



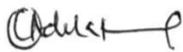
NPF MICROFINANCE BANK PLC

RC. 220824

**FOURTH QUARTER
UNAUDITED FINANCIAL STATEMENT**

**STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER 2025**

<i>In thousands of naira</i>	Note	31-Dec-2025	31-Dec-2024
ASSETS			
Cash and cash equivalents	16	19,755,124	33,837,861
Investment securities	19	3,449,505	3,884,703
Loans and advances to customers	18	39,391,356	25,528,160
Pledged assets	17	2,033,930	2,735,460
Other assets	20	1,233,753	870,559
Property and equipment	21	1,998,934	1,769,867
Intangible asset	22	228,806	1,003
TOTAL ASSETS		68,091,408	68,627,613
LIABILITIES			
Deposits from customers	23	42,946,488	42,059,255
Current tax liabilities	15(b)	1,665,169	858,343
Other liabilities	25	5,322,569	13,225,612
Borrowings	24	3,098,777	572,483
Deferred tax liabilities	15(c)	66,638	66,638
TOTAL LIABILITIES		53,099,640	56,782,331
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)	5,459,321	2,312,835
Fair value reserve	27(c)	(13,147)	(13,147)
Statutory reserve	27(d)	2,382,331	2,382,331
Regulatory risk reserve	27(e)	-	-
TOTAL EQUITY		14,991,768	11,845,282
TOTAL LIABILITIES AND EQUITY		68,091,408	68,627,613



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 DECEMBER 2025

<i>In thousands of naira</i>	Note	Audited			
		Oct-Dec 2025	31-Dec-2025	Oct-Dec 2024	31-Dec-2024
Gross earnings		4,904,477	19,236,893	3,867,092	12,948,239
Interest income calculated using the effective interest method	8	4,853,639	17,410,073	3,379,294	11,474,071
Interest expense	9	98,122	(1,644,489)	(283,313)	(1,100,661)
Net interest income		4,951,761	15,765,584	3,095,981	10,373,410
Fee and commission income*	10	47,673	1,820,926	487,386	1,464,913
Revenue		4,999,434	17,586,510	3,583,367	11,838,323
Other income*	11	3,165	5,894	412	9,255
Net impairment loss on financial instruments	12	(43,411)	(43,411)	(63,298)	(63,298)
Personnel expenses	13	(1,907,037)	(5,771,863)	(2,008,400)	(4,566,582)
Other operating expenses*	14	(1,145,639)	(5,444,092)	(863,303)	(4,312,490)
Depreciation of property and equipment	21	(187,743)	(584,538)	(137,822)	(466,665)
Amortisation of intangible assets	22	(53,348)	(53,740)	2,524	(1,044)
Profit before tax		1,665,420	5,694,759	513,479	2,437,499
Income tax expense	15(a)	(407,780)	(1,665,170)	(382,257)	(863,262)
Profit for the period		1,257,640	4,029,589	131,222	1,574,237
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			4,029,589		1,574,237
Basic and diluted earnings per share (kobo)	32		67		26

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

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31ST 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 year	-	-	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 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 December 2025	2,996,477	4,166,786	5,459,321	(13,147)	2,382,331	-	14,991,768

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 31ST DECEMBER 2025

<i>In thousands of naira</i>	Note	31-Dec-2025	Audited 31-Dec-2024
Cash flows from operating activities			
Profit before tax		5,694,759	2,437,499
<i>Adjustments for:</i>			
Depreciation of property and equipment	21	584,538	466,665
Amortization of intangible assets	22	53,740	1,044
Net impairment loss on loans and advances to customers	12	-	(54,089)
Net impairment loss on cash and cash equivalents	12		
Net impairment loss on pledged assets	12	-	87,593
Net impairment loss on other assets	12	-	-
Net impairment (gain)/ loss on investment securities	12	-	16,390
Interest income	8	(17,410,073)	(11,474,071)
Payment of interest on lease liability	25(d)(i)	(9,142)	(9,142)
Interest expense	9	1,644,489	1,100,661
Profit on sale of property and equipment	11	(5,228)	(9,010)
Loss on disposal of treasury bills	11	-	-
Gain on derecognition of lease liability	11	-	-
		(9,446,917)	(7,436,460)
<i>Changes in:</i>			
- pledged assets	34(b)	706,671	(928,570)
- loans and advances to customers	34(c)	(12,913,861)	(3,448,506)
- other assets	34(d)	(1,361,378)	127,625
- deposits from customers	34(e)	871,663	15,105,198
- other liabilities	34(f)	(8,006,144)	9,076,605
		(30,149,966)	12,495,892
Interest received	34(h)	18,621,047	8,501,209
Interest paid*	34(i)	(1,907,117)	(1,088,495)
Tax paid	15(b)	(858,344)	(667,214)
VAT paid	25	(39,581)	(17,489)
Net cash generated/ (used in) from operating activities		(14,333,961)	19,223,903
Cash flows from investing activities			
Acquisition of property and equipment	34(a)(ii)	(706,736)	(668,963)
Acquisition of intangible assets	22	(281,544)	-
Payment for new leased properties*	34(j)	(109,910)	(36,307)
Proceeds from disposal of property and equipment	34(a)(i)	(20,338)	2,008
Dividends received	11	666	245
Net cash flows used in investing activities		(1,117,861)	(703,016)
Cash flows from financing activities			
Repayment of principal on borrowings	24(b)	(579,500)	(1,500,000)
Repayment of interest on borrowings	24(b)	(34,865)	
Payment of principal on lease liability	25(d)(i)	(66,370)	(66,370)
Additions to borrowings	24(b)	3,000,000	-
Dividend paid	33	(898,943)	(719,155)
Net cash (used in)/ generated from financing activities		1,420,322	(2,285,525)
Net increase in cash and cash equivalents		(14,031,500)	16,235,362
Cash and cash equivalents as at 1 January		33,786,623	17,551,263
Cash and cash equivalents as at 31 December	16	19,755,123	33,786,623

