



NPF MICROFINANCE BANK PLC

RC. 220824

**UNAUDITED 1ST QUARTER FINANCIAL STATEMENT
31 MARCH 2026**

**STATEMENT OF FINANCIAL POSITION
AS AT 31ST MARCH 2026**

<i>In thousands of naira</i>	Note	31-Mar-2026	31-Mar-2025
ASSETS			
Cash and cash equivalents	16	23,015,429	29,462,690
Investment securities	19	3,425,911	3,583,663
Loans and advances to customers	18	41,963,010	29,275,170
Pledged assets	17	2,097,144	2,841,648
Other assets	20	1,618,354	950,236
Property and equipment	21	1,934,372	1,639,231
Intangible asset	22	205,212	872
Deferred tax asset		-	-
TOTAL ASSETS		74,259,432	67,753,510
LIABILITIES			
Deposits from customers	23	49,891,638	44,986,055
Current tax liabilities	15(b)	572,536	1,403,876
Other liabilities	25	4,289,725	9,028,504
Borrowings	24	2,709,395	382,991
Deferred tax liabilities	15(c)	66,637	66,638
TOTAL LIABILITIES		57,529,931	55,868,063
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)	7,197,189	2,353,000
Fair value reserve	27(c)	(13,282)	(13,147)
Statutory reserve	27(d)	2,382,331	2,382,331
Regulatory risk reserve	27(e)	-	-
TOTAL EQUITY		16,729,501	11,885,447
TOTAL LIABILITIES AND EQUITY		74,259,432	67,753,510



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 31ST MARCH 2026

<i>In thousands of naira</i>	Note	31-Mar-2026	31-Mar-2025
Gross earnings		5,494,925	4,504,766
Interest income	8	4,973,011	3,933,010
Interest expense	9	(696,943)	(297,343)
Net interest income		4,276,068	3,635,667
Fee and commission income*	10	511,256	571,512
Revenue		4,787,324	4,207,179
Other income*	11	10,658	244
Net impairment loss on financial instruments	12	-	-
Personnel expenses	13	(1,319,286)	(1,170,289)
Other operating expenses*	14	(1,692,443)	(1,384,131)
Depreciation of property and equipment	21	(167,423)	(132,201)
Amortisation of intangible assets	22	(23,593)	(131)
Profit before tax		1,595,237	1,520,671
Income tax expense	15(a)	(572,536)	(545,536)
Profit for the period		1,022,701	975,135
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		1,022,701	975,135
Basic and diluted earnings per share (kobo)	32	17	16

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

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31ST MARCH 2026

	Share Capital	Share Premium	Retained Earnings	Fair Value Reserve	Statutory Reserve	Risk Reserve	Total
Balance at 1 January 2026	2,996,477	4,166,786	5,459,321	(13,147)	2,382,331	-	14,991,768
Total comprehensive income							
Profit for the year	-	-	1,022,701	-	-	-	1,022,701
Proposed Audit adjustments			715,167				715,167
Other comprehensive loss							
Fair value reserve (FVOCI equity instruments):							
Equity investments at FVOCI - net change in fair value	-	-	-	(135)	-	-	(135)
Loss on derecognition of equity investments	-	-	-	-	-	-	-
Total other comprehensive loss	-	-	-	(135)	-	-	(135)
Total comprehensive income	-	-	1,022,701	(135)	-	-	1,022,566
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)	-	-	-	-	-	-	-
Increase in share capital	-	-	-	-	-	-	-
Total contributions and distributions	-	-	-	-	-	-	-
Balance at 31ST March 2026	2,996,477	4,166,786	7,197,189	(13,282)	2,382,331	-	16,729,501

FOR THE YEAR ENDED 31 DECEMBER 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 period	-	-	4,029,589	-	-	-	4,029,589
Audit adjustments	-	-	15,840	-	-	-	15,840
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	-	-	4,029,589	-	-	-	4,029,589
Transfer to statutory reserve (see note 27(d))	-	-	-	-	-	-	-
Transfer to 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 31 December 2025	2,996,477	4,166,786	5,459,321	(13,147)	2,382,331	-	14,991,768

