	-	-
Collection on behalf of third parties	45,342	55,677	-	-
Unclaimed dividend [Note 36(ii)]	10,559	18,437	10,559	18,437
Other credit balance [Note 36(iii)]	19,051	260,328	2,534	8,386
	840,306	1,216,073	13,816	29,077
Non financial liabilities:				
Allowance for credit losses on off-balance sheet items	8,568	19,798	-	-
Provisions [Note 36(i)]	47,701	3,254	-	-
	56,269	23,052	-	-
Other liabilities balance	896,575	1,239,125	13,816	29,077
Current	835,443	1,215,262	13,816	29,077
Non-current	61,132	23,863	-	-
	896,575	1,239,125	13,816	29,077

(i) The provision for litigations is recognised in income statement within 'other operating expenses'. In the directors' opinion, after taking appropriate legal advice, the outcome of these legal claims will not give rise to any significant loss beyond the amounts provided at 31 December 2021.

(ii) The unclaimed dividend balance represents the aggregate amounts of outstanding dividends that remained unclaimed after 15 months or more which the Registrars returned to the Company in line with current regulations. In 2025, the Securities & Exchange Commission issued a directive operationalising the Unclaimed Fund Trust Fund in line with the Finance Act 2020 mandating all quoted companies to transfer outstanding dividends that have remained unclaimed for more than six years to the Unclaimed Fund Trust Fund with the Debt Management Office (DMO). In compliance with this directive, First Holdco Plc transferred the sum of N7.89 billion to the Unclaimed Fund Trust Fund through its Registrar.

(iii) Other Credit balances include accrued expenses and long service awards

(iv) Reconciliation of impairment on Off Balance Sheet account

	GROUP	
	31 December 2025	31 December 2024
	N 'million	N 'million
Opening balance at 1 January	19,798	1,501
Impairment charge/(writeback)	(11,239)	18,116
Exchange difference	9	181
Closing balance at 31 December	8,568	19,798

(v) The movement in provision during the year is as follows:

	GROUP	
	31 December 2025	31 December 2024
	N 'million	N 'million
Opening balance at 1 January	3,254	2,693
Provisions made during the year	46,435	2,354
Paid during the year	(1,820)	(1,001)
Provisions reversed during the year	(168)	(792)
Closing balance at 31 December	47,701	3,254
Analysis of total provisions:		
Current	47,701	3,254
Non Current	-	-
	47,701	3,254

36a Long service awards

Included in other credit balances is long service award. Long service award amounted to N3.97bn (December 2024: N3.29bn). The Group's net obligation in respect of long term employee benefits is the amount of future benefit that employees have earned in return for their services in the current and prior periods. That benefit is discounted to determine its present value. Remeasurments are recognised in profit or loss in the period in which they arise.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

36a Long service awards continued

The movement in the long service awards over the year is as follows:

GROUP	Present value of the obligation	Fair value of plan assets	Total
	N 'millions	N 'millions	N 'millions
Defined benefit pension obligations at 1 January 2024	2,608	-	2,608
Current service cost	257	-	257
Interest cost on defined benefit obligator	365	-	365
Curtailment gains	-	-	-
Employer Contribution made within the year	-	-	-
Benefit paid by employer	(442)	-	(442)
Actuarial (Gains)/Losses due to change in			
- Financial assumption	(558)	-	(558)
- Experience adjustments	1,061	-	1,061
Defined benefit pension obligations at 31 December 2024	3,290	-	3,290
Current service cost	257	-	257
Interest cost on defined benefit obligator	365	-	365
Curtailment gains	-	-	-
Employer Contribution made within the year	-	-	-
Benefit paid by employer	(442)	-	(442)
Actuarial (Gains)/Losses due to change in			
- Financial assumption	(558)	-	(558)
- Experience adjustments	1,061	-	1,061
Defined benefit pension obligations at 31 December 2025	3,972	-	3,972

37 Borrowings

	GROUP	
	31 December 2025	31 December 2024
	N 'million	N 'million
Long term borrowing comprise:		
FBN EuroBond (i)	-	547,924
Subordinated Debt (ii)	648,489	297,001
Proparco and DEG (iii)	71,633	115,471
British International Investment (iv)	30,890	65,065
African Export-Import Bank (v)	8,650	28,891
On-lending facilities from financial institutions (vi)	462,113	25,428
Borrowing from correspondence banks (vii)	410,023	184,786
Subordinated unsecured debt (viii)	229,370	235,197
Other secured borrowing (ix)	82,810	59,590
	<u>1,943,978</u>	<u>1,559,353</u>
Current	1,447,582	1,522,962
Non-current	496,396	36,391
	<u>1,943,978</u>	<u>1,559,353</u>
At start of the year	1,559,353	1,250,254
Proceeds of new borrowings	1,252,984	463,305
Finance cost	209,004	169,008
Reclassification to liabilities held for sale	-	(24,764)
Foreign exchange losses	(90,152)	976,025
Repayment of principal	(788,849)	(1,093,926)
Interest paid	(198,362)	(180,549)
At end of year	<u>1,943,978</u>	<u>1,559,353</u>

(i) Facility represent Senior Note Participation Notes due 2025 issued by FBN Finance Company B.V, Netherlands on 27 October 2020 for a period of 5 years. The notes has interest at 8.625% per annum with coupon payable every six month. This facility is unsecured. The facility matured in October 2025.

(ii) The amount of N297billion relates to subordinated debt of \$200million from Afexim. Interest is payable at the rate of 3 months SOFR + 7% per annum. The tenor of the debt is for a period of 5 years to mature in July 2029. Interest on the Subordinated debt is payable semiannually. This facility is unsecured.

(iii) The amount represents the outstanding balance of the credit facility of N37.4 billion (USD50million) and N18.7 billion (USD25million) granted by Promotion et Participatic pour la Coopération économique (PROPARCO) and DEUTSCHE INVESTITIONS- UND ENTWICKLUNGSGESELLSCHAFT (DEG) in Septmeber 2022. The facility is priced at 9.42826% (Fixed) per annum and has matured in September 2027.

(iv) Facility represents senior unsecured loan from the British International Investment company. The principal balance of N66.76bn (USD43.1m) is payable in equal semi annual instalments after a grace period of one year. Interest is at the rate of 6-month SOFR +4.85% per annum. The facility was availed to the Bank in June 2022 and will mature on 31 December 2026.

(v) The amount of N28.89bn represents the balance of the credit facility of USD150 million granted by AfreximBank in March 2022. Interest is payable quarterly at the rate of LIBOR +4.5% per annum. New tranches of USD200 million and USD200 million were disbursed in 2025 with maturity dates of June 2029 and December 2030 respectively.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

37 Borrowings continued

(vi) Included in on-lending facilities from financial institutions are disbursements from other banks and Financial Institutions which are guaranteed by the Bank for specific customers. These facilities include the BOI funds and CACS intervention funds. See further notes below.

a. CBN/BOI facilities

The Central Bank of Nigeria (CBN), in a bid to unlock the credit market, approved the investment of N200 billion debenture stock to be issued by the Bank of Industry (BOI), which would be applied to the re-financing/restructuring of bank's loans to the manufacturing sector. During the year, there was no additional disbursement (2023: Nil) to First Bank of Nigeria Limited. The related pledged assets are disclosed in Note 25.

b. CBN/CACS Intervention funds

The Central Bank of Nigeria (CBN) in collaboration with the Federal Government of Nigeria (FGN) represented by the Federal Ministry of Agriculture and Water Resources (FMA & WR) established the Commercial Agricultural Credit Scheme (CACS). During the year, First Bank Nigeria Limited did not receive any additional funds (2024: Nil) for on-lending to customers as specified by the guidelines. Loans granted under the scheme are for a seven year period at an interest rate of 9% p.a. The related pledged assets are disclosed in Note 25.