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST DECEMBER 2025

8 Interest income

<i>In thousands of naira</i>	31-Dec-2025	Budgeted '31-Dec-2025	Audited 31-Dec-2024
Loans and advances	14,904,649	13,810,844	10,007,858
Government Securities	83,937	108,740	78,797
Treasury bills	582,812	367,224	266,156
Call accounts	1,118,977	1,627,926	1,042,145
Pledged assets	194,915	-	-
Money market placement	524,782	-	79,115.00
Total interest income calculated using the effective interest method	17,410,073	15,914,734	11,474,071

9 Interest expense

<i>In thousands of naira</i>	31-Dec-2025	Budgeted '31-Dec-2025	Audited 31-Dec-2024
Term deposits	1,351,038	991,626	740,417
Current deposits	89,372	247,379	52,554
Savings deposits	30,995	68,281	54,574
Borrowings (see note 24(b))	140,659	479,167	232,972
Lease liabilities (see note 25(c))	32,425	22,282	20,144
Total interest expense	1,644,489	1,808,735	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*

<i>In thousands of naira</i>	31-Dec-2025	Budgeted '31-Dec-2025	Audited 31-Dec-2024
Credit-related fees and commission	1,080,045	1,182,139	843,383
Deposit-related fees and commission	740,881	881,154	621,530
	1,820,926	2,063,293	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.

<i>In thousands of naira</i>	31-Dec-2025	Budgeted '31-Dec-2025	Audited 31-Dec-2024
Loan management fee	442,612	352,563	251,157
Loan commitment fee	56	518,758	370,687
Insurance fee	578,127	269,512	192,031
Credit search fee	59,250	41,306	29,508
	1,080,045	1,182,139	843,383
Admin and management fee	399,421	365,557	261,248
Account maintenance fee	136,874	239,496	171,072
Service fees and charges (see (iii) below)***	204,586	276,101	189,210
	740,881	881,154	621,530
	1,820,926	2,063,293	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 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 DECEMBER 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>	31-Dec-2025	Budgeted '31-Dec-2025	Audited 31-Dec-2024
Profit on disposal of property and equipment	5,228	10,812	9,010
Dividend income	666	-	245.00
	<u>5,894</u>	<u>10,812</u>	<u>9,255</u>

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

<i>In thousands of naira</i>	31-Dec-2025	Budgeted '31-Dec-2025	Audited 31-Dec-2024
Impairment loss on loans and advances to customers (see note 18(c))	-	100,000.00	(54,089)
Impairment loss/(write-back) on investment securities at amortised cost (see note 19(c))	-	-	16,390
Impairment loss on other assets (see note 20(e))	-	-	-
Impairment loss on cash and cash equivalent (see note 16(b))	43,411	-	13,404
Impairment loss on pledged assets (see note 17(b))	-	-	87,593
	<u>43,411</u>	<u>100,000</u>	<u>63,298</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST DECEMBER 2025

13 Personnel expenses

<i>In thousands of naira</i>	31-Dec-2025	Budgeted '31-Dec-2025	Audited 31-Dec-2024
Wages and salaries	5,531,364	4,912,301	4,421,225
Post-employment benefits:			
Defined contribution plan - pension cost	192,133	201,791	145,357
NSITF	20,948	29,084	-
Gratuity	27,418	-	-
	<u>5,771,863</u>	<u>5,143,177</u>	<u>4,566,582</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST DECEMBER 2025