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

STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31ST MARCH 2026

<i>In thousands of naira</i>	Note	31-Mar-2026	31-Mar-2025
Cash flows from operating activities			
Profit before tax		1,595,237	1,520,671
<i>Adjustments for:</i>			
Depreciation of property and equipment	21	167,423	132,201
Amortization of intangible assets	22	23,593	131
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	(4,973,011)	(3,933,010)
Interest on lease liability	25(d)(i)	-	(9,142)
Interest expense	9	696,943	297,343
Profit on sale of property and equipment	11	(571)	(244)
Loss on disposal of treasury bills	11	-	-
Dividends income	11	-	-
Gain on derecognition of lease liability	11	-	-
		(2,490,386)	(1,992,050)
<i>Changes in:</i>			
	34(b)		
- pledged assets	34(c)	(58,073)	(101,047)
- loans and advances to customers	34(d)	(1,789,240)	(3,205,930)
- other assets	34(e)	(1,475,492)	(1,170,567)
- deposits from customers	34(f)	6,929,580	2,911,230
- other liabilities		(981,068)	(4,176,760)
		135,323	(7,735,124)
	34(h)		
Interest received	34(i)	3,909,650	3,942,346
Interest paid*	15(b)	(975,303)	(302,936)
Tax paid	25	-	(3)
VAT paid		(21,739)	(9,224)
Net cash generated/ (used in) from operating activities		3,047,931	(4,104,941)
Cash flows from investing activities			
Acquisition of property and equipment	34(a)(ii)	(111,886)	(3,526)
Acquisition of intangible assets	22	-	-
Dividends received	11	-	1,960
Proceeds from disposal of property and equipment	34(a)(i)	9,596	2,204
Purchase of Treasury Bill investments	34(g)	-	-
Purchase of Listed instrument at FVOCI	34(g)	-	-
Proceeds from disposal of treasury bill investments	34(g)	-	-
Redemption of Treasury Bill investments	34(g)	-	-
Net cash flows used in investing activities		(102,290)	638
Cash flows from financing activities			
	24(b)		
Repayment of principal on borrowings	24(b)	(375,000)	(204,500)
Repayment of interest on borrowings	25(d)(i)	(177,699)	-
Payment of principal on lease liability	24(b)	(4,850)	(66,370)
Additions to borrowings	33	-	-
Net cash (used in)/ generated from financing activities		(557,549)	(270,870)
Net increase in cash and cash equivalents		3,270,391	(4,375,173)
Cash and cash equivalents as at 1 January		19,875,416	33,837,861
Cash and cash equivalents as at end of Period	16	23,145,807	29,462,688

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST MARCH 2026

8 Interest income

<i>In thousands of naira</i>	31-Mar-2026	31-Mar-2025	Budgeted '31-Mar-2026
Loans and advances	4,481,319	3,017,217	4,760,088
Government Securities	18,771	-	15,728
Treasury bills	109,726	172,517	197,623
Call accounts	277,616	743,276	646,765
Pledged assets	65,786	-	25,188
Money market placement	19,795	-	24,487
Total interest income calculated using the effective interest method	4,973,011	3,933,010	5,669,878

9 Interest expense

<i>In thousands of naira</i>	31-Mar-2026	31-Mar-2025	Budgeted '31-Mar-2026
Term deposits	521,554	234,398	498,910
Current deposits	3,833	20,624	41,737
Savings deposits	689	16,103	85,256
Borrowings (see note 24(b))	163,316	23,833	25,349
Lease liabilities (see note 25(c))	7,551	2,385	12,483
Total interest expense	696,943	297,343	663,736

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

10 Fees and commission income*

<i>In thousands of naira</i>	31-Mar-2026	31-Mar-2025	Budgeted '31-Mar-2026
Credit-related fees and commission	322,761	348,465	332,098
Deposit-related fees and commission	188,495	223,047	233,887
	511,256	571,512	565,986

(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.

<i>In thousands of naira</i>	31-Mar-2026	31-Mar-2025	Budgeted '31-Mar-2026
Loan management fee	119,902	94,557	130,898
Loan commitment fee	0	150,656	0
Loan Insurance fee	187,143	89,277	182,517
Credit bureau/search fee	15,716	13,975	18,683
	322,761	348,465	332,098
Admin and management fee	91,398	123,924	117,587
Account maintenance fee	55,714	67,722	46,770
Service fees and charges (see (iii) below)***	41,383	31,401	69,530
	188,495	223,047	233,887
	511,256	571,512	565,986

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 31ST MARCH 2026

(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
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.