(vii) Borrowings from correspondent banks include loans from foreign banks utilised in funding letters of credits for international trade

(ix) This represents the amortised cost of the Group's unsecured Investment Notes which were still in issue as at December 31, 2025. Subject to any purchase and cancellation or early redemption, the investment notes shall be redeemed on respective maturity dates.

(ix) Other secured borrowing includes a six months Secured lending facility of \$45.5m (2024: \$17.5m) from Goldman Sachs renewable upon maturity offered at SoFR plus 2.5%. Also included in other borrowing is 3 months Secured lending facility of \$10.67m (2024: \$20.7) from Duestche bank renewable upon maturity offered at SoFR plus 3.3%. The facilities are secured against debt instruments (See Note 14.4)

(x) Compliance with covenants**Proparco**

The Bank had a debt loan with a carrying amount of N47.75 billion at 31 December 2025 (31 Dec 2024: N76.98 billion) which was obtained in 2022 (repayable in September 2027). The credit facility agreement ("Agreement") contains seven financial covenants that, among other things, require the Bank to maintain ratios within defined thresholds. These covenants relate to capital adequacy, open assets exposure ratio, aggregate large exposures ratio, related party lending ratio, liquidity coverage ratio, individual and aggregate unhedged open foreign currency. During the year, there were no defaults on principal, interest or redemption terms of loan payable.

As at 31 December 2025, the Group was in breach of the Open Assets Exposure Ratio [Actual of 78.68%: Threshold of >15%] and Single Exposure Ratio [Actual of 29.38%: Threshold of >20%] arising from the FX fluctuation over the years. The Group has notified the lender of the breach and a formal waiver requests was submitted in line with the applicable facility agreements.

DEG- Deutsche Investitions – Und Entwicklungsgesellschaft mbH

The Group had a loan with a carrying amount of N23.87 billion at 31 December 2025 (31 Dec 2024: N38.49 billion). This loan was obtained in 2022 and is repayable in September 2027. The credit facility agreement ("Agreement") contains eight financial covenants that, among other things, require the Bank to maintain ratios within defined thresholds. These covenants relate to capital adequacy, open assets exposure ratio, single group exposure ratio, related party lending ratio, cost to income ratio, liquidity coverage ratio, USD liquidity coverage ratio and aggregate un-hedged open foreign currency ratio. During the period, there were no defaults on principal, interest or redemption terms of loan payable.

As at 31 December 2025, the Group was in breach of the Open Assets Exposure Ratio [Actual of 78.68%: Threshold of >15%] and Single Exposure Ratio [Actual of 29.38%: Threshold of >20%] arising from the FX fluctuation over the years. The Bank has notified the lender of the breach and a formal waiver requests was submitted in line with the applicable facility agreements.

African Export-Import Bank

The Group had two loans with a carrying amount of N561.72 billion at 31 December 2025 (31 Dec 2024: N325.89 billion) with African Export-Import Bank, which were obtained in 2025 (repayable in December 2030) and 2024 (repayable in June 2029). The credit facility agreement ("Agreement") contains five financial covenants that, among other things, require the Group to maintain ratios within defined thresholds. These covenants relate to tangible networth, capital adequacy, gross non-performing loans ratio, liquidity coverage ratio, and foreign currency borrowings. During the period, there were no defaults on principal, interest or redemption terms of loan payable.

As at 31 December 2025, the Group was in breach of Gross Non-Performing Loans Ratio [Actual of 18%: Threshold of <10%]. The Group has notified the lender of the breach and a formal waiver requests was submitted in line with the applicable facility agreements.

British International Investment

The Group had a loan with a carrying amount of N30.89 billion at 31 December 2025 (31 Dec 2024: N65.07 billion). This loan was obtained in 2022 and is repayable in June 2027. The credit facility agreement ("Agreement") contains seven financial covenants that, among other things, require the Group to maintain ratios within defined thresholds. These covenants relate to capital adequacy, tier 1 equity ratio, economic group exposures ratio, related party exposure ratio, liquidity coverage ratio, open credit exposure ratio and net open position ratio. During the period, there were no defaults on principal, interest or redemption terms of loan payable.

As at 31 December 2025, the Group was in breach of economic group exposures [Actual of 20.12%: Threshold of <20%] and Open Credit Exposure Ratio [Actual of 53.88%: Threshold of <20%]. The Bank has notified the lender of the breach and a formal waiver requests was submitted in line with the applicable facility agreements.

38 Retirement benefit obligations

	GROUP	
	31 December 2025	31 December 2024
	N 'million	N 'million
Defined Contribution Plan	-	-
Gratuity Scheme (i)	3,413	2,762
Defined Benefits - Pension (ii)	8,077	5,878
	<u>11,490</u>	<u>8,640</u>

Plan liabilities are based upon independent actuarial valuation performed by Ernst & Young using the projected unit credit basis. This valuation was carried out as at 31 December 2025 and 31 December 2024.

Gratuity scheme (i)

This relates to the schemes operated by the subsidiaries of First Bank of Nigeria Limited as follows:

FirstBank Congo (DRC) has a scheme whereby on separation, staff who have spent a minimum of 3 years are paid a sum based on their qualifying emoluments and the number of periods spent in service of the Bank. FirstBank Guinea and FirstBank Sierra Leone each have a graduated gratuity scheme for staff on separation where staff receives a lump sum based on their qualifying basic salaries on the number of year spent.

Defined benefit - Pension (ii)

First Bank of Nigeria Limited has an old Defined Benefit scheme, discontinued in March 2001. The funds are placed with fund managers and the Bank is under obligation to fund the deficit.

In addition, First Pensions Custodian Nigeria Limited (FPCNL), a direct subsidiary of First Bank of Nigeria Limited, has a non-contributory defined gratuity scheme for directors. Directors are paid a sum based on an approved scale and the number of years of service subject to a maximum of 9 years.

38 Retirement benefit obligations continued

The movement in the defined benefit pension (i) over the year is as follows:

	GROUP		
	Present value of the obligation	Fair value of plan assets	Net
	N 'million	N 'million	N 'million
Defined benefit pension obligations at 1 January 2024	11,676	(5,081)	6,595
Interest expense/(income)	1,678	(1,135)	543
Return on plan asset excluding interest income	-	273	273
Foreign exchange gain/loss	(8)	(8)	(16)
Past service cost	-	-	-
Actuarial (Gains)/Losses due to change in			
- Financial Assumptions	(1,345)	-	(1,345)
- Experience Adjustment	(202)	-	(202)
- Demographic Assumptions	18	12	30
Contributions:			
- Employer	-	-	-
Payments:			
- Benefit payment	(1,363)	1,363	-
Defined benefit pension obligations at 31 December 2024	10,454	(4,576)	5,878
Interest expense/(income)	1,668	(1,165)	503
Return on plan asset excluding interest income	-	(742)	(742)
Foreign exchange gain/loss	-	-	-
Past service cost	-	-	-
Actuarial (Gains)/Losses due to change in			
- Financial Assumptions	584	-	584
- Experience Adjustment	1,854	-	1,854
- Demographic Assumptions	-	-	-
Contributions:			
- Employer	-	-	-
Payments:			
- Benefit payment	(1,512)	1,512	-
Defined benefit pension obligations at 31 December 2025	13,048	(4,971)	8,077

The actual return on plan assets was N687 million (2024: N273 million)

