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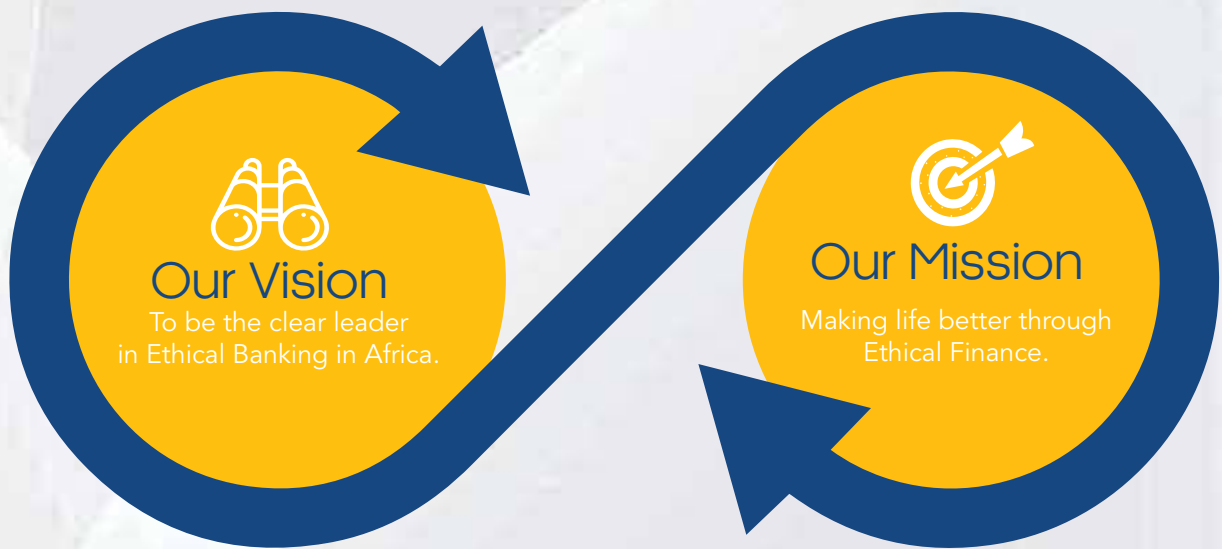
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INTRODUCTION

The financial statements of Jaiz Bank Plc comply with Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), the applicable legal requirements of the Nigerian Securities and Exchange Commission regarding financial statements, and are prepared in accordance with International Financial Reporting Standards, including financial statements adopted by the International Accounting Standards Board.

For ease of understanding, certain disclosures and certain prior year numbers have been presented to match current year numbers. Due to rounding, numbers shown in this document may not accurately reflect totals shown and percentages may not accurately reflect absolute numbers.



OUR

SUSTAINABILITY VISION STATEMENT

To be the clear leader in Sustainable and Ethical Banking in the areas we operate.



OUR

CORE VALUES



Excellence



Teamwork



Honesty



Integrity



Customer-Centric



Accountability



Loyalty

DIRECTORS, OFFICERS & PROFESSIONAL ADVISERS

Directors

Mohammed Mustapha Bintube	Chairman
Ibrahim Mohammed Indimi	Non-Executive Director
Mohammed Seedy Njie	Non-Executive Director
Tajuddin Aminu Dantata	Non-Executive Director
Sa'adat Hamza Mohammed	Non-Executive Director
Mustapha Ibrahim Ahmad	Non-Executive Director
Muhammad Hadi Abdul Mutallab	Non-Executive Director
Aisha Waziri Umar Ph.D	Independent Non-Executive Director
Dr. Abdullateef Bello	Independent Non-Executive Director
Ahmed Mohammed Indimi	Non-Executive Director
Adenike Kolawole	Independent Non-Executive Director
Haruna Musa Ph.D	Managing Director/CEO
Alhassan Abdulkarim	Executive Director Risk Management

Company Secretary

Mohammed Shehu
FRC/2017/NBA/00000016416

Registered Office

Jaiz Bank PLC
Jaiz House
Plot 1073 J. S Tarka Street
Garki Area 3, Abuja.

Registrar and Transfer Office

Africa Prudential Plc.
(Formerly UBA Registrars Plc.)
220B Ikorodu Road, Lagos.

Independent Auditor

Delloite & Touché
Civic Towers
Plot GA1 Ozumba Mbadiwe Avenue
Lagos

Tax Advisors

Oladele Consulting
(Chartered Tax Practitioner & Management Consultants)
Suite C11 Othini Plaza, Plot 1528, Nouakchott Street
Wuse Zone 1, Abuja.

