



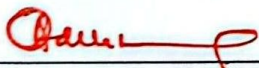
NPF MICROFINANCE BANK PLC

RC. 220824

**UNAUDITED FINANCIAL STATEMENT
30 SEPTEMBER 2025**

**STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2025**

<i>In thousands of naira</i>	<i>Note</i>	30-Sept-2025	30-Sept-2024
ASSETS			
Cash and cash equivalents	16	7,777,390	18,269,077
Investment securities	19	3,464,791	2,325,800
Loans and advances to customers	18	40,186,440	22,858,140
Pledged assets	17	1,966,965	2,800,805
Other assets	20	1,319,390	1,461,131
Property and equipment	21	1,480,800	1,724,663
Intangible asset	22	610	(1,521)
TOTAL ASSETS		56,196,386	49,438,095
LIABILITIES			
Deposits from customers	23	36,700,834	28,388,965
Current tax liabilities	15(b)	1,257,391	1,157,474
Other liabilities	25	4,419,003	6,615,591
Borrowings	24	-	730,386
Deferred tax liabilities	15(c)	66,638	52,463
TOTAL LIABILITIES		42,443,866	36,944,879
CAPITAL AND RESERVES			
Share capital	26	2,996,477	2,996,477
Share premium	27(a)	4,166,786	4,166,786
Retained earnings	27(b)	4,220,073	3,354,329
Fair value reserve	27(c)	(13,147)	(13,147)
Statutory reserve	27(d)	2,382,331	1,988,772
Regulatory risk reserve	27(e)	-	-
TOTAL EQUITY		13,752,520	12,493,217
TOTAL LIABILITIES AND EQUITY		56,196,386	49,438,095



Mrs. Olamide M. Akin-Balogun
Chief Financial Officer
FRC/2015/ICAN/00000011044



Mr. Habeeb A. Yusuf
Managing Director
FRC/2025/PRO/DIR/003/ICAN/163632

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

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2025

<i>In thousands of naira</i>	Note	July- Sept 2025	July- Sept 2024	30-Sept-2025	30-Sept-2024
Gross earnings		5,105,665	3,569,177	14,332,416	9,081,147
Interest income calculated using the effective interest method	8	4,420,165	3,053,542	12,556,434	8,094,777
Interest expense	9	(1,132,438)	(282,557)	(1,742,611)	(817,348)
Net interest income		3,287,727	2,770,985	10,813,823	7,277,429
Fee and commission income*	10	683,642	508,683	1,773,253	977,527
Revenue		3,971,369	3,279,668	12,587,076	8,254,956
Other income*	11	1,858	6,952	2,729	8,843
Net impairment loss on financial instruments	12	60	-	-	-
Personnel expenses	13	(1,341,788)	(1,011,965)	(3,864,826)	(2,558,182)
Other operating expenses*	14	(1,436,569)	(1,244,805)	(4,298,453)	(3,449,187)
Depreciation of property and equipment	21	(131,980)	(122,581)	(396,795)	(328,843)
Amortisation of intangible assets	22	(131)	(712)	(392)	(3,568)
Profit before tax		1,062,819	906,557	4,029,339	1,924,019
Income tax expense	15(a)	(225,089)	(216,680)	(1,257,390)	(481,005)
Profit for the period		837,730	689,877	2,771,949	1,443,014
Other comprehensive loss					
Items that will not be reclassified to profit or loss					
Equity investment at fair value through OCI	19(a)	-	-	-	-
Other comprehensive loss for the year		-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		837,730	689,877	2,771,949	1,443,014
Basic and diluted earnings per share (kobo)		14	12	46	24

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

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2025

	Share Capital	Share Premium	Retained Earnings	Fair Value Reserve	Statutory Reserve	Risk Reserve	Total
Balance at 1 January 2025	2,996,477	4,166,786	2,312,835	(13,147)	2,382,331	-	11,845,282
Total comprehensive income							
Profit for the year	-	-	2,771,949	-	-	-	2,771,949
Audit adjustments			34,232				34,232
Other comprehensive loss							
Fair value reserve (FVOCI equity instruments):							
Equity investments at FVOCI - net change in fair value	-	-	-	-	-	-	-
Loss on derecognition of equity investments	-	-	-	-	-	-	-
Total other comprehensive loss	-	-	-	-	-	-	-
Total comprehensive income	-	-	2,771,949	-	-	-	2,771,949
Transfer to statutory reserve (see note 27(d))	-	-	-	-	-	-	-
Transfer from regulatory risk reserve (see note 6(c)(ii))	-	-	-	-	-	-	-
Contributions by and distributions to equity holders							
Dividend paid (see note 33)	-	-	(898,943)	-	-	-	(898,943)
Increase in share capital	-	-	-	-	-	-	-
Total contributions and distributions	-	-	(898,943)	-	-	-	(898,943)
Balance at 31st October 2025	2,996,477	4,166,786	4,220,073	(13,147)	2,382,331	-	13,752,520