Composition of Plan assets	GROUP					
	2025		2025	2024		2024
	N 'million Quoted	N 'million Unquoted		N 'million Quoted	N 'million Unquoted	
Equity Instruments						
Banking	865	-	865	875	-	875
Oil Service	2	-	2	-	-	-
Manufacturing	267	-	267	-	-	-
Debt Instruments						
Government	2,542	-	2,542	2,741	-	2,741
Corporate Bond	-	46	46	51	-	51
Money market investments	-	1,253	1,253	782	-	782
Money on call	-	43	43	71	-	71
Others	-	(102)	(102)	-	-	-
Total	3,676	1,240	4,916	4,521	-	4,521

The fair value of plan assets is calculated with reference to quoted prices and are within level 1 and 2 of the fair value hierac

The movement in the defined benefit Gratuity Scheme (ii) over the year is as follows:

	GROUP		
	Present value of the obligation	Fair value of plan assets	Net
	N 'million	N 'million	N 'million
Defined benefit pension obligations at 1 January 2024	1,441	-	1,441
Interest expense	279	-	279
Service cost	276	-	276
Remeasurement:			
- Return on plan asset not included in net interest cost on pension scheme	(24)	-	(24)
Net actuarial gain or loss	32	(30)	2
Employer contributions	-	24	24
Foreign exchange difference	877	(67)	810
Benefit payment	(46)	-	46
Defined benefit pension obligations at 31 December 2024	2,835	(73)	2,762
Interest expense	272	-	272
Service cost	321	-	321
Curtailment losses	(272)	-	(272)
Remeasurement:			
- Return on plan asset not included in net interest cost on pension scheme	(136)	-	(136)
Net actuarial gain or loss	504	-	504
Employer contributions	(129)	-	(129)
Foreign exchange difference	296	-	296
Benefit payment	(205)	-	(205)
Defined benefit pension obligations at 31 December 2025	3,486	(73)	3,414

Arising from the defined benefit pension plan, the group is exposed to a number of risk, the most significant of which are detailed below

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

38 Retirement benefit obligations continued

Asset Volatility : The plan liabilities are calculated using a discount rate set with reference to Federal Government Bond yields. If the plan assets underperform this yield, this will create a deficit. As the plans mature, the group intends to reduce the level of investment risk by investing more in asset such that changes in the value of the assets closely match the movement in the fund's liabilities. There remains the residual risk that the selected portfolio does not match the liabilities closely enough or that as it matures there is a risk of not being able to reinvest the assets at the assumed rates. The scheme's trustees review the structure of the portfolio on a regular basis to minimize these risks.

Changes in Bond Yields : A decrease in Federal bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings. The rate used to discount post-employment benefit obligations is determined with reference to market yields at the balance sheet date on high quality corporate bonds. In countries where there is no deep market in such bonds, the market yields on government bonds are used. The Group is of the opinion that there is no deep market in Corporate Bonds in Nigeria and as such assumptions underlying the determination of discount rate are referenced to the yield on Nigerian Government bonds of medium duration, as compiled by the Debt Management Organisation.

Inflation Risk: The plan benefit obligations are linked to inflation, and higher inflation lead to higher liabilities. However, majority of the plan assets are either unaffected by (fixed interest bonds) or loosely correlated with (equities) inflation, meaning that an increase in inflation will also increase the deficit.

Life Expectancy : The majority of the plans' obligations are to provide benefits for the members, so increases in the life expectancy will result in an increase in the plan's liabilities. This risk is significantly curtailed by the weighted average liability duration of the plan which is currently 6.09 years and retirement age of 60 years.

Under the funded plan, the Legacy scheme, the Group ensures that the investment positions are managed within the Asset-liability matching (ALM) framework that has been developed to achieve long-term investment that are in line with the obligations under the pension schemes. Within this ALM framework, the objective is to match assets to the pension obligation by investing in long term fixed interest securities with maturities that match the benefit payments as they fall due. The group actively monitors how the duration and the expected yield of the investment are matching the expected cash outflows arising from the pension obligation. There is no regulatory framework guiding the operation of the plan assets.

	31 Dec 2025 N 'million	31 Dec 2024 N 'million
The principal actuarial assumptions were as follows		
Discount rate on pension plan	16.5%	15.2%
Inflation rate	19%	16%
Life expectancy	25yrs	25yrs

The sensitivity of the pension liability to changes in the weighted principal assumptions is shown in table below

	Assumption	Defined Benefit Obligation N'm	Impact on Liability
Discount rate	16.5%	12,990	0.0%
	17.5%	12,501	-3.8%
	15.5%	13,541	4.2%
Pension increase rate	0%	12,990	0.0%
	1%	13,683	5.3%
	-1%	12,372	-4.8%
Mortality experience	Base	13,191	0.0%
	Improved by 1 year	10,179	-22.8%
	Decreased by 1 year	10,229	-22.5%

The above sensitivity analysis is for First Bank of Nigeria Limited and deemed to be representative of the Group. It is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

The below table shows the maturity profile of the defined obligation

Maturity Profile on Defined Benefit Obligation	
Years	Amount N'Million
2025	1,561,630
2026	1,558,104
2027	1,554,206
2028	1,549,888
2029	1,545,107
2030 - 2034	7,633,817

Defined benefit cost, charged to income statement (refer note 16)

	GROUP 31 Dec 2025 N 'million	31 Dec 2024 N 'million
Defined Benefits - Pension (i)	1,096	1,098
Defined benefit cost, charged to other comprehensive income		
Defined Benefits - Pension (i)	(1,697)	1,244
Gratuity Scheme (ii)	(369)	22
Long service award	(883)	(502)
	(2,948)	764

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

39 Share capital**39.1 Issued and fully paid**

44,454 billion ordinary shares of 50k each (2024: 35,895 billion)

	31 December 2025 N 'million	31 December 2024 N 'million
	22,227	17,948

(i) Based on the Shareholders' resolution at the Annual General Meeting (AGM) of the Company held on August 15, 2023, which approved the creation of additional shares to be issued to existing Shareholders of the Company via a Rights Issue, a Rights Issue of one share for every six shares held was offered to existing shareholders in November 2024 which amounted to 5,983 billion shares.

The Securities & Exchange Commission (SEC) approved the basis of allotment of the shares in March 2025, while the shareholders' register and listing of the new shares on the Nigerian Exchange were concluded on April 7, 2025. This increased the share capital of the company to N20.939 billion made up of 41.878 billion shares of 50kobo each.

(ii) Also, at the Annual General Meeting (AGM) of the company held on May 22, 2025, the Shareholders also approved the creation of additional shares to be issued by the Company via a private placement.

The first tranche of the private placement was done during the year which created additional shares of 2,575,851,543 units. The Securities & Exchange Commission (SEC) approved the basis of allotment of the shares and update of shareholders' register in December 2025. This increased the share capital of the Company to N22.227 billion made up of 44,454 billion shares of 50 kobo each.

(ii) Movements during the period:

	Number of shares in million	Share capital N 'million
Balance as at January 1, 2024	35,895	17,948
Increase during the year	-	-
Balance as at December 31, 2024	35,895	17,948
Balance as at January 1, 2025	35,895	17,948
Increase during the year	-	-
- Capital raise via rights issue [see note (iii) below]	5,983	2,992
- Capital raise via private placement [see note (iv) below]	2,576	1,287
Balance as at December 31, 2025	44,454	22,227

(iii) During the year, the company finalized the rights issue of 1 for every 6 units of shares held. The shares, with nominal value of 50 kobo each, were issued at N25 per share; and the rights were fully exercised. This translated to additional shares of 5,982,548,798 units.

(iv) The company also finalised issuance of 2,575,851,543 units of shares with nominal value of 50 kobo each via a private placement during the year. The shares were issued at N32.50 per share.

40 Share premium and reserves

The nature and purpose of the reserves in equity are as follows

40.1 Share premium

Premiums (i.e. excess over nominal value) from the issue of shares are reported in share premium.