(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>	31-Mar-2026	31-Mar-2025	Budgeted '31-Mar-2026
Profit on disposal of property and equipment	571	244	987
Profit on disposal of shares	10,087	-	-
Dividend income	-	-	221
	10,658	244	1,207

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

<i>In thousands of naira</i>	31-Mar-2026	31-Mar-2025	Budgeted '31-Mar-2026
Impairment loss on loans and advances to customers (see note 18(c))	-	-	251,430
Impairment loss/(write-back) on investment securities at amortised cost	-	-	-
Impairment loss on other assets (see note 20(e))	-	-	-
Impairment loss on cash and cash equivalent (see note 16(b))	-	-	-
Impairment loss on pledged assets (see note 17(b))	-	-	-
	-	-	251,430

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE PERIOD ENDED 31ST MARCH 2026

13 Personnel expenses

<i>In thousands of naira</i>	31-Mar-2026	31-Mar-2025	Budgeted '31-Mar-2026
Wages and salaries	1,269,153	1,101,359	1,474,847
Post-employment benefits:			
Defined contribution plan - pension cost	50,133	47,040	60,885
NSITF	0	-	8,592
Gratuity	0	21,890	-
	<u>1,319,286</u>	<u>1,170,289</u>	<u>1,544,323</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST MARCH 2026

14 Other operating expenses

<i>In thousands of naira</i>	31-Mar-2026	31-Mar-2025	Budgeted '31-Mar-2026	Unaudited 31-Dec-2025
Repairs and maintenance cost	287,402	213,010	258,606	907,747
Vehicle and generator running cost	84,336	85,112	114,138	362,470
Office expenses	84,671	73,501	107,770	324,212
Computer expenses	385,949	329,543	375,581	1,346,737
Travel expenses	34,086	17,558	43,721	141,507
AGM expenses	28,821	21,616	28,821	25,365
Year-end expenses	176,624	107,227	164,182	307,079
Directors' remuneration	212,152	232,507	263,672	548,262
Bank charges	9,926	9,591	13,939	44,620
Marketing/publicity expenses	114,072	129,999	192,574	515,297
Professional fees	74,781	57,655	74,781	133,698
Subscription fees	7,113	8,227	7,780	10,487
Charges and levies	24,413	27,742	47,618	166,078
Insurance cost	28,842	26,986	36,344	118,503
NDIC premium	65,410	0	79,790	210,729
Electricity expenses	21,591	26,744	30,416	91,814
Recruitment expenses	66	2,382	1,217	3,119
Legal expenses	1,782	3,384	3,644	35,577
SMS alerts	17,000	0	16,921	55,829
Rent and rates	335	-	-	37,622
Audit fees (see note (i) below)	12,885	9,406	12,885	40,767
Corporate social responsibility	9,100	-	6,426	2,580.00
Donations	10,040	1,486	3,054	4,610
Loan recovery expenses	99	440	1,413	3,703
Fines/penalty	0	0	-	0
Stamp duties	25	10	24	60
Bad debts written off	-	-	-	0
Share listing expenses	432	5	10,507	2,800
Fraud, forgery and theft expenses	490	-	203	520
Tax Expense	-	-	897	2,300
	<u>1,692,443</u>	<u>1,384,131</u>	<u>1,896,918</u>	<u>5,444,092</u>

(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>	31-Mar-2026	31-Mar-2025	Unaudited 31-Dec-2025
(a) Amounts recognized in profit or loss			
Current tax expense			
Company income tax	502,209	545,536	727,456
Development Levy	70,327	-	91,040
National Information Technology Development Agency (NITDA) levy	-	-	24,375
Nigeria Police Trust Fund (NPTF) levy	-	-	122
National Agency for Science and Engineering Infrastructure (NASENI) levy	-	-	6,094
	<u>572,536</u>	<u>545,536</u>	<u>849,087</u>
Deferred tax expense			
Origination and reversal of temporary differences (see note (c))	-	-	-
	<u>572,536</u>	<u>545,536</u>	<u>849,087</u>
(b) Movement in current tax liabilities			
Balance at 1 January	1,665,170	858,343	858,343
Income tax expense (see note (a) above)	572,536	545,536	1,665,170
Tax paid	(1,665,170)	(3)	(858,344)
Balance at 31 Mar	<u>572,536</u>	<u>1,403,876</u>	<u>1,665,170</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST MARCH 2026