FOR THE YEAR ENDED 31 DECEMBER 2024

	Share Capital	Share Premium	Retained Earnings	Fair Value Reserve	Statutory Reserve	Risk Reserve	Total
Balance at 1 January 2024	2,996,477	4,166,786	1,851,312	(13,147)	1,988,772	-	10,990,200
Total comprehensive income							
Profit for the period	-	-	1,574,237	-	-	-	1,574,237
Audit adjustments	-	-	-	-	-	-	-
Other comprehensive loss							
Fair value reserve (FVOCI equity instruments):							
Equity investments at FVOCI - net change in fair value	-	-	-	-	-	-	-
Loss on derecognition of equity investments	-	-	-	-	-	-	-
Total other comprehensive loss	-	-	-	-	-	-	-
Total comprehensive income	-	-	1,574,237	-	-	-	1,574,237
Transfer to statutory reserve (see note 27(d))	-	-	(393,559)	-	393,559	-	-
Transfer to regulatory risk reserve (see note 6(c)(ii))	-	-	-	-	-	-	-
Contributions by and distributions to equity holders							
Dividend paid (see note 33)	-	-	(719,155)	-	-	-	(719,155)
Increase in share capital	-	-	-	-	-	-	-
Total contributions and distributions	-	-	(719,155)	-	-	-	(719,155)
Balance at 31 December 2024	2,996,477	4,166,786	2,312,835	(13,147)	2,382,331	-	11,845,282

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

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 30 SEPTEMBER 2025

<i>In thousands of naira</i>	Note	30-Sept-2025	30-Sept-2024
Cash flows from operating activities			
Profit before tax		4,029,339	1,924,019
<i>Adjustments for:</i>			
Depreciation of property and equipment	21	396,795	328,843
Amortization of intangible assets	22	392	3,568
Net impairment loss on loans and advances to customers	12	-	-
Net impairment loss on cash and cash equivalents	12	-	-
Net impairment loss on pledged assets	12	-	-
Net impairment loss on other assets	12	-	-
Net impairment (gain)/ loss on investment securities	12	-	-
Interest income	8	(12,556,434)	(8,094,777)
Payment of interest on lease liability	25(d)(i)	(9,142)	(9,142)
Interest expense	9	1,742,611	817,348
Profit on sale of property and equipment	11	(2,238)	(8,843)
Loss on disposal of treasury bills	11	-	-
Gain on derecognition of lease liability	11	-	-
		(6,398,677)	(5,038,984)
<i>Changes in:</i>			
- pledged assets	34(b)	773,636	(906,322)
- loans and advances to customers	34(c)	(13,798,299)	(850,651)
- other assets	34(d)	(1,447,015)	(462,947)
- deposits from customers	34(e)	(5,373,991)	1,434,908
- other liabilities	34(f)	(8,774,889)	2,491,595
		(35,019,235)	(3,332,401)
Interest received	34(h)	13,666,566	12,280,862
Interest paid*	34(i)	(2,013,382)	(1,813,369)
Tax paid	15(b)	(858,342)	-
VAT paid	25	(20,526)	(4,549,235)
Net cash generated/ (used in) from operating activities		(24,244,919)	2,585,857
Cash flows from investing activities			
Acquisition of property and equipment	34(a)(ii)	(108,961)	(530,921)
Acquisition of intangible assets	22	-	-
Payment for new leased properties*	34(j)	(1,523)	(2,242)
Proceeds from disposal of property and equipment	34(a)(i)	2,238	17,520
Dividends received	11	491	-
Net cash flows used in investing activities		(107,755)	(515,643)
Cash flows from financing activities			
Repayment of principal on borrowings	24(b)	(579,500)	(1,222,553)
Repayment of interest on borrowings	24(b)	(34,864)	-
Payment of principal on lease liability	25(d)(i)	(66,370)	(66,370)
Additions to borrowings	24(b)	-	-
Dividend paid	33	(898,943)	-
Proceeds from increase in share capital	26	-	-
Addition to share premium	27(a)	-	-
Net cash (used in)/ generated from financing activities		(1,579,677)	(1,288,923)
Net increase in cash and cash equivalents		(25,932,351)	781,291
Cash and cash equivalents as at 1 January		33,786,623	17,551,263
Cash and cash equivalents as at 30 September	16	7,854,271	18,332,554

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2025

8 Interest income

			Budgeted	Audited
<i>In thousands of naira</i>	30-Sept-2025	30-Sept-2024	'30-Sept-2025	31-Dec-2024
Loans and advances	10,382,736	7,174,180	10,358,133	10,007,858
Government Securities	18,986	39,422	81,555	78,797
Treasury bills	460,757	155,856	275,418	266,156
Call accounts	1,612,197	725,319	1,220,944	1,042,145
Pledged assets	51,069	-	-	-
Money market placement	30,689	-	-	79,115.00
Total interest income calculated using the effective interest method	12,556,434	8,094,777	11,936,050	11,474,071

9 Interest expense

			Budgeted	Audited
<i>In thousands of naira</i>	30-Sept-2025	30-Sept-2024	'30-Sept-2025	31-Dec-2024
Term deposits	1,587,569	726,083	743,719	740,417
Current deposits	64,517	39,470	185,534	52,554
Savings deposits	30,340	39,838	51,210	54,574
Borrowings (see note 24(b))	41,881	0	359,375	232,972
Lease liabilities (see note 25(c))	18,304	11,957	16,712	20,144
Total interest expense	1,742,611	817,348	1,356,551	1,100,661

Total interest expense reported above relates to financial liabilities measured at amortised cost using the applicable effective interest rates.