	31 December 2025 N 'million	31 December 2024 N 'million
Balance as at the beginning of the period	233,392	233,392
Increase during the period	224,997	-
Balance as at the end of the period	458,389	233,392
Further breakdown of the increase in share premium during the period		
Share premium on rights issue	146,572	-
Share premium on private placement	82,427	-
Share issue and related transaction costs deducted from equity in line with IAS 3:	(4,002)	-
Increase during the period	224,997	-

40.2 Retained earnings : Retained earnings comprise the undistributed profits from previous years, which have not been reclassified to the other reserves noted below.

40.3 Statutory reserve: Nigerian banking regulations require banks to make an annual appropriation to a statutory reserve. As stipulated by S16(1) of the Bank and Other Financial Institutions Act of 2020 (amended), an appropriation of 30% of profit after tax is made if the statutory reserve is less than the paid-up share capital and 15% of profit after tax if the statutory reserve is greater than the paid-up share capital

40.4 Capital reserve: Reserve arising from business restructuring within the group, eliminated during consolidation of group number

40.5 Fair value reserve: The fair value reserve shows the effects from the fair value measurement of financial instruments elected to be presented in other comprehensive income on initial recognition after deduction of deferred taxes. No gains or losses are recognised in the consolidated income statement.

40.6 Small Scale Investment reserve: This reserve is maintained to comply with the Central Bank of Nigeria (CBN) requirement that all licensed banks set aside a portion of the profit after tax in a fund to be used to finance equity investments in qualifying small and medium-scale enterprises. Under the terms of the guideline (amended by CBN letter dated 11 July 2006), the contributions will be 10% of profit after tax and shall continue after the first five years but banks' contributions shall thereafter reduce to 5% of profit after tax. However, this is no longer mandatory. The small and medium-scale industries equity investment scheme reserves are non-distributable.

40.7 Regulatory risk reserve: The Group determines its loan loss provisions based on the requirements of IFRS Accounting Standards. The difference between the loan loss provision as determined under IFRS Accounting Standards and the provision as determined under Nigerian Prudential guideline (as prescribed by the Central Bank of Nigeria)

40.8 Foreign currency translation reserve (FCTR) : Records exchange movements on the Group's net investment in foreign subsidiaries

41 Non-controlling interests

The movement in non-controlling interest for the year is shown below

	31 December 2025 N 'millions	31 December 2024
Opening balance	52,827	28,443
Share of profit	6,799	6,206
Share of other comprehensive (loss)/income	(3,858)	18,178
Investment by non controlling interest (i)	4,733	-
	60,501	52,827

(i) In January 2025, the banking subsidiary, FirstBank Nigeria disposed 10% of its equity stake in FBN Senegal which resulted in a reduction in the Group's holding from 100% to 90%. The group recognised additional non-controlling interests of N4.73bn.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

42 Cashflow workings

a Reconciliation of profit before tax to cash generated from operations

Notes	GROUP		COMPANY	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N 'million	N 'million	N 'million	N 'million
Profit before tax from continuing operation:	234,255	795,932	43,351	26,261
Profit before tax from discontinued operation:	(5,857)	15,048	-	-
Profit before tax including discontinued operation:	228,398	810,980	43,351	26,261
Adjustments for:				
- Depreciation	30	58,609	44,384	693
- Amortisation	31	15,959	17,598	-
- (Profit)/Loss from disposal of property and equipment	15	(170)	194	34
- Foreign exchange losses/(gains)	11	(28,732)	90,965	280
- Net monetary loss	11	-	10,474	-
- Profit from investment securities	12	(50,042)	48,059	(155)
- Net (gains)/losses from financial assets at fair value through profit or loss	13	191,349	(534,968)	-
- Impairment on loans and advances:	9	802,459	366,003	-
- Impairment on other financial assets:	9	(12,700)	16,522	-
- Impairment on other assets	9	36,517	43,769	14
- Loss/(profit) from disposal of investment in subsidiary	29.2	16,890	(14,078)	-
- Dividend income	14	(13,597)	(10,657)	(26,241)
- Interest income	7	(2,994,145)	(2,397,428)	(13,200)
- Interest expense	8	1,077,206	996,119	1
(Increase)/decrease in operating assets				
- Cash and balances with the Central Bank (restricted cash)	(i)	(399,594)	(1,709,513)	-
- Loans and advances to banks	(ii)	(1,240,203)	1,663,774	-
- Loans and advances to customers:	(iii)	(85,425)	1,123,369	91
- Financial assets at fair value through profit or loss:	(iv)	(961,556)	952,445	-
- Other assets	(vii)	504,479	80,457	912
- Asset pledged as collateral	(vi)	725,613	409,269	-
- Assets held for sale		(949)	(2,273)	-
Increase/(decrease) in operating liabilities				
- Deposits from banks	42b(viii)	(667,592)	(88,541)	-
- Financial liabilities at fair value through profit or loss:	42b(xvi)	11,736	(88,887)	-
- Deposits from customers	42b(ix)	1,755,715	3,102,203	-
- Other liabilities	42b(x)	(524,124)	(740,791)	(13,656)
- Change in retirement benefit obligation:	42b(xix)	756	1,870	-
Cash flow (used in)/generated from operations		(1,553,143)	4,205,396	(21,954)

b Cashflow workings

Note	GROUP		COMPANY	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N 'million	N 'million	N 'million	N 'million
(i) Cash and balances with the Central Bank (restricted cash)				
Opening balance	19	3,744,031	2,108,471	-
Discontinued operation			(73,953)	-
Movement during the year		399,594	1,709,513	-
Closing balance	19	4,143,625	3,744,031	-
(ii) Loans and advances to banks (Long term placement)				
Opening balance	21	32,248	257,660	-
Interest income	7	134,407	183,258	-
Interest received		(134,407)	(183,258)	-
Discontinued operation		-	(36,556)	-
Foreign exchange difference		(33,001)	1,474,918	-
Movement during the year		1,240,203	(1,663,774)	-
Closing balance	21	1,239,450	32,248	-
(iii) Loans and advances to customers				
Opening balance		(8,767,888)	(6,359,294)	(178)
Closing balance		8,966,321	8,767,888	87
Changes during the year		198,433	2,408,594	(91)
Changes explained by:				
ECL allowance on loan and advances to customers:	9	(786,823)	(371,044)	-
Interest income	7	1,852,294	1,363,715	14
Interest received		(825,571)	(825,601)	(14)
Discontinued operation		-	(105,801)	-
Foreign exchange difference		(126,892)	3,470,694	-
Movement during the year		85,425	(1,123,369)	(91)
Changes during the year		198,433	2,408,594	(91)