(c) Movement in deferred tax balances

31 March 2026

<i>In thousands of naira</i>	Balance at 1 January	Recognized in profit or loss (see (a))	Recognized in OCI	Balance at 28 Feb
Property and equipment	308,932	-	-	308,932
Impairment allowance	(288,507)	-	-	(288,507)
Others	46,213	-	-	46,213
Deferred tax liabilities	66,637	-	-	66,637

31 December 2025

<i>In thousands of naira</i>	Balance at 1 January	Recognized in profit or loss (see (a))	Recognized in OCI	Balance at 31 December
Property and equipment	308,932	-	-	308,932
Impairment allowance	(288,507)	-	-	(288,507)
Others	46,213	-	-	46,213
Deferred tax liabilities	66,637	-	-	66,637

Deferred tax liabilities

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

In thousands of naira

Property and equipment
Impairment allowance
Others

31 March 2026		31-Dec-2025	
Gross amount	Tax effect	Gross amount	Tax effect
1,733,765	308,932	1,784,767	308,932
(223,727)	(288,507)	(223,727)	(288,507)
232,233	46,213	217,610	46,213
1,742,270	66,638	1,778,650	66,638

(d) Reconciliation of effective tax rate

In thousands of naira

Profit before tax
Company Income Tax
Development Levy
Tax-exempt items
Tertiary Education Tax
NITDA Levy
Nigeria Police Trust Fund (NPTF) levy
NASENI Levy

31 March 2026		31-Dec-2025	
%	1,595,237	%	5,694,703
36	502,209	30	1,708,411
4	70,327	0	10,381
0	-	0	-
0	-	2	91,040
0	-	0	24,375
0	-	0	122
0	-	0	6,094
40	572,536	32	1,840,423

16 Cash and cash equivalents

In thousands of naira

(a) Cash and cash equivalent comprise:

Cash on hand:

Cash on hand

Held-to-maturity Treasury Bills:

Treasury Bills

Deposits with banks:

Current account balances with other banks

Money market placements

Cash and cash equivalents for cash flow purposes:

Impairment allowance (see note (b))

Cash and cash equivalents

	31-Mar-2026	31-Mar-2025	Unaudited 31-Dec-2025
Cash on hand	172,089	157,951	114,873
Treasury Bills	0	60,607	0
	172,089	218,558	114,873
Current account balances with other banks	20,541,206	6,002,049	19,703,675
Money market placements	2,422,426	23,318,964	56,868
	23,135,721	29,539,571	19,875,416
Impairment allowance (see note (b))	(120,292)	76,881	(120,292)
Cash and cash equivalents	23,015,429	29,462,690	19,755,124

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST MARCH 2026

(b) Movement in impairment allowance:

Balance at 1 January	120,292	76,881	76,881
Impairment loss (see note 12)	-	-	43,411
	120,292	76,881	120,292

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>	31-Mar-2026	31-Mar-2025	Unaudited 31-Dec-2025
Underlying transaction			
DBN concessionary loan	894,192	727,371	854,119
NIBSS Platform	-	-	0
NIBSS Platform	1,291,029	1,200,035	1,267,888
NIBSS Platform	0	1,002,319	0
ATM Transactions	20,000	20,000	20,000
NIBSS Platform	-	-	-
	2,205,221	2,949,725	2,142,007
Impairment allowance (see note (b) below)	(108,077)	(108,077)	(108,077)
	2,097,144	2,841,648	2,033,930
Current	2,097,144	2,841,648	2,033,930
Non-current	-	-	-
	2,097,144	2,841,648	2,033,930

(b) Movement in impairment allowance:

Balance at 1 January	108,077	108,077	108,077
Impairment loss (see note 12)	-	-	-
	108,077	108,077	108,077

18 Loans and advances to customers

<i>In thousands of naira</i>	31-Mar-2026	31-Mar-2025	Unaudited 31-Dec-2025
(a) Loans and advances to customers comprise:			
Loan and advances to customers at amortised cost	41,963,010	29,275,170	39,391,356
	41,963,010	29,275,170	39,391,356
Current	35,362,019	24,670,039	33,194,899
Non-current	6,600,991	4,605,131	6,196,457
	41,963,010	29,275,170	39,391,356