10 Fees and commission income*

			Budgeted	Audited
<i>In thousands of naira</i>	30-Sept-2025	30-Sept-2024	'30-Sept-2025	31-Dec-2024
Credit-related fees and commission	1,029,981	546,351	886,605	843,383
Deposit-related fees and commission	743,272	431,176	660,865	621,530
	1,773,253	977,527	1,547,470	1,464,913

(i) Disaggregation of fee and commission income

In the following table, fee and commission income from contracts with customers in the scope of IFRS 15 is disaggregated by major type of fees.

			Budgeted	Audited
<i>In thousands of naira</i>	30-Sept-2025	30-Sept-2024	'30-Sept-2025	31-Dec-2024
Loan management fee	302,244	169,902	264,422	251,157
Loan commitment fee	279,235	238,889	389,069	370,687
Insurance fee	404,711	119,723	202,134	192,031
Credit search fee	43,791	17,837	30,980	29,508
	1,029,981	546,351	886,605	843,383
Admin and management fee	296,917	254,685	274,168	261,248
Account maintenance fee	117,467	112,702	179,622	171,072
Service fees and charges (see (iii) below)***	328,888	63,789	207,076	189,210
	743,272	431,176	660,865	621,530
	1,773,253	977,527	1,547,470	1,464,913

The value presented as service fees and charges, credit-related fees and commission was reported in the prior year financial statements as part of "Other income". Considering the nature of the income (see note iii) and in line with the requirements of IAS 1.

The fee and commission presented above relate to financial assets and liabilities measured at amortised cost. These figures excludes amounts incorporated in determining the effective interest rate on such financial assets and liabilities.

Loan management fee relates to fees for loan processing and fee on overdraft facilities granted to customers.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(ii) Performance obligation and revenue recognition policy

Fee and commission income from contracts with customers is measured based on the consideration specified in a contract with a customer. The Bank recognises revenue when it transfers control over a service to a customer.

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

For the accounting policy for fees and commissions in the scope of IFRS 9, see note 4(b).

Type of service	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition under IFRS 15
Retail and corporate banking service	The bank provides banking services to retail and corporate customers, including account management, provision of overdraft facilities and servicing fees. Fees for ongoing account management are charged to the customer's account on a monthly basis. The rates for the different class of accounts are set on an annual basis. Transaction-based fees for interchange and overdrafts are charged to the customer's account when the transaction takes place. Loan servicing fees are charged once when the transaction takes place.	Revenue from deposit related services are recognized overtime as the services are provided. Revenue from credit related services are recognized at a point in time when the transaction takes place.

(iii) Service fees and charges include fees on customer requests such as issuance of letter of indebtedness, charges on issuance of drafts, seals, stamps, reference letters and signature confirmation letters. These are recognized at the point in time when the transaction takes place.

11 Other income

<i>In thousands of naira</i>	30-Sept-2025	30-Sept-2024	Budgeted '30-Sept-2025	Audited 31-Dec-2024
Profit on disposal of property and equipment	2,238	8,843	8,109	9,010
Dividend income	491	-	-	245.00
	<u>2,729</u>	<u>8,843</u>	<u>8,109</u>	<u>9,255</u>

12 Impairment loss/(write-back) on financial instruments

<i>In thousands of naira</i>	30-Sept-2025	30-Sept-2024	Budgeted '30-Sept-2025	Audited 31-Dec-2024
Impairment loss on loans and advances to customers (see note 18(c))	-	-	75,000.00	(54,089)
Impairment loss/(write-back) on investment securities at amortised cost (	-	-	-	16,390
Impairment loss on other assets (see note 20(e))	-	-	-	-
Impairment loss on cash and cash equivalent (see note 16(b))	-	-	-	13,404
Impairment loss on pledged assets (see note 17(b))	-	-	-	87,593
	<u>-</u>	<u>-</u>	<u>75,000</u>	<u>63,298</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2025

13 Personnel expenses

<i>In thousands of naira</i>	30-Sept-2025	30-Sept-2024	Budgeted '30-Sept-2025	Audited 31-Dec-2024
Wages and salaries	3,528,699	2,457,242	3,684,226	4,421,225
Post-employment benefits:				
Defined contribution plan - pension cost	142,454	100,940	151,344	145,357
NSITF	20,948	-	21,813	-
Gratuity	172,724	-	-	-
	<u>3,864,826</u>	<u>2,558,182</u>	<u>3,857,382</u>	<u>4,566,582</u>