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

42 Cashflow workings continued

Note	GROUP		COMPANY	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N 'million	N 'million	N 'million	N 'million
(iv) Financial assets at fair value through profit or loss				
Opening balance	443,567	748,785	-	504
Movement in Treasury bills included in cash and cash equivalent:	20	63,811	29,606	-
Interest income	7	11,084	117,001	-
Interest received		(11,084)	(117,001)	-
Fair value changes at FVTPL	13	(191,349)	534,968	-
Discontinued operation		-	(4,327)	-
Foreign exchange difference		(133,344)	86,980	-
Movement during the year		961,556	(952,445)	(508)
Closing balance	23	1,144,241	443,567	-
(v) Investment securities				
Opening balance	6,536,395	2,797,620	14,504	6,959
Purchase of investment securities		2,191,965	2,439,458	51,767
Disposal of investment securities		(1,274,792)	(1,006,679)	(55,987)
Movement in Treasury bills included in cash and cash equivalent	20	(731,356)	1,342,344	-
Interest income on FVOCI investments	7	705,859	436,643	3,350
Interest income on amortised cost investments	7	290,501	296,811	-
Interest received		(988,125)	(725,826)	(3,056)
Fair value changes in FVOCI		157,862	60,040	988
Discontinued operation		-	(62,677)	-
Foreign exchange difference		80,317	957,067	(189)
Impairment on amortised cost investment:		1,461	1,594	-
Closing balance		6,970,087	6,536,395	11,377
(vi) Asset pledged as collateral				
Opening balance	25	1,069,225	1,519,094	-
Discontinued operation		-	(40,600)	-
Movement during the year		(725,613)	(409,269)	-
Closing balance	25	343,612	1,069,225	-
(vii) Other assets				
Opening balance	26	1,139,720	600,927	24,138
WHT credit note used	18b	(2,420)	(2,203)	(30)
Dividend receivable - current year	(xiv)	-	-	17,912
Dividend receivable - prior year	(xiv)	-	(22,294)	(16,956)
Impairment charge for the year	9	(36,517)	(43,769)	(14)
Reclassification from investment in subsidiary	(xv)	-	-	(3)
Discontinued operation		-	(7,964)	-
Foreign exchange difference		45,990	673,186	-
Movement during the year		(504,479)	(80,457)	(912)
Closing balance	26	642,294	1,139,720	18,800
(viii) Deposit from banks				
Opening balance	33	2,922,432	1,803,182	-
Interest expense	8	208,827	210,117	-
Interest paid		(208,827)	(210,117)	-
Discontinued operation		-	(50,032)	-
Foreign exchange difference		(235,837)	1,257,823	-
Movement during the year		(667,592)	(88,541)	-
Closing balance	33	2,019,003	2,922,432	-
(ix) Deposit from customers				
Opening balance		17,170,690	10,663,346	-
Interest expense	8	658,120	615,153	-
Interest paid		(659,710)	(594,074)	-
Discontinued operation		-	(219,069)	-
Foreign exchange difference		(41,806)	3,603,131	-
Movement during the year		1,755,715	3,102,203	-
Closing balance	34	18,883,009	17,170,690	-
(x) Other liabilities				
Opening balance	36	1,239,125	1,261,833	29,077
Impairment writeback on off balance sheet	9	(11,239)	18,116	-
Lease payments	30	(3,632)	(1,549)	(89)
Interest expense on lease	8	1,255	1,841	1
Interest paid on Lease liabilities	30(ii)	(3,087)	(2,407)	-
Actuarial loss on long service award	36	502	502	-
Reclassification from investment in subsidiary	(xv)	-	-	(1,517)
Discontinued operation		-	(20,344)	-
Foreign exchange difference		197,775	721,924	-
Movement during the year		(524,124)	(740,791)	(13,656)
Closing balance	36	896,575	1,239,125	13,816
(xi) Disposal of property and equipment				
Cost	30	5,486	19,086	398
Accumulated depreciation	30	(3,867)	(9,582)	(364)
Net book value of disposed properties:		1,619	9,504	34
Gain or (loss) on disposed properties	15	170	(194)	(34)
Sales proceed		1,789	9,310	-

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

42 Cashflow workings continued

Note	GROUP		COMPANY	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N 'million	N 'million	N 'million	N 'million
(xii) Interest received				
Interest received on loans	(iii) 825,571	825,601	14	44
Interest received on placement	134,407	183,258	9,836	4,053
Interest received on investment	(v) 999,209	842,827	3,056	699
	<u>1,959,187</u>	<u>1,851,686</u>	<u>12,906</u>	<u>4,796</u>
(xiii) Interest paid				
Interest paid on deposit from customer:	(ix) 659,710	594,074	-	-
Interest paid on deposit from bank:	(viii) 208,827	210,117	-	-
	<u>868,537</u>	<u>804,191</u>		
Interest paid on borrowings:	37 198,362	180,549	-	-
Interest paid on financial liabilities as at amortized cos	-	7,615	-	-
Interest paid on Lease liabilities	3,087	2,407	-	-
	<u>1,069,986</u>	<u>994,762</u>	<u>-</u>	<u>-</u>
(xiv) Dividend received				
Opening dividend receivable	-	-	22,294	16,956
Dividend income	14 13,597	10,657	26,241	27,090
Dividend received	(13,597)	(10,657)	(30,623)	(21,752)
Closing dividend receivable	<u>-</u>	<u>-</u>	<u>17,912</u>	<u>22,294</u>
(xv) Investment in subsidiary				
Opening balance	28 -	-	264,188	262,671
Additional investment	-	-	269,470	1,517
Disposal	-	-	(17,206)	-
Reclassification to accounts receivable	-	-	-	-
Closing balance	28 <u>-</u>	<u>-</u>	<u>516,452</u>	<u>264,188</u>
Additional investment:				
Cost	-	-	269,470	1,517
Reclassification from/(to) accounts payable	-	-	1,517	(1,517)
Cash paid during the year	<u>-</u>	<u>-</u>	<u>270,987</u>	<u>-</u>
Disposal investment:				
Net sale proceed of dispo	31,284	-	31,284	-
Reclassification from Deferred Income-other liability	<u>31,284</u>	<u>-</u>	<u>31,284</u>	<u>-</u>
Cash received during the year				
(xvi) Financial liabilities at fair value through profit or loss				
Opening balance	50,256	143,470	-	-
Discontinued operation	-	(4,327)	-	-
Movement during the year	11,736	(88,887)	-	-
Closing balance	<u>61,992</u>	<u>50,256</u>	<u>-</u>	<u>-</u>
(xvii) Financial liabilities at amortized cost				
Opening balance	198,188	-	-	-
Proceeds of new debt liability	-	798,812	-	-
Finance Cost	-	22,503	-	-
Interest paid	-	(7,615)	-	-
Repayments of debt liability	(198,188)	(615,512)	-	-
Closing balance	<u>-</u>	<u>198,188</u>	<u>-</u>	<u>-</u>
(xviii) Proceeds from the sale of investment securities				
Value of investment disposed	1,274,792	1,006,679	55,987	6,384
profit on disposal of investment securities	50,042	(48,059)	155	21
	<u>1,324,834</u>	<u>958,620</u>	<u>56,142</u>	<u>6,405</u>
(xix) Retirement benefit obligations				
Opening balance	8,640	8,036	-	-
Interest expense	1,303	1,098	-	-
Return on plan asset excluding interest income	(958)	249	-	-
Movement in Gratuity scheme	(547)	772	-	-
Actuarial (Gains)/Losses	3,052	(1,515)	-	-
Closing balance	<u>11,490</u>	<u>8,640</u>	<u>-</u>	<u>-</u>

43 Commitments and Contingencies

43.1 Capital commitments

The Group's capital commitment in respect of authorized and contracted capital projects are disclosed below

Authorised and contracted

Property and equipment
Intangible assets

GROUP	
31 December 2025	31 December 2024
N 'million	N 'million
4,635	2,957
5,780	17,228
<u>10,415</u>	<u>20,185</u>

43.2 Legal proceedings

The Group is a party to a number of legal actions arising out of its normal business operations. The directors having sought the advice of the professional legal counsel are of the opinion that no significant liability will crystallise from these cases beyond the provision made in the financial statements

GROUP	
31 December 2025	31 December 2024
N 'millions	N 'millions
172	1,376
-	172
(2,089)	(1,001)
(24)	(375)
<u>(1,941)</u>	<u>172</u>

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

43.3 Other contingent commitments

In the normal course of business the group is a party to financial instruments which carry off-balance sheet risk. These instruments are issued to meet the credit and other financial requirements of customers. The contractual amounts of the off-balance sheet financial instruments are:

	GROUP	
	31 December 2025	31 December 2024
	N 'million	N 'million
Performance bonds and guarantees	1,471,845	490,278
Letters of credit	1,826,005	2,484,918
	3,297,850	2,975,196

43.4 Loan Commitments

	GROUP	
	31 December 2025	31 December 2024
	N 'million	N 'million
Undrawn irrevocable loan commitments	271,289	167,891
	271,289	167,891

The total outstanding contractual amount of undrawn credit lines, letters of credit, and guarantees does not necessarily represent future cash requirements, as these financial instruments may expire or terminate without being funded. The fair value of credit related commitments is disclosed in Note 3.6

The group cannot separately identify the expected credit loss on the undrawn commitment. Thus, the expected credit loss on the undrawn commitments have been recognised together with the loss allowance for the loan. See Note 22 on expected credit loss on Loans and advances to customers.