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

<i>In thousands of naira</i>	31 March 2026			31 December 2025		
	Amount	Allowance	Amount	Gross Amount	ECL Allowance	Amount
Term loans	41,988,139	(1,167,242)	40,820,897	39,509,422	(1,167,242)	38,342,180
Overdrafts	1,142,113	-	1,142,113	1,049,176	-	1,049,176
	43,130,252	(1,167,242)	41,963,010	40,558,598	(1,167,242)	39,391,356

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST MARCH 2026

(c) Movement in allowances for impairment

	31 March 2026				31 Dec 2025			
<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	506,543	4,175	656,524	1,167,242	731,412	4,175	656,524	1,392,111
Additional allowance during the year (see note 12)	-	-	-	-	-	-	-	-
Writeback/(writeoffs) during the year	-	-	-	-	(224,869)	-	-	(224,869)
Balance at the end of the year	506,543	4,175	656,524	1,167,242	506,543	4,175	656,524	1,167,242

19 Investment securities

Investment securities comprise:

(a) Investment securities measured at FVTOCI:

	31-Mar-2026	31-Mar-2025	Unaudited 31-Dec-2025
<i>Equity securities:</i>			
Listed equities	10,921	1,056	50,820
Unlisted equities	-	-	-
	10,921	1,056	50,820

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 2025 (31 December 2024: 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 2024: nil). The change in fair value on these investments were as follows:

	31-Mar-2026	31-Mar-2025	31-Dec-2025
Balance at beginning of the year			
Listed equities	50,820	1,056	51,150
Unlisted equities	-	0	-
	50,820	1,056	51,150
Movements during the year			
Listed			
Addition/Sale	-39,899	0	(330.00)
Fair value gain/(loss) -Equities	0	0	-
	-39,899		
Unlisted			
Addition/Sale	22,499	-	22,499
Fair value gain/(loss) -unlisted Equity	-22,499	-	-22,499
	0	0	0
Balance at end of period			
Listed equities	10,921	1,056	50,820
Unlisted equities	-	-	-
	10,921	1,056	50,820
(b) Investment securities at amortised cost			
Treasury bills	2,890,345	3,062,980	2,892,811
ECL impairment	(16,470)	(16,470)	(16,470)
	2,873,875	3,046,510	2,876,341
Government Bond	541,115	536,097	522,345
Total investment securities	3,425,911	3,583,663	3,449,506
Total investment securities for cashflow purpose	2,901,266	3,064,036	2,943,631
Current	2,884,796	3,047,566	3,449,506
Non-current	541,115	536,097	-
	3,425,911	3,583,663	3,449,506
(c) Movement in impairment allowance			
Balance at the beginning of the year	16,470	16,470	16,470
Impairment loss/(writeback) during the year (see note 12)	-	-	-
Balance at the end of the period	16,470	16,470	16,470

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST MARCH 2026

20 Other assets

<i>In thousands of naira</i>	31-Mar-2026	31-Mar-2025	Unaudited 31-Dec-2025
<i>Other financial assets:</i>			
Other receivables (see note (c) below)	513,361	18,259	483,211
Impairment allowance (see note (d) below)	-	(92,706)	-
	<u>513,361</u>	<u>-74,447</u>	<u>483,211</u>
<i>Non financial assets:</i>			
Prepayments (see note (a) below)	659,368	466,989	199,590
Inventories (see note (b) below)	445,625	557,694	550,952
	<u>1,104,993</u>	<u>1,024,683</u>	<u>750,542</u>
	<u>1,618,354</u>	<u>950,236</u>	<u>1,233,753</u>
Current	1,549,697	950,236	1,233,753
Non-current	68,657	0	0
	<u>1,618,354</u>	<u>950,236</u>	<u>1,233,753</u>

(a) Prepayments comprise the following:

	31-Mar-2026	31-Mar-2025	Unaudited 31-Dec-2025
Prepaid insurance	76,398	72,709	0
Prepaid staff benefits	68,657	-	-1
Other prepaid expense (see note (i) below)	514,313	394,280	103,249
	<u>659,368</u>	<u>466,989</u>	<u>199,590</u>