(b) Director's emolument

The remuneration paid to the executive and non-executive Directors of the Bank (excluding pension and certain allowances) was:

<i>In thousands of naira</i>	30-Sept-2025	30-Sept-2024	Audited 31-Dec-2024
Directors' fees	37,500	37,500	50,000
Sitting allowances	70,150	77,050	99,300
Other Directors' expenses	512,773	449,255	415,285
Total non-executive Directors' remuneration (see note 14(a))	<u>620,423</u>	<u>563,805</u>	<u>564,585</u>
Executive compensation (see note 28(b)(i))	<u>9,631</u>	<u>86,682</u>	<u>58,534</u>
	<u>630,054</u>	<u>650,487</u>	<u>623,119</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2025

14 Other operating expenses

<i>In thousands of naira</i>	30-Sept-2025	30-Sept-2024	Budgeted '30-Sept-2025	Audited 31-Dec-2024
Repairs and maintenance cost	653,193	398,201	460,902	534,415
Vehicle and generator running cost	270,749	281,216	347,828	379,277
Office expenses	226,768	213,005	283,362	297,146
Computer expenses	998,911	728,416	1,005,682	884,637
Travel expenses	89,760	139,412	169,159	190,394
AGM expenses	25,365	17,584	64,848	50,977
Year-end expenses	382,779	257,234	322,257	353,468
Directors' remuneration	620,423	568,738	551,846	564,585
Bank charges	31,357	20,665	28,928	32,086
Marketing/publicity expenses	384,885	265,369	341,249	374,772
Professional fees	144,350	128,255	138,100	68,879
Subscription fees	8,641	9,935	12,042	13,270
Charges and levies	106,752	90,922	110,815	136,885
Insurance cost	83,784	62,238	83,726	83,177
NDIC premium	105,364	72,637	65,538	72,637
Electricity expenses	70,279	44,713	80,874	62,084
Recruitment expenses	3,119	58,507	45,595	58,507
Legal expenses	9,033	3,762	30,074	20,699
SMS alerts	36,388	40,434	53,964	60,859
Rent and rates	2,009.00	-	-	(1.00)
Audit fees (<i>see note (i) below</i>)	29,903	33,743	41,118	48,375
Corporate social responsibility	450	-	9,291	1,000.00
Donations	6,845	4,995	8,309	8,615
Loan recovery expenses	3,488	4	3,907	24
Fines/penalty	0	3,515	-	8,893
Stamp duties	60	106	115	126
Bad debts written off	-	-	-	983
Share listing expenses	1,028	5,561	33,419	5,561
Fraud, forgery and theft	470	20	145	160
Tax Expense	2,300.00	-	-	-
	4,298,453	3,449,187	4,293,091	4,312,490

(i) The auditors of the Bank did not offer any other services apart from the statutory audit related activities during the period.

15 Income taxes

<i>In thousands of naira</i>	30-Sept-2025	30-Sept-2024	Audited 31-Dec-2024
(a) Amounts recognized in profit or loss			
<i>Current tax expense</i>			
Company income tax	1,090,980	481,005	727,456
Education tax	115,842	-	91,040
National Information Technology Development Agency (NITDA) levy	40,293	-	24,375
Nigeria Police Trust Fund (NPTF) levy	201	-	122
National Agency for Science and Engineering Infrastructure (NASENI) levy	10,074	-	6,094
	1,257,390	481,005	849,087
<i>Deferred tax expense</i>			
Origination and reversal of temporary differences (see note (c))	-	-	14,175
<i>Tax expense</i>	1,257,390	481,005	863,262
(b) Movement in current tax liabilities			
Balance at 1 January	858,343	676,470	676,470
Income tax expense (see note (a) above)	1,257,390	481,005	849,087
Tax paid	(858,342)	-	(667,214)
Balance at 30 Sept	1,257,391	1,157,474	858,343

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(c) Movement in deferred tax balances

30 Sept 2025

	Balance at 1 January	Recognized in profit or loss (see (a))	Recognized in OCI	Balance at 30 August
<i>In thousands of naira</i>				
Property and equipment	308,932	-	-	308,932
Impairment allowance	(288,507)	-	-	(288,507)
Others	46,213	-	-	46,213
Deferred tax liabilities	66,638	-	-	66,638

31 December 2024

	Balance at 1 January	Recognized in profit or loss (see (a))	Recognized in OCI	Balance at 31 December
<i>In thousands of naira</i>				
Property and equipment	235,908	73,024	-	308,932
Impairment allowance	(229,658)	(58,849)	-	(288,507)
Others	46,213	-	-	46,213
Deferred tax liabilities	52,463	14,175	-	66,638

Deferred tax liabilities

The Bank's deferred tax liabilities are attributable to the following:

	30-Sept-2025		31-Dec-2024	
<i>In thousands of naira</i>	Gross amount	Tax effect	Gross amount	Tax effect
Property and equipment	1,358,161	308,932	1,606,107	308,932
Impairment allowance	(223,727)	(288,507)	(223,727)	(288,507)
Others	32,707	46,213	42,501	46,213
	1,167,141	66,638	1,424,881	66,638