44 Offsetting Financial Assets and Financial Liabilities

The information shown for 31 December 2025 relates to First Bank of Nigeria Limited, as no other entity within the Group has an offsetting arrangement.

Financial instruments subject to offsetting, enforceable master netting and similar arrangement are as follow

	GROUP					
	Gross amount before offsetting in the statement of financial position	Gross amounts set off in the statement of financial position	Net amounts after offsetting in the statement of financial position	Amounts subject to master netting and similar arrangements not set off in the statement of financial position		Net amounts of exposure
				Financial instruments	Cash collaterals received	
31 December 2025	(a) N'million	(b) N'million	(c) = (a) - (b) N'million	(d) N'million	(e) N'million	(f) = (c)-(d)-(e) N'million
ASSETS						
Financial assets at fair value through profit or loss	3,197	-	3,197	-	-	3,197
Total Assets subject to offsetting, master netting and similar arrangements	3,197	-	3,197	-	-	3,197
LIABILITIES						
Financial derivatives	(23,847)	-	(23,847)	-	-	(23,847)
Total Liabilities subject to offsetting, master netting and similar arrangements	(23,847)	-	(23,847)	-	-	(23,847)

	GROUP					
	Gross amount before offsetting in the statement of financial position	Gross amounts set off in the statement of financial position	Net amounts after offsetting in the statement of financial position	Amounts subject to master netting and similar arrangements not set off in the statement of financial position		Net amounts of exposure
				Financial instruments	Cash collaterals received	
31 December 2024	(a) N'million	(b) N'million	(c) = (a) - (b) N'million	(d) N'million	(e) N'million	(f) = (c)-(d)-(e) N'million
ASSETS						
Financial assets at fair value through profit or loss	180,228	-	180,228	-	-	180,228
Total Assets subject to offsetting, master netting and similar arrangements	180,228	-	180,228	-	-	180,228
LIABILITIES						
Financial derivatives	(45,598)	-	(45,598)	-	-	(45,598)
Total Liabilities subject to offsetting, master netting and similar arrangements	(45,598)	-	(45,598)	-	-	(45,598)

The amount set off in the statement of financial position reported in column (b) is the lower of (i) the gross amount before offsetting reported in column (a) and (ii) the amount of the related instrument that is eligible for offsetting. Similarly, the amounts in columns (d) and (e) are limited to the exposure reported in column (c) for each individual instrument in order not to understate the ultimate net exposure

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

44 Offsetting Financial Assets and Financial Liabilities continued

The Group has master netting arrangements with counterparty banks, which are enforceable in case of default. In addition, applicable legislation allows an entity to unilaterally set off trade receivables and payables that are due for payment, denominated in the same currency and outstanding with the same counterparty. These fall in the scope of the disclosure. The Group received and provided margin deposits as collateral for outstanding derivative positions. The Group or the counterparty may set off the Group's asset or liabilities with the margin deposit in case of default.

45 Related party transactions

The Group is controlled by First HoldCo Plc, which is the parent company, whose shares are widely held. First HoldCo Plc, is a non-operating financial holding company licensed by the Central Bank of Nigeria. (See note 28 for the list of all subsidiaries of the Group).

A number of transactions are entered into with related parties in the normal course of business. The volumes of related-party transactions, outstanding balances at the year-end, and related expense and income for the year are as follows

45.1 Transactions with related parties

Name of entity	Nature of relationship	Nature of transactions	31 December 2025	31 December 2024
			N 'million	N 'million
First Bank of Nigeria Limited	Subsidiary	Placement	5,502	2,592
First Bank of Nigeria Limited	Subsidiary	Current account balance	703	2,050
First Bank of Nigeria Limited	Subsidiary	Bank charges	33	16
First Bank of Nigeria Limited	Subsidiary	Interest income	7,142	740
FBNQuest Merchant Bank Limited	Subsidiary	Current account balance	-	17
FBNQuest Merchant Bank Limited	Subsidiary	Placement	-	13,591
FBNQuest Merchant Bank Limited	Subsidiary	Interest income	1,606	1,839

Placements with related parties have maturities ranging from 30 days to 90 days and interest rates between 15% to 23%. Current account balances are balances in transactional operating accounts with related parties as at December 31, 2025

45.2 Key management compensation

Key management includes Executive Directors and members of the Management Committee. The compensation paid or payable to key management for employee services excluding certain benefits is shown below

	GROUP		COMPANY	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	N 'million	N 'million	N 'million	N 'million
Salaries and other short-term employee benefits	8,414	4,461	792	495
Post-employment benefits	501	301	478	301
	8,915	4,762	1,270	796

45.3 Insider related credits

In compliance with the Central Bank of Nigeria Circular BSD/1/2004 on insider related credits, the company had no insider related credits during the year. Insider related credits relating to the banking subsidiaries have been appropriately disclosed in the respective financial statements of the subsidiaries.

46 Directors' emoluments

Remuneration paid to the directors was

	31 December 2025	31 December 2024
	N 'million	N 'million
Fees	314	343
Sitting allowances	72	81
Executive compensation	294	159
Other directors' costs and expenses	312	353
	992	936
Included in the fees above are amounts paid to		
Chairman	64	63
Highest paid director	195	97

The number of directors who received fees and other emoluments in the following ranges was

	Number	
	31 December 2025	31 December 2024
N10,000,000 - N40,000,000	-	1
N40,000,001 and above	8	8
	8	9

47 Compliance with regulations

- (a) In compliance with banking regulations during the year, the entities within the group paid penalties to the Central Bank of Nigeria as below

First Bank of Nigeria Limited

Description	Name of Regulator	N'million
KYC Deficiencies in two accounts	CBN	4.0
Penalty for exceptions during the 2024 AML/CFI/CPF examination	CBN	318.0
Penalty for exceptions during the 2023 Risk Assets examination	CBN	20.0
Penalty for Delay in resolving customer's complaint	CBN	2.0
		344.0

- (b) In compliance with other regulations, the following penalties were paid by First HoldCo Plc

(i) First Holdco Plc

Description	Name of Regulator	N'million
Delay in filing of FY2024 Audited Financial Statement	NGX	1.7
		1.7

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

48 Events after statement of financial position date

Subsequent to the year end, the Company filed and received regulatory approvals of its private placement memorandum to raise additional capital of N45bn. The offer which opened and closed in March 2026 is awaiting the approval of the Central Bank of Nigeria

49 Dividend

(i) Dividend paid

A cash dividend of N25.13 billion at N0.60 per share (2024: N14.36 billion) that related to the year 31 December 2024 was paid in May 2025.

(ii) Proposed dividend

	31 December 2025 N 'million	31 December 2024 N 'million
Final dividend	-	25,127

50 Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the year, excluding the average number of ordinary shares purchased by the members of the group and held as treasury shares.

The company does not have potential ordinary shares with convertible options and therefore there is no dilutive impact on the profit attributable to the equity holders of the parent.