14 Other operating expenses

<i>In thousands of naira</i>	31-Dec-2025	Budgeted '31-Dec-2025	Audited 31-Dec-2024
Repairs and maintenance cost	907,747	614,537	534,415
Vehicle and generator running cost	362,470	463,770	379,277
Office expenses	324,212	377,816	297,146
Computer expenses	1,346,737	1,340,909	884,637
Travel expenses	141,507	225,545	190,394
AGM expenses	25,365	86,464	50,977
Year-end expenses	307,079	429,676	353,468
Directors' remuneration	548,262	735,794	564,585
Bank charges	44,620	38,570	32,086
Marketing/publicity expenses	515,297	454,998	374,772
Professional fees	133,698	184,133	68,879
Subscription fees	10,487	16,056	13,270
Charges and levies	166,078	147,754	136,885
Insurance cost	118,503	111,634	83,177
NDIC premium	210,729	87,384	72,637
Electricity expenses	91,814	107,832	62,084
Recruitment expenses	3,119	60,794	58,507
Legal expenses	35,577	40,098	20,699
SMS alerts	55,829	71,952	60,859
Rent and rates	37,622	-	(1,000)
Audit fees (see note (i) below)	40,767	54,824	48,375
Corporate social responsibility	2,580	12,388	1,000.00
Donations	4,610	11,079	8,615
Loan recovery expenses	3,703	5,209	24
Fines/penalty	0	-	8,893
Stamp duties	60	153	126
Bad debts written off	-	-	983
Share listing expenses	2,800	44,559	5,561
Fraud, forgery and theft expenses	520	194	160
Tax Expense	2,300.00	-	-
	<u>5,444,092</u>	<u>5,724,121</u>	<u>4,312,490</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-Dec-2025	Audited 31-Dec-2024
(a) Amounts recognized in profit or loss		
Current tax expense		
Company income tax	1,426,059	727,456
Education tax	167,641	91,040
National Information Technology Development Agency (NITDA) levy	56,948	24,375
Nigeria Police Trust Fund (NPTF) levy	285	122
National Agency for Science and Engineering Infrastructure (NASENI) levy	14,237	6,094
	<u>1,665,170</u>	<u>849,087</u>
Deferred tax expense		
Origination and reversal of temporary differences (see note (c))	-	14,175
Tax expense	<u>1,665,170</u>	<u>863,262</u>
(b) Movement in current tax liabilities		
Balance at 1 January	858,343	676,470
Income tax expense (see note (a) above)	1,665,170	849,087
Tax paid	(858,344)	(667,214)
Balance at 31 Dec	<u>1,665,169</u>	<u>858,343</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST DECEMBER 2025

(c) Movement in deferred tax balances

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 30 Nov
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

<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	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:

<i>In thousands of naira</i>	31-Dec-2025		31-Dec-2024	
	Gross amount	Tax effect	Gross amount	Tax effect
Property and equipment	1,784,767	308,932	1,606,107	308,932
Impairment allowance	(223,727)	(288,507)	(223,727)	(288,507)
Others	217,610	46,213	42,501	46,213
	1,778,650	66,638	1,424,881	66,638

(d) Reconciliation of effective tax rate

In thousands of naira

	31-Dec-2025		31-Dec-2024	
	%	5,694,759	%	2,437,499
Profit before tax				
Tax using the Bank's domestic tax rate	29	1,426,059	30	731,250
Non-deductible expenses	0	-	0	10,381
Tax-exempt items	0	-	0	-
Tertiary Education Tax	3	167,641	4	91,040
NITDA Levy	1	56,948	1	24,375
Nigeria Police Trust Fund (NPTF) levy	0	285	0	122
NASENI Levy	0	14,237	0	6,094
	33	1,665,170	35	863,262

16 Cash and cash equivalents

In thousands of naira

	31-Dec-2025	Audited 31-Dec-2024
(a) Cash and cash equivalent comprise:		
Cash on hand:		
Cash on hand	114,873	112,183
Held-to-maturity Treasury Bills:		
Treasury Bills	0	60,607
	114,873	172,790
Deposits with banks:		
Current account balances with other banks	19,703,675	19,781,210
Money market placements	56,868	13,960,742
	19,875,416	33,914,742
Cash and cash equivalents for cash flow purposes:		
Impairment allowance (see note (b))	(120,292)	(76,881)
Cash and cash equivalents	19,755,124	33,837,861

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST DECEMBER 2025

(b) Movement in impairment allowance:

Balance at 1 January	76,881	63,477
Impairment loss (see note 12)	43,411	13,404
	120,292	76,881

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-Dec-2025	Audited 31-Dec-2024
<i>Underlying transaction</i>	<i>Counterparty</i>	<i>Asset description</i>		
DBN concessionary loan	Development Bank of Niger	Treasury Bills	854,119	696,600
NIBSS Platform	First Bank of Nigeria Plc	Fixed placement	-	0
NIBSS Platform	Zenith Bank Plc	Fixed placement	1,267,888	1,124,618
NIBSS Platform	Zenith Bank Plc	Fixed placement	0	1,002,319
ATM Transactions	Sterling Bank Plc	Call placement	20,000	20,000
NIBSS Platform	First Bank of Nigeria Plc	Fixed placement	-	-
			2,142,007	2,843,537
Impairment allowance (see note (b) below)			(108,077)	(108,077)
			2,033,930	2,735,460
Current			2,033,930	2,735,460
Non-current			-	-
			2,033,930	2,735,460

(b) Movement in impairment allowance:

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

18 Loans and advances to customers

(a) Loans and advances to customers comprise:

<i>In thousands of naira</i>			31-Dec-2025	Audited 31-Dec-2024
Loan and advances to customers at amortised cost			39,391,356	25,528,160
			39,391,356	25,528,160
Current			33,194,899	21,525,046
Non-current			6,196,457	4,003,114
			39,391,356	25,528,160

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

<i>In thousands of naira</i>	31 December 2025		31 December 2024			
	Amount	Allowance	Amount	Gross Amount	ECL Allowance	Carrying Amount
Term loans	39,509,422	(1,167,242)	38,342,180	25,917,528	(253,862)	25,663,666
Overdrafts	1,049,176	-	1,049,176	1,002,743	(1,138,249)	(135,506)
	40,558,598	(1,167,242)	39,391,356	26,920,271	(1,392,111)	25,528,160

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST DECEMBER 2025

(c) Movement in allowances for impairment

	31 Dec 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	(224,869)	-	-	(224,869)	-	-	-	-
Balance at the end of the year	506,543	4,175	656,524	1,167,242	731,412	4,175	656,524	1,392,111

19 Investment securities

Investment securities comprise:

(a) Investment securities measured at FVTOCI:

	31-Dec-2025	Audited 31-Dec-2024
<i>Equity securities:</i>		
Listed equities	50,820	1,056
Unlisted equities	-	-
	50,820	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 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-Dec-2025	31-Dec-2024
Balance at beginning of the year		
Listed equities	1,056	1,056
Unlisted equities	-	0
	1,056	1,056
Balance at end of the year		
Listed equities	51,150	1,056
Fair value gain/(loss) on listed Equities	(330)	-
Unlisted equities	22,499	-
Fair value gain/(loss) on unlisted Equity	(22,499)	-
	50,820	1,056
Loss on derecognition of equity investments	-	-

(b) Investment securities at amortised cost

Treasury bills	2,892,811	3,383,007
ECL impairment	(16,470)	(16,470)
	2,876,341	3,366,537
Government Bond	522,345	517,110
Total investment securities	3,449,506	3,884,703
Total investment securities for cashflow purpose	2,943,631	3,384,063
Current	3,449,506	3,884,703
Non-current	-	-
	3,449,506	3,884,703

(c) Movement in impairment allowance

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST DECEMBER 2025

20 Other assets

<i>In thousands of naira</i>	31-Dec-2025	Audited 31-Dec-2024
<i>Other financial assets:</i>		
Other receivables (see note (c) below)	483,211	772,279
Impairment allowance (see note (d) below)	-	(92,707)
	<u>483,211</u>	<u>679,572</u>
<i>Non financial assets:</i>		
Prepayments (see note (a) below)	199,590	72,120
Inventories (see note (b) below)	550,952	118,867
	<u>750,542</u>	<u>190,987</u>
	<u>1,233,753</u>	<u>870,559</u>
Current	1,165,096	870,559
Non-current	68,657	0
	<u>1,233,753</u>	<u>870,559</u>

(a) Prepayments comprise the following:

	31-Dec-2025	Audited 31-Dec-2024
Prepaid insurance	42,963	42,825
Prepaid staff benefits	68,657	-1
Other prepaid expense (see note (i) below)	87,970	29,295
	<u>199,590</u>	<u>72,120</u>

(i) *Other prepaid expense comprise:*

Prepayment of computer maintenance cost	28,434	22,629
Prepayment of SMS and USSD cost	59,537	6,666
	<u>87,970</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>	31-Dec-2025	31-Dec-2024
Stock (see note (i) below)	111,103	129,724
Assets under construction	439,849	-10,857
Deferred share issue cost	-	-
	<u>550,952</u>	<u>118,867</u>