(i) *Other prepaid expense comprise:*

Prepayment of computer maintenance cost	77,072	74,566	0
Prepayment of SMS and USSD cost	437,241	319,714	103,249
	<u>514,313</u>	<u>394,280</u>	<u>103,249</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>	31-Mar-2026	31-Mar-2025	31-Dec-2025
Stock (see note (i) below)	96,220	124,399	0
Fixed Asset Work-in-progress	349,405	433,295	0
Deferred share issue cost	-	-	33,066
	<u>445,625</u>	<u>557,694</u>	<u>33,066</u>

(i) *The amount in stock comprise:*

	31-Mar-2026	31-Mar-2025	31-Dec-2025
Stock of cheques	0	372	24,542
Stock of office stationeries	26,126	14,456	28,269
Stock of micr cheques	26,098	26,108	18,599
Stock of non-micr cheques	26,827	33,896	3,591
Stock of ATM cards	12,240	19	-829
Stock of credit cards	3,309	33,611	10,826
Stock of adhesive stamps	1,618	15,938	923,061
	<u>96,220</u>	<u>124,400</u>	<u>1,008,059</u>

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

(d) Movement in impairment allowances:

<i>In thousands of naira</i>	31-Mar-2026	31-Mar-2025	31-Dec-2025
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 31ST MARCH 2026

21 Property and Equipment
In thousands of naira

	Buildings	Freehold Land	Right-of-Use Asset	Furniture and Fittings	Motor Vehicles	Computer Equipment	Office Equipment	Motor Cycle	Total
Cost:									
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	5,336	-	84,344	70,345	71,301	357,191	201,238	1,325	791,079
Disposals	-	-	(900)	(973)	(65,065)	(5,867)	-	-	(72,806)
Write-off	-	-	-	-	-	-	-	-	-
Balance at 31 Dec 2025	516,111	52,118	495,380	345,864	1,109,471	1,235,578	736,902	1,325	4,492,749
Balance as at 1 January 2026	516,111	52,118	495,380	345,864	1,109,471	1,235,578	736,902	1,325	4,492,749
Additions during the year	-	-	-	1,224	95,675	105	14,881	-	111,886
Disposals	-	-	-	-	-	-	(9,500)	-	(9,500)
Write-off	-	-	-	-	-	-	-	-	-
Balance at 28 Feb 2026	516,111	52,118	495,380	347,088	1,205,146	1,235,683	742,283	1,325	4,595,134
Accumulated Depreciation:									
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	10,307	-	59,502	37,384	189,617	211,916	75,646	166	584,538
Disposals	-	-	(26,466)	(973)	(65,065)	(5,867)	-	-	(98,371)
Write-off	-	-	-	-	-	-	-	-	-
Balance at 31 Dec 2025	102,772	-	281,212	206,192	699,356	798,851	402,226	166	2,490,775
Balance as at 1 January 2026	102,772	-	281,212	206,192	699,356	798,851	402,226	166	2,490,775
Charge for the year	2,581	-	13,560	11,822	55,893	57,538	25,946	83	167,423
Disposals	-	-	-	-	-	-	(475)	-	(475)
Write-off	-	-	-	-	-	-	-	-	-
Balance at 28 Feb 2026	105,353	-	294,772	218,014	755,249	856,389	427,697	249	2,657,723
Carrying amount as at 1 January 2025	418,310	52,118	163,760	106,712	528,431	291,453	209,084	-	1,769,868
Carrying amount: 31 December 2025	413,339	52,118	214,168	139,672	410,115	436,727	334,676	1,159	1,998,934
Carrying amount: 31 Jan 2026	410,758	52,118	200,608	129,074	449,897	379,294	314,586	1,076	1,934,372

- There was no impairment loss on all classes property and equipment during the year (31 December 2025: Nil).

- There were no property and equipment pledged as securities for liabilities (31 December 2025: Nil).