	GROUP		COMPANY	
	31 December 2025 N 'million	31 December 2024 N 'million	31 December 2025 N 'million	31 December 2024 N 'million
Profit from continuing operations attributable to owners of the parent (N'million)	140,380	657,110	43,028	26,224
(Loss)/profit from discontinued operations attributable to owners of the parent (N'million)	(7,696)	13,689	-	-
Weighted average number of ordinary shares in issue (in million)	41,885	36,093	41,885	36,093
Basic earnings/(loss) per share (expressed in Naira per share)				
- from continuing operations	335	1,821	103	73
- from discontinued operation:	(18)	38	-	-
	317	1,859	103	73

The calculation of basic earnings per share is based on the profit attributable to equity holders of the parent and the number of basic weighted average number of shares.

51 Non audit services

The external auditors of First HoldCo Plc ("Company"), KPMG Professional Services rendered the following non audit services to the Company for the year.

Description of service	N'million
Limited assurance on internal control over financial reporting	42

52 Comparative

Certain disclosures and some prior year figures have been presented to conform with current year presentation

Group**Statement of profit or loss**

For the year ended 31 December 2024

	As previously reported N 'millions	Reclassification N 'millions	As represented N 'millions
Account maintenance	21,817	21,686	43,503
Custodian fees	1,740	15,466	17,206
Other fees and commissions	46,390	(37,152)	9,238
IT maintenance	-	110,503	110,503
Other repairs & maintenance	134,760	(110,503)	24,257

Company**Statement of profit or loss**

For the year ended 31 December 2024

	As previously reported N 'millions	Reclassification N 'millions	As represented N 'millions
IT maintenance	-	32	32
Donations & subscriptions	83	(32)	51

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
At 31 December 2025

- 53 In line with the amendment to Rule 2b & Rule 3 (paragraph 4) and the issuance of new Rule 10 by the Financial Reporting Council of Nigeria (FRC), reporting entities are required to disclose the details of any professional providing any form of assurance services to the entity. In compliance, the Company did not engage any professionals to provide assurance services during the year. The disclosure relating to the group is as provided below:

Name of Professional Firm	FRCN Number	Type of Service provided	Name of Principal Partner
Palmer and Partners	FRC/2017/NIESV/000000015986	Valuation of repossessed assets	Friday Palmer
Toyin Olatunbosun & Partners	FRC/2013/NIESV/000000005257	Valuation of repossessed assets	Toyin Olatunbosun
Jide Taiwo & Co	FRC/2012/0000000000254	Valuation of repossessed assets	Ige Beatrice Abosede
Ubosi Eleh & Co	FRC/2014/NIESV/000000003997	Valuation of repossessed assets	Emeka Eleh
Ernst & Young	FRC/2012/NAS/0000000002392	Actuarial Valuation of retirement benef	Miller Kingsley
A. C. Otegbulu & Co	FRC/2013/NIESV/00000001582	Valuation of collaterals	Austin C. Otegbulu
Adegbonmire & Associates	FRC/2013/00000000001226	Valuation of collaterals	Adegbonmire
Ajayi Patunola & Co	FRC/2013/0000000000679	Valuation of collaterals	Ajayi Patunola
Alagbe & Partners	FRC/2013/NIESV/000000004334	Valuation of collaterals	Fred Akinnuoye
Arigbede & Co	FRC/2014/000000004634	Valuation of collaterals	Olawale Arigbede
Ben Eboreime & Co	FRC/2013/NIESV/00000003232	Valuation of collaterals	Ben Eboreime
Biodun Adegoke & Co	FRC/2015/NIESV/00000010747	Valuation of collaterals	Biodun Adegoke
Biodun Olapade & Co	FRC/2013/NIESV/000000004303	Valuation of collaterals	Biodun Olapade
Bola Onabadejo & Co	FRC/2013/00000000001601	Valuation of collaterals	Bola Onabadejo
Boye Komolafe & Co	FRC/2013/0000000000613	Valuation of collaterals	Adeboye Komolafe
Cbre Excellerate Nigeria	FRC/2014/NIESV/00000006738	Valuation of collaterals	Habinuchi Owmondah
Dan Odiete & Co	FRC/2014/NIESV/00000006456	Valuation of collaterals	Dan Odiete
Dipo Fakorede & Co	FRC/2012/NIESV/00000000324	Valuation of collaterals	Dipo Fakorede
Diya Fatimilehin & Co	FRC/2013/NIESV/00000000754	Valuation of collaterals	Diya Fatimilehin
Femi Arayela & Co	FRC/2018/NIESV/00000017965	Valuation of collaterals	Femi Arayela
Flo Partnership	FRC/2013/NIESV/00000000652	Valuation of collaterals	Isaac O. Folorunso
Gboyega Akerele And Partners	FRC/2012/00000000117	Valuation of collaterals	Gboyega Akerele
Ibukun Efuntao & Co	FRC/2013/NIESV/00000003663	Valuation of collaterals	Ibukun Efuntao
Idowu Shada & Co	FRC/2013/NIESV/00000002847	Valuation of collaterals	Idowu Shada
Imoh Ekanem & Co	FRC/2012/NIESV/00000000114	Valuation of collaterals	Imoh Ekanem
Jide Taiwo & Co	FRC/2012/0000000000254	Valuation of collaterals	Ige Beatrice Abosede
Joe Akhigbe & Associates	FRC/2012/NIESV/000000000292	Valuation of collaterals	Joe Akhigbe
Kene Onuora & Co	FRC/2013/NIESV/000000000752	Valuation of collaterals	Kene Onuora
Knight Frank	FRC/2013/0000000000584	Valuation of collaterals	Sunny Akpodigaga
Mgbeoduru Sam & Co	FRC/2013/NIESV/00000003326	Valuation of collaterals	Sam Mgbeoduru
Nwokoma Nwankwo & Co	FRC/2012/0000000000200	Valuation of collaterals	Nwokoma Nwankwo
Odudu & Co	FRC/2012/NIESV/00000000198	Valuation of collaterals	William Odudu
Okaro & Associates	FRC/2015/NIESV/000000002947	Valuation of collaterals	J Okaro
Okey Ogbonna & Co	FRC/2013/NIESV/000000000964	Valuation of collaterals	Okey Ogbonna
Oni Ibitoye & Co	FRC/2015/NIESV/00000012607	Valuation of collaterals	Oni Ibitoye
Osas & Oseji	FRC/2012/0000000000522	Valuation of collaterals	Hyacinth Oseji
Palmer & Partners	FRC/2017/NIESV/000000015986	Valuation of collaterals	Friday Palmer
Paul Osaji & Co	FRC/2013/00000001098	Valuation of collaterals	Paul Osaji
Sola Badmus & Co	FRC/2012/NIESV/000000000256	Valuation of collaterals	Sola Badmus
Sola Fatoki & Co	FRC/2013/NIESV/00000003589	Valuation of collaterals	Sola Fatoki
Toyin Olatunbosun & Partner	FRC/2013/NIESV/000000005257	Valuation of collaterals	Toyin Olatunbosun
Tunde Adejumo & Co	FRC/2012/NIESV/000000000247	Valuation of collaterals	Babatunde Adejumo
Ubosi Eleh & Co.	FRC/2014/NIESV/00000003997	Valuation of collaterals	Emeka Eleh
Udoetuk & Associates	FRC/2013/NIESV/00000002389	Valuation of collaterals	Ime Udoetuk
Una & Associates	FRC/2012/0000000000148	Valuation of collaterals	Patrick Una
Unigwe & Co	FRC/2012/0000000000130	Valuation of collaterals	Azubike Olaitan Unigwe
Victor Okpeva & Co	FRC/2013/NIESV/00000003029	Valuation of collaterals	Victor Okpeva
Wale Opejin & Co	FRC/2013/NIESV/00000003505	Valuation of collaterals	Wale Opejin

Other National Disclosures and Other Information

First HoldCo Plc.