(d) Reconciliation of effective tax rate

In thousands of naira

	30-Sept-2025		31-Dec-2024	
	%	4,029,339	%	2,437,499
Profit before tax	31	1,090,980	30	731,250
Tax using the Bank's domestic tax rate	0	-	0	10,381
Non-deductible expenses	0	-	0	-
Tax-exempt items	3	115,842	4	91,040
Tertiary Education Tax	1	40,293	1	24,375
NITDA Levy	0	201	0	122
Nigeria Police Trust Fund (NPTF) levy	0	10,074	0	6,094
NASENI Levy	35	1,257,390	35	863,262

16 Cash and cash equivalents

	30-Sept-2025	30-Sept-2024	Audited 31-Dec-2024
<i>In thousands of naira</i>			
(a) Cash and cash equivalent comprise:			
Cash on hand:			
Cash on hand	198,527	147,156	112,183
Held-to-maturity Treasury Bills:			
Treasury Bills	60,607	26,347	60,607
	259,134	173,503	172,790
Deposits with banks:			
Current account balances with other banks	4,213,336	6,449,001	19,781,210
Money market placements	3,381,801	11,710,050	13,960,742
	7,854,271	18,332,554	33,914,742
Cash and cash equivalents for cash flow purposes:			
Impairment allowance (see note (b))	(76,881)	63,477	(76,881)
Cash and cash equivalents	7,777,390	18,269,077	33,837,861

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(b) Movement in impairment allowance:

Balance at 1 January	76,881	63,477	63,477
Impairment loss (see note 12)	-	-	13,404
	<u>76,881</u>	<u>63,477</u>	<u>76,881</u>

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, other short-term highly liquid investments with original maturities less than three months. The current balances with other banks also includes ATM working capital accounts and the suspense accounts used to manage settlement of ATM transactions with Sterling Bank to be refunded to the Head office by branches. For financial reporting purposes, the balances in the ATM related accounts were combined in order to have a net position.

17 Pledged assets

Pledged assets, initially recognised at fair value and subsequently measured at amortised cost, represent placements and Treasury Bills with banks that serve as collateral for the Bank's borrowings, use of NIBSS platform and ATM transactions as analysed below:

<i>In thousands of naira</i>			30-Sept-2025	30-Sept-2024	Audited 31-Dec-2024
Underlying transaction	Counterparty	Asset description			
DBN concessionary loan	Development Bank of Nigeri	Treasury Bills	807,807	527,492	696,600
NIBSS Platform	First Bank of Nigeria Plc	Fixed placement	-	1,225,203	0
NIBSS Platform	Zenith Bank Plc	Fixed placement	1,247,235	1,048,594	1,124,618
NIBSS Platform	Zenith Bank Plc	Fixed placement	0	20,000	1,002,319
ATM Transactions	Sterling Bank Plc	Call placement	20,000		20,000
NIBSS Platform	First Bank of Nigeria Plc	Fixed placement	-	-	-
			<u>2,075,042</u>	<u>2,821,289</u>	<u>2,843,537</u>
Impairment allowance (see note (b) below)			<u>(108,077)</u>	<u>(20,484)</u>	<u>(108,077)</u>
			<u>1,966,965</u>	<u>2,800,805</u>	<u>2,735,460</u>
Current			1,966,965	2,800,805	2,735,460
Non-current			-	-	-
			<u>1,966,965</u>	<u>2,800,805</u>	<u>2,735,460</u>

(b) Movement in impairment allowance:

Balance at 1 January	108,077	20,484	20,484
Impairment loss (see note 12)	-	-	87,593
	<u>108,077</u>	<u>20,484</u>	<u>108,077</u>

18 Loans and advances to customers

<i>In thousands of naira</i>			30-Sept-2025	30-Sept-2024	Audited 31-Dec-2024
(a) Loans and advances to customers comprise:					
Loan and advances to customers at amortised cost			40,186,440	22,858,140	25,528,160
			<u>40,186,440</u>	<u>22,858,140</u>	<u>25,528,160</u>
Current			33,864,912	19,262,440	21,525,046
Non-current			6,321,528	3,595,700	4,003,114
			<u>40,186,440</u>	<u>22,858,140</u>	<u>25,528,160</u>

(b) Loans and advances to customers at amortised cost:

<i>In thousands of naira</i>	30 September 2025			31 December 2024		
	Amount	Allowance	Amount	Amount	ECL Allowance	Amount
Term loans	36,515,810	(1,153,303)	35,362,507	25,917,528	(253,862)	25,663,666
Overdrafts	4,823,479	454	4,823,933	1,002,743	(1,138,249)	(135,506)
	<u>41,339,289</u>	<u>(1,152,849)</u>	<u>40,186,440</u>	<u>26,920,271</u>	<u>(1,392,111)</u>	<u>25,528,160</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2025