- There were no contractual commitments for the acquisition of property and equipment (31 December 2025: 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

<i>In thousands of naira</i>	31-Mar-2026	31-Mar-2025	Unaudited 31-Dec-2025
Computer software			
Cost:			
Balance at beginning of the year	377,606	96,062	96,062
Addition during the year	-	-	281,544
Balance at end of the year	377,606	96,062	377,606
Accumulated Amortisation:			
Balance at start of the year	148,800	97,963	95,059
Charge for the year	23,593	253	53,740
Balance at end of the year	172,394	98,216	148,799
Carrying amount at end of the year	205,212	(2,154)	228,806

- 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 31ST MARCH 2026

23 Deposits from customers

<i>In thousands of naira</i>	31-Mar-2026	31-Mar-2025	'Unaudited 31-Dec-2025
Current deposits	28,884,473	26,832,589	24,356,639
Savings deposits	8,656,181	7,538,670	8,093,711
Term deposits	11,964,573	8,166,834	10,109,728
Sundry deposits	386,410	2,447,962	386,410
	49,891,638	44,986,055	42,946,488

24 Borrowings

<i>In thousands of naira</i>	31-Mar-2026	31-Mar-2025	'Unaudited 31-Dec-2025
(a) Borrowings comprise:			
BOI concessionary loan	-	-	-
CBN concessionary	-	-	-
DBN concessionary loan (see note (i) below)	2,709,395	382,991	3,098,777
CBN housing microfinance loan	-	-	-
	2,709,395	382,991	3,098,777

(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) 28-Feb-2026	Outstanding Amount (₦'million) 31-Dec-2025	Rate (%)	Tenor
30 October 2025	1,000	875	1,000	23.5 (24 Months)	24 Months
6 November 2025	1,000	875	1,000	23.5 (24 Months)	24 Months
25 November 2025	1,000	875	1,000	23.5 (24 Months)	24 Months
	3,000	2,625	3,000		

The Bank has not had any defaults of principal or interest or other breaches with respect to the loan facilities as at 31 Mar 2026.

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

<i>In thousands of naira</i>	31-Mar-2026	31-Mar-2025	31-Dec-2025
Balance, beginning of the year	3,098,777	572,483	572,483
Additions during the year	-	-	3,000,000
Interest accrued during the year (see note 9)	163,316	15,008	140,659
Interest paid during the year	(177,699)	-	(34,865)
Principal repayment during the year	(375,000)	(204,500)	(579,500)
Balance at period end	2,709,394	382,991	3,098,777
Total repayment of borrowings (for cashflow)	(552,699)	(204,500)	(614,365)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST MARCH 2026

25 Other liabilities

<i>In thousands of naira</i>	31-Mar-2026	31-Mar-2025	Unaudited '31-Dec-2025
<i>Financial liabilities:</i>			
Accounts payable	16,932	6,212	8,082
Productivity bonus (see note (a))	12,255	915,090	12,256
Sundry creditors (see note (b))	242,533	135,672	278,815
Accruals	593,337	441,755	298,781
Settlement accounts (see note (c))	876,750	6,188,133	2,752,930
Other payables	2,303,332	1,169,102	1,612,343
Unearned income	783.00	783	783
Deposit for shares	-	388	-
	<u>4,045,922</u>	<u>8,857,135</u>	<u>4,963,990</u>
Lease liability (see note (d))	173,587	101,914	225,363
<i>Non-financial liabilities:</i>			
Withholding tax payable	48,477	60,231	93,635
VAT payable	21,739	9,224	39,581
	<u>4,289,725</u>	<u>9,028,504</u>	<u>5,322,569</u>
Current	4,199,290	3,326,194	5,097,206
Non-current	90,435	61,104	225,363
	<u>4,289,725</u>	<u>9,028,504</u>	<u>5,322,569</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 31ST MARCH 2026

26 Share capital

	31-Mar-2026	31-Dec-2025
Authorised:		
6,000,000,000 units of ordinary shares of 50 kobo each	<u>3,000,000</u>	<u>3,000,000</u>
Issued and fully paid:		
5,992,954,557 units of ordinary shares of 50 kobo each	<u>2,996,477</u>	<u>2,996,477</u>
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 at year end	<u>2,996,477</u>	<u>2,996,477</u>

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>	31-Mar-2026	31-Dec-2025
Balance, beginning of the year	4,166,786	4,166,786
Addition to share premium during the year	-	-
Balance at year end	<u>4,166,786</u>	<u>4,166,786</u>

(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>	31-Mar-2026	31-Dec-2025
Balance, beginning of the year	2,382,330	2,382,331
Transfer to statutory reserve during the year	-	-1
Balance at year end	<u>2,382,330</u>	<u>2,382,330</u>

(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)).