(i) *The amount in stock comprise:*

	31-Dec-2025	31-Dec-2024
Stock of cheques	0	396
Stock of office stationeries	24,542	15,401
Stock of micr cheques	26,104	26,108
Stock of non-micr cheques	28,269	35,466
Stock of ATM cards	18,599	4,787
Stock of credit cards	3,591	35,081
Stock of adhesive stamps	9,997	12,485
	<u>111,103</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>	31-Dec-2025	31-Dec-2024
Balance at the beginning of the year	92,707	92,707
Impairment loss during the year	-	-
Balance at the end of the year	<u>92,707</u>	<u>92,707</u>

NOTES TO THE FINANCIAL STATEMENTS
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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	Motor Cycle
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	5,336	-	84,344	70,345	71,301	357,191	201,238	791,079	1,325
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	4,492,749	1,325
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	10,307	-	59,502	37,384	189,617	211,916	75,646	584,538	166
Disposals	-	-	(26,466)	(973)	(65,065)	(5,867)	-	(98,372)	-
Write-off	-	-	-	-	-	-	-	-	-
Balance at 31 Dec 2025	102,772	-	281,212	206,192	699,356	798,850	402,226	2,490,774	166
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: 31 Dec 2025	413,339	52,118	214,167	139,672	410,115	436,728	334,676	1,998,934	1,159

- 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

<i>In thousands of naira</i>	31-Dec-2025	Audited 31-Dec-2024
Computer software		
Cost:		
Balance at beginning of the year	96,062	96,062
Addition during the year	281,544	-
Balance at end of the year	377,606	96,062
Accumulated Amortisation:		
Balance at start of the year	95,059	94,015
Charge for the year	53,740	1,044
Balance at end of the year	148,800	95,059
Carrying amount at end of the year	228,806	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 31ST DECEMBER 2025

23 Deposits from customers

<i>In thousands of naira</i>	'Audited	
	31-Dec-2025	31-Dec-2024
Current deposits	24,356,639	27,119,227
Savings deposits	8,093,711	6,917,061
Term deposits	10,109,728	5,575,006
Sundry deposits	386,410	2,447,961
	42,946,488	42,059,255

24 Borrowings

<i>In thousands of naira</i>	" Audited	
	31-Dec-2025	31-Dec-2024
(a) Borrowings comprise:		
BOI concessionary loan	-	-
CBN concessionary	-	-
DBN concessionary loan (see note (i) below)	3,098,777	572,483
CBN housing microfinance loan	-	-
	3,098,777	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) 31-Dec-2025	Outstanding Amount (₦'million) 31-Dec-2024	Rate (%)	Tenor
30 October 2025	1,000	1,000	385	23.50	24 Months
6 November 2025	1,000	1,000	0	23.50	24 Months
25 November 2025	1,000	1,000	0	23.50	24 Months
	3,000	3,000	385		

The Bank has not had any defaults of principal or interest or other breaches with respect to the loan facilities as at 31 Dec 2025.

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

<i>In thousands of naira</i>	31-Dec-2025	31-Dec-2024
Balance, beginning of the year	572,483	2,065,020
Additions during the year	3,000,000	-
Interest accrued during the year (see note 9)	140,659	259,960
Interest paid during the year	(34,865)	(252,496)
Principal repayment during the year	(579,500)	(1,500,000)
Balance at period end	3,098,777	572,483
Total repayment of borrowings (for cashflow)	(614,365)	(1,752,496)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31ST DECEMBER 2025

25 Other liabilities

<i>In thousands of naira</i>	31-Dec-2025	Audited 31-Dec-2024
<i>Financial liabilities:</i>		
Accounts payable	8,082	5,845
Productivity bonus (see note (a))	12,256	902,116
Sundry creditors (see note (b))	278,815	241,844
Accruals	298,781	341,721
Settlement accounts (see note (c))	2,752,930	10,980,290
Other payables	1,612,343	534,342
Unearned income	783.00	783
Deposit for shares	-	388
	<u>4,963,990</u>	<u>13,007,329</u>
Lease liability (see note (d))	225,363	122,262
<i>Non-financial liabilities:</i>		
Withholding tax payable	93,635	78,532
VAT payable	39,581	17,489
	<u>5,322,569</u>	<u>13,225,612</u>
Current	5,097,206	13,103,350
Non-current	225,363	122,262
	<u>5,322,569</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 31 DECEMBER 2025

26 Share capital

	31-Dec-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>	31-Dec-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>	31-Dec-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)).