(c) Movement in allowances for impairment

	30 Sept 2025				31 December 2024			
<i>In thousands of naira</i>	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance at the beginning of the year	731,412	4,175	656,524	1,392,111	568,931	17,467	859,802	1,446,200
Additional allowance during the year (see note 12)	-	-	-	-	162,481	(13,292)	(203,278)	(54,089)
Writeback/(writeoffs) during the year	(239,262)	-	-	(239,262)	-	-	-	-
Balance at the end of the year	492,150	4,175	656,524	1,152,849	731,412	4,175	656,524	1,392,111

19 Investment securities

Investment securities comprise:

(a) Investment securities measured at FVTOCI:

	30-Sept-2025	30-Sept-2024	Audited 31-Dec-2024
<i>Equity securities:</i>			
Listed equities	51,056	1,056	1,056
Unlisted equities	-	-	-
	51,056	1,056	1,056

The Bank has designated these equity investment securities at FVTOCI. They are held to be disposed off in the nearest future. The balance in unlisted equity investments have been fully impaired during the year ended 31 December 2024 (31 December 2023: Impaired), and there were no transfers to profit or loss account of any cumulative gain or loss within equity relating to these investments (31 December 2023: nil). The change in fair value on these investments were as follows:

	30-Sept-2025	30-Sept-2024	31-Dec-2024
Balance at beginning of the year			
Listed equities	1,056	1,056	1,056
Unlisted equities	-	0	0
	1,056	1,056	1,056
Balance at end of the year			
Listed equities	51,056	1,056	1,056
Unlisted equities	-	0	-
	51,056	1,056	1,056
Fair value gain/(loss)	-	-	-
Loss on derecognition of equity investments	-	-	-

(b) Investment securities at amortised cost

Treasury bills	2,895,037	1,824,824	3,383,007
ECL impairment	(16,470)	(80)	(16,470)
	2,878,567	1,824,744	3,366,537
Government Bond	535,168	500,000	517,110
Total investment securities	3,464,791	2,325,800	3,884,703
Total investment securities for cashflow purpose	2,946,093	1,825,880	3,384,063
Current	3,464,791	2,325,800	3,884,703
Non-current	-	-	-
	3,464,791	2,325,800	3,884,703

(c) Movement in impairment allowance

Balance at the beginning of the year	16,470	80	80
Impairment loss/(writeback) during the year (see note 12)	-	-	16,390
Balance at the end of the period	16,470	80	16,470

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2025

20 Other assets

<i>In thousands of naira</i>	30-Sept-2025	30-Sept-2024	Audited 31-Dec-2024
<i>Other financial assets:</i>			
Other receivables (see note (c) below)	344,079	952,229	772,279
Impairment allowance (see note (d) below)	-	(92,707)	(92,707)
	<u>344,079</u>	<u>859,522</u>	<u>679,572</u>
<i>Non financial assets:</i>			
Prepayments (see note (a) below)	205,020	390,521	72,120
Inventories (see note (b) below)	770,291	211,088	118,867
	<u>975,312</u>	<u>601,609</u>	<u>190,987</u>
	<u>1,319,390</u>	<u>1,461,131</u>	<u>870,559</u>
Current	1,319,390	1,246,829	870,559
Non-current	0	214,302	0
	<u>1,319,390</u>	<u>1,461,131</u>	<u>870,559</u>

(a) Prepayments comprise the following:

	30-Sept-2025	30-Sept-2024	31-Dec-2024
Prepaid insurance	29,736	25,128	42,825
Prepaid staff benefits	-	214,302	-1
Other prepaid expense (see note (i) below)	175,285	151,091	29,295
	<u>205,020</u>	<u>390,521</u>	<u>72,120</u>

(i) *Other prepaid expense comprise:*

Prepayment of computer maintenance cost	60,707	49,674	22,629
Prepayment of SMS and USSD cost	114,578	101,417	6,666
	<u>175,285</u>	<u>151,091</u>	<u>29,295</u>

(b) Inventories comprise stock of debit cards, stock of credit cards, stock of cheques, books/journals/CDs, stock of office stationeries, stock of micr cheques and non micr cheques, assets under construction, deferred share issue cost.

<i>In thousands of naira</i>	30-Sept-2025	30-Sept-2024	31-Dec-2024
Stock (see note (i) below)	141,654	134,404	129,724
Assets under construction	628,637	76,684	-10,857
Deferred share issue cost	-	-	-
	<u>770,291</u>	<u>211,088</u>	<u>118,867</u>

(i) *The amount in stock comprise:*

	30-Sept-2025	30-Sept-2024	31-Dec-2024
Stock of cheques	0	413	396
Stock of office stationeries	24,287	17,326	15,401
Stock of micr cheques	26,104	26,115	26,108
Stock of non-micr cheques	30,184	36,887	35,466
Stock of ATM cards	19,797	9,407	4,787
Stock of credit cards	33,771	35,676	35,081
Stock of adhesive stamps	7,510	8,580	12,485
	<u>141,654</u>	<u>134,404</u>	<u>129,724</u>

(c) Other receivables includes staff cash advances and sundry debtors.