OTHER NATIONAL DISCLOSURES
At 31 December 2025

Statement of Value Added - Group

	31 December 2025 N'million	%	31 December 2024 N'million	%
Gross income	3,435,361		3,212,649	
Interest and fee expense	(1,140,250)		(1,055,728)	
	2,295,111		2,156,921	
Administrative overheads	(816,162)		(563,706)	
Value added	1,478,949	100	1,593,215	100
Distribution				
Employees				
- Salaries and benefits	343,086	23	308,472	19
Government				
- Minimum tax	14,712	1	14,584	1
- Income tax	73,026	5	118,393	7
The future				
- Asset replacement (depreciation)	58,609	4	44,384	3
- Asset replacement (amortisation)	15,959	1	17,598	1
- Asset replacement (provision for losses)	826,303	56	426,294	27
- Expansion (transfers to reserves)	147,254	9	663,490	42
	1,478,949	100	1,593,215	100

Statement of Value Added - Company

	31 December 2025 N'million	%	31 December 2024 N'million	%
Gross income	53,360		34,195	
Interest and fee expense	(1)		(8)	
	53,359		34,187	
Administrative overheads	(6,088)		(4,604)	
Value added	47,271	100	29,583	100
Distribution				
Employees				
- Salaries and benefits	3,227	7	2,952	10
Government				
- Minimum tax	67	0	36	0
- Income tax	256	1	1	0
The future				
- Asset replacement (depreciation)	693	1	370	1
- Expansion (transfers to reserves)	43,028	91	26,224	89
	47,271	100	29,583	100

OTHER NATIONAL DISCLOSURES
FIVE YEAR FINANCIAL SUMMARY - GROUP
STATEMENT OF FINANCIAL POSITION

	31 December 2025 N'million	31 December 2024 N'million	31 December 2023 N'million	31 December 2022 N'million	31 December 2021 N'million
Assets:					
Cash and balances with central banks	5,074,239	4,415,186	2,572,363	1,790,863	1,586,769
Loans and advances to banks	3,458,348	3,302,480	2,053,230	1,223,061	1,015,122
Loans and advances to customers	8,966,321	8,767,888	6,359,294	3,789,061	2,881,916
Financial assets at fair value through profit or loss	1,144,241	443,567	748,785	278,466	351,146
Investment securities	6,970,087	6,536,395	2,797,620	2,321,885	1,957,478
Assets pledged as collateral	343,612	1,069,225	1,519,094	595,171	718,662
Other assets	642,294	1,139,720	600,927	373,130	218,638
Investment in associates	3,109	2,540	2,005	1,185	1,009
Property and equipment	541,194	222,164	161,677	125,167	115,987
Intangible assets	36,318	40,138	33,557	15,859	19,018
Deferred tax assets	39,916	53,706	55,895	30,909	28,710
Assets held for sale	31,256	531,209	33,237	32,953	37,918
Total assets	27,250,935	26,524,218	16,937,684	10,577,710	8,932,373
Financed by:					
Share capital	22,227	17,948	17,948	17,948	17,948
Share premium	458,389	233,392	233,392	233,392	233,392
Reserves	2,760,248	2,491,167	1,467,238	732,289	618,111
Non-controlling interests	60,501	52,827	28,443	12,112	10,405
Deposits from banks	2,019,003	2,922,432	1,803,182	1,055,254	1,098,107
Deposits from customers	18,883,009	17,170,690	10,663,346	7,124,086	5,849,487
Financial liabilities at fair value through profit or loss	61,992	50,256	143,470	38,384	19,648
Financial liabilities at amortized cost	-	198,188	-	-	-
Borrowings	1,943,978	1,559,353	1,250,827	675,440	405,304
Retirement benefit obligations	11,490	8,640	8,036	5,699	5,392
Current tax liabilities	118,278	122,563	52,662	27,901	17,741
Other liabilities	896,575	1,239,125	1,261,833	652,554	654,350
Deferred tax liabilities	13,462	11,645	5,524	868	366
Liabilities held for sale	1,783	445,992	1,783	1,783	2,122
	27,250,935	26,524,218	16,937,684	10,577,710	8,932,373
INCOME STATEMENT					
	12 months ended 2025 N'million	12 months ended 2024 N'million	12 months ended 2023 N'million	12 months ended 2022 N'million	12 months ended 2021 N'million
Gross earnings	3,435,361	3,212,649	1,561,773	815,166	757,296
Net operating income	2,294,374	2,156,386	1,137,303	600,291	592,813
Operating expenses	(1,233,816)	(934,160)	(557,027)	(373,945)	(334,182)
Group's share of associate's results	737	535	820	175	(258)
Impairment charge for credit losses	(826,303)	(426,294)	(224,948)	(68,619)	(91,711)
Profit before taxation	234,992	796,467	356,148	157,902	166,662
Taxation	(87,738)	(132,977)	(47,715)	(21,591)	(15,515)
Profit from continuing operations	147,254	663,490	308,433	136,311	151,147
(Loss)/profit from discontinuing operations	(7,771)	13,515	1,937	(138)	(68)
Profit for the year	139,483	677,005	310,370	136,173	151,079
Profit attributable to:					
Owners of the parent	132,684	670,799	308,203	134,403	149,709
Non controlling interest	6,799	6,206	2,167	1,770	1,370
	139,483	677,005	310,370	136,173	151,079
Earnings per share in kobo (basic/diluted)	317	1859	859	375	417

OTHER NATIONAL DISCLOSURES
FINANCIAL SUMMARY - COMPANY
STATEMENT OF FINANCIAL POSITION

	31 December 2025 N'million	31 December 2024 N'million	31 December 2023 N'million	31 December 2022 N'million	31 December 2021 N'million
Assets:					
Loans and advances to banks	11,961	23,269	16,523	18,331	16,477
Loans and advances to customers	87	178	269	39	49
Financial assets at fair value through profit or loss	-	-	504	1,601	1,337
Investment securities	11,377	14,504	6,959	3,963	4,210
Investment in subsidiaries	516,452	264,188	262,671	262,671	262,671
Other assets	18,800	24,138	17,661	19,032	13,344
Property, plant and equipment	1,342	545	948	718	397
	<u>560,019</u>	<u>326,822</u>	<u>305,535</u>	<u>306,355</u>	<u>298,485</u>
Financed by:					
Share capital	22,227	17,948	17,948	17,948	17,948
Share premium	458,389	233,392	233,392	233,392	233,392
Reserves	65,245	46,356	35,125	37,717	30,946
Current tax liabilities	342	49	29	29	7
Other liabilities	13,816	29,077	19,041	17,269	16,192
	<u>560,019</u>	<u>326,822</u>	<u>305,535</u>	<u>306,355</u>	<u>298,485</u>
INCOME STATEMENT					
	12 months ended 2025 N'million	12 month ended 2024 N'million	12 month ended 2023 N'million	12 month ended 2022 N'million	12 month ended 2021 N'million
Gross earnings	<u>53,360</u>	<u>34,195</u>	<u>21,021</u>	<u>24,285</u>	<u>17,135</u>
Net operating income	39,281	34,186	21,014	24,281	17,134
Gain from disposal of subsidiary/associate	14,078	-	-	-	-
Operating expenses	<u>(9,994)</u>	<u>(7,922)</u>	<u>(5,822)</u>	<u>(4,799)</u>	<u>(4,081)</u>
Profit before taxation	43,351	26,261	15,192	19,483	13,053
Taxation	<u>(323)</u>	<u>(37)</u>	<u>(22)</u>	<u>(23)</u>	<u>(5)</u>
Profit after taxation	<u>43,028</u>	<u>26,224</u>	<u>15,170</u>	<u>19,460</u>	<u>13,048</u>
Earnings per share in kobo (basic)	<u>103</u>	<u>73</u>	<u>42</u>	<u>54</u>	<u>36</u>



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