(d) Movement in impairment allowances:

<i>In thousands of naira</i>	30-Sept-2025	30-Sept-2024	31-Dec-2024
Balance at the beginning of the year	92,707	92,707	92,707
Impairment loss during the year	-	-	-
Balance at the end of the year	<u>92,707</u>	<u>92,707</u>	<u>92,707</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2025

21 Property and Equipment

In thousands of naira

	Buildings	Freehold Land	Right-of-Use Asset	Furniture and Fittings	Motor Vehicles	Computer Equipment	Office Equipment	Total
Cost:								
Balance as at 1 January 2024	510,775	52,118	395,322	247,415	821,613	726,845	461,004	3,215,091
Additions during the year	-	-	29,305	30,977	370,746	165,056	102,184	698,268
Disposals	-	-	(12,691)	(1,173)	(89,124)	(6,976)	(27,524)	(137,487)
Write-off	-	-	-	(727)	-	(670)	-	(1,397)
Balance at 31 December 2024	510,775	52,118	411,936	276,493	1,103,235	884,255	535,664	3,774,475
Balance as at 1 January 2025	510,775	52,118	411,936	276,493	1,103,235	884,255	535,664	3,774,476
Additions during the year	4,200	-	1,523	19,457	-	35,307	48,672	110,484
Disposals	-	-	-	(52)	(32,025)	(5,297)	-	(37,374)
Write-off	-	-	-	-	-	-	-	-
Balance at 30 Sept 2025	514,975	52,118	413,459	295,898	1,071,210	914,265	584,336	3,847,586
Accumulated Depreciation:								
Balance as at 1 January 2024	82,110	-	204,225	135,460	527,147	450,695	284,192	1,683,828
Charge for the year	10,355	-	63,644	36,221	136,781	149,752	69,912	466,665
Disposals	-	-	(19,693)	(1,173)	(89,124)	(6,976)	(27,524)	(144,489)
Write-off	-	-	-	(727)	-	(670)	-	(1,397)
Balance at 31 December 2024	92,465	-	248,176	169,781	574,804	592,802	326,580	2,004,608
Balance as at 1 January 2025	92,465	-	248,176	169,781	574,804	592,802	326,580	2,004,608
Charge for the year	7,727	-	42,644	26,616	141,212	125,398	53,115	396,795
Disposals	-	-	-	(52)	(32,025)	(5,297)	-	(37,374)
Write-off	-	-	-	-	-	-	-	-
Balance at 30 Sept 2025	100,192	-	290,820	196,345	683,991	712,903	379,695	2,364,029
Carrying amount as at 1 January 2024	428,665	52,118	191,097	111,955	294,466	276,150	176,812	1,531,263
Carrying amount: 31 December 2024	418,310	52,118	163,760	106,711	528,432	291,454	209,083	1,769,867
Carrying amount: 30 Sept 2025	414,783	52,118	122,639	99,552	387,219	201,362	204,641	1,480,800

- There was no impairment loss on all classes property and equipment during the year (31 December 2024: Nil).
- There were no property and equipment pledged as securities for liabilities (31 December 2024: Nil).
- There were no contractual commitments for the acquisition of property and equipment (31 December 2024: Nil).

On 1 January 2019, following the adoption of IFRS 16, the Bank recognises right-of-use assets for leases of branch premises and has presented right-of-use assets within 'property and equipment' – i.e. the same line item in which it presents underlying assets of the same nature that it owns.

22 Intangible asset

In thousands of naira

	30-Sept-2025	30-Sept-2024	Audited 31-Dec-2024
Computer software			
Cost:			
Balance at beginning of the year	96,062	96,062	96,062
Addition during the year	-	-	-
Balance at end of the year	96,062	96,062	96,062
Accumulated Amortisation:			
Balance at start of the year	95,059	94,015	94,015
Charge for the year	392	3,568	1,044
Balance at end of the year	95,452	97,583	95,059
Carrying amount at end of the year	610	(1,521)	1,003

- All intangible assets are non current. Intangible assets of the Bank have finite useful life and are amortised over 3 years.
- The Bank does not have internally generated intangible assets.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2025

23 Deposits from customers

<i>In thousands of naira</i>	30-Sept-2025	30-Sept-2024	Audited 31-Dec-2024
Current deposits	19,213,518	14,351,766	27,119,227
Savings deposits	8,673,130	6,753,931	6,917,061
Term deposits	8,440,776	6,878,930	5,575,006
Sundry deposits	373,410	404,338	2,447,961
	36,700,834	28,388,965	42,059,255

24 Borrowings

<i>In thousands of naira</i>	30-Sept-2025	30-Sept-2024	Audited 31-Dec-2024
(a) Borrowings comprise:			
BOI concessionary loan	-	-	-
CBN concessionary	-	-	-
DBN concessionary loan (see note (i) below)	0	730,386	572,483
CBN housing microfinance loan	-	-	-
	0	730,386	572,483

- (i) The Bank obtained the following Development Bank of Nigeria (DBN) loans for on-lending to micro, small and medium enterprises to grow their businesses.

Date facility was obtained	Amount (₦'million)	Outstanding Amount (₦'million) 30- Sept-2025	Outstanding Amount (₦'million) 31-Dec-2024	Rate (%)	Tenor
19 September 2023	1,000	0	385	18.50	2 years
	1,500	0	572		

The Bank has not had any defaults of principal or interest or other breaches with respect to the loan facilities as at 30 Sept 2025.

- (b) The movement in borrowings during the YEAR was as follows:

<i>In thousands of naira</i>	30-Sept-2025	30-Sept-2024	31-Dec-2024
Balance, beginning of the year	572,483	2,252,569	2,065,020
Additions during the year	-	-	-
Interest accrued during the year (see note 9)	41,881	-	259,960
Interest paid during the year	(34,864)	(300,000)	(252,496)
Principal repayment during the year	(579,500)	(1,222,183)	(1,500,000)
Balance at period end	0	730,386	572,483
Total repayment of borrowings (for cashflow)	(614,364)	(1,522,183)	(1,752,496)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2025

25 Other liabilities

<i>In thousands of naira</i>	30-Sept-2025	30-Sept-2024	Audited 31-Dec-2024
<i>Financial liabilities:</i>			
Accounts payable	8,179	6,139	5,845
Productivity bonus (see note (a))	12,081	31,873	902,116
Sundry creditors (see note (b))	209,365	263,739	241,844
Accruals	527,887	331,880	341,721
Settlement accounts (see note (c))	1,059,365	-124,900	10,980,290
Other payables	2,359,958	1,396,596	534,342
Unearned income	783.00	0	783
Deposit for shares	-	388	388
	<u>4,177,618</u>	<u>1,905,715</u>	<u>13,007,329</u>
Lease liability (see note (d))	90,542	97,251	122,262
<i>Non-financial liabilities:</i>			
Withholding tax payable	130,317	63,390	78,532
VAT payable	20,526	4,549,235	17,489
	<u>4,419,003</u>	<u>6,615,591</u>	<u>13,225,612</u>
Current	4,328,461	6,518,340	13,103,350
Non-current	90,542	97,251	122,262
	<u>4,419,003</u>	<u>6,615,591</u>	<u>13,225,612</u>

- (a) This amounts represents accrual made at the end of the year for payment of productivity bonus to employees of the Bank. It is linked to the performance of the Bank.
- (b) This amount represents provision for leave allowance to staff and profit sharing unpaid as at year end.
- (c) These amounts comprise the transactions of the Bank's customers performed through the various e-channels but were yet to be settled as at year end.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 SEPTEMBER 2025

26 Share capital

	30-Sept-2025	31-Dec-2024
Authorised:		
6,000,000,000 units of ordinary shares of 50 kobo each	3,000,000	3,000,000
Issued and fully paid:		
5,992,954,557 units of ordinary shares of 50 kobo each	2,996,477	2,996,477
The movement in share capital is as shown below:		
Balance at the beginning of the year	2,996,477	2,996,477
Recapitalisation during the year	-	-
Balance	2,996,477	2,996,477

27 Share premium and reserves

The nature and purpose of the share premium and reserve accounts in equity are as follows:

(a) Share premium

The share premium warehouses the excess paid by shareholders over the nominal value for their shares. Premiums from the issue of shares are reported in share premium.

The movement in share premium during the year was as follows:

<i>In thousands of naira</i>	30-Sept-2025	31-Dec-2024
Balance, beginning of the year	4,166,786	4,166,786
Addition to share premium during the year	-	-
Balance at year end	4,166,786	4,166,786

(b) Retained earnings

Retained earnings comprise the undistributed profits from previous years, which have not been reclassified to the other reserves noted below.

(c) Fair value reserve

Fair value reserve comprise the cumulative net change in the fair value of equity securities designated at fair value through other comprehensive income.

(d) Statutory reserve

The Nigerian banking regulations require the Bank to make an annual appropriation to a statutory reserve. As stipulated by S.8.1.7 of the Amended Regulatory and Supervisory Guidelines for Microfinance Banks issued by the Central Bank of Nigeria (CBN), an appropriation of 50% of profit after tax is made if the statutory reserve is less than 50% of its paid-up share capital, 25% of profit after tax if the statutory reserve is greater than 50% but less than 100% of its paid-up share capital and 12.5% of profit after tax if the statutory reserve is greater than the paid up share capital.

In line with the CBN requirement, the Bank transferred 25% of its profit after tax to statutory reserves as at year-end .

<i>In thousands of naira</i>	30-Sept-2025	31-Dec-2024
Balance, beginning of the year	2,382,330	1,988,772
Transfer to statutory reserve during the year	-	393,558
Balance at year end	2,382,330	2,382,330

(e) Regulatory risk reserve

The regulatory risk reserve warehouses the excess of the impairment allowance on loans and advances computed based on the Central Bank of Nigeria prudential guidelines over that computed based on the expected credit loss (ECL) model under IFRS. For better presentation, the regulatory risk reserve was reclassified from retained earnings on the statement of changes in equity (see note 6(c)(ii)).