Investor Relations

Jaiz Bank Plc has a dedicated investor's portal on its corporate website, which is accessible via this link:
<https://jaizbankplc.com/investors-relations/annual-report-and-accounts/>

For further information, please contact: jaiz Bank Plc. Investor Relations team investor.relations@jaizbankplc.com

FINANCIAL HIGHLIGHTS

	2025 N'Million	2024 N'Million	2023 N'Million
Statement of Financial Position			
Total Assets	1,287,340.68	1,080,74.98	580,131.06
Financing & Investment Assets	849,232.16	671,280.65	632,150.55
Deposits	1,118,330.55	904,787.96	466,571.20
Share Capital	22,294.71	22,294.71	17,270.59
Total Equity	98,501.31	71,465.77	39,314.93
Income Statement			
Gross Earning	102,812.86	82,874.82	47,759.10
Profit Before Taxation (PBT)	31,247.09	24,444.87	11,053.60
Taxation	(1,090.29)	(960.62)	183.59
Profit After Taxation (PAT)	30,156.80	23,484.25	11,237.19
Ratio			
Return on Assets	2.43%	2.12%	1.91%
Return on Equity	31.72%	29.61%	28.12%
Capital Adequacy	26.89%	29.78%	17.96%
Liquidity	43.45%	47.35%	37.24%
Others			
Earning Per Share	67.63 Kobo	66.59 Kobo	66.38 Kobo
Proposed Dividend	11 Kobo	7 Kobo	4 Kobo
Number of Branches/Offices	53	51	43
Number of Shares in Issue (Million)	44,589	44,589	34,541



Governance & Stewardship

DIRECTOR'S PROFILE

MOHAMMED MUSTAPHA BINTUBE - CHAIRMAN

A consummate Banker, Bintube holds a Bachelor of Science, Business Administration, Ahmadu Bello University, Zaria (1981) and Advanced Diploma in Banking and Finance from Fin-Africa- Milan, Italy (1989). He was the pioneer MD/CEO Jaiz Bank Plc and the current Chairman/CEO, Buraq Capital Limited from 2014 till date. Bintube is also the current Chairman, Board of Directors of Emerging Africa Trustees Limited from 2022 till date. He is equally the Chairman, Board of Directors of Neelds Realty from 2021 till date; and also, the Chairman, Qalam Travels and Tours from 2021 till date.

He was appointed Chairman, Board Credit & Governance Committee of the Bank of Industry (2017-2022); Chairman, Board Licensing and Regulatory Committee of the Nigeria Communications Commission (2010- 2015); Chairman, Board Finance and General Purpose Committee of the Nigerian Reinsurance Corporation (1991 -1993).

Bintube's almost three decades of banking career commenced as Principal Manager, Commercial Bank Credit Lyonnaise (1989 – 1995); Asst. General Manager, Commercial Bank Credit Lyonnaise (1995– 1997); Deputy General Manager, FSB International Bank (1997 – 1999); General Manager, FSB International Bank (1999- 2001) As he continued to build his career in the banking industry, Bintube was promoted to the rank of Executive Director, FSB International Bank (2001-2004) and later between 2004 – 2011, the MD/CEO, Jaiz International Plc (the SPV that set up Jaiz Bank)

HARUNA MUSA Ph.D - MANAGING DIRECTOR/CEO

Haruna Musa Ph.D was appointed Managing Director/CEO of Jaiz Bank Plc on the 21st of November 2023. He is a seasoned banker with over 3 decade of cognate experience in banking across Nigeria and Africa. He is an alumnus of Ahmadu Bello University, Zaria, Bayero University, Kano, and Cranfield University, United Kingdom. He earned his Ph.D in Islamic Banking and Finance at the Universiti Utara in Malaysia.

At the Cranfield University, Haruna obtained an MSc. in Finance and Management (2008 – 2009). He received a Master's Degree in Business Administration from Bayero University, Kano (1997 – 1998); a Post Graduate Diploma in Management earlier from the same University (1994 – 1995), while he holds a Bachelor of Agriculture from Ahmadu Bello University, Zaria, (1987 – 1991).

Haruna undertook extensive executive-level courses including Advanced Management Program from Wharton Business School, University of Pennsylvania, USA (2023); Making Corporate Boards More Effective – Harvard Business School, Harvard University, USA (2015); Positive Leadership Program – Michigan Ross Executive Education, USA (2014); General Management Program – Cranfield University, UK (2012). He is also an honorary member of the Chartered Institute of Bankers of Nigeria (CIBN).

Until his appointment as the substantive MD/CEO of Jaiz Bank Plc, he served as Executive Director with GT Bank for eight years, and garnered 22 years out of his 27 years' wealth of banking experience working for Guaranty Trust Bank Holding Company (GTCO) from March 2001 – October 2023.

He commenced his banking profession as Banking Officer at United Bank for Africa Plc from June 1997 – December 1998 and served as a Senior Banking Officer at the FSB International Bank Plc between December 1998 and March 2001. Earlier, he worked at the Federal Ministry of Agriculture, Abuja, as Agricultural officer II from January 1993 – June.

In October 2015, Haruna assumed the role of Executive Director & Head, Northeast & Public Sector, Abuja Divisions on the Board of GT Bank, a testament to his professionalism and exemplary competence.

He was also appointed as a Non- Executive Director with GT Bank (Cote D'Ivoire Ltd) and Chairman of the Board Audit Committee from March 2015 to October 2023, where he contributed to the turn-around of the Bank from a loss position to consistent profitability.

Jaiz Bank's MD/CEO's robust achievements include several commendation letters for selflessness and meritorious service from his previous and current employers.

ALHASSAN ABDULKARIM - EXECUTIVE DIRECTOR RISK MANAGEMENT

Alhassan Abdulkarim is an Honorary Member of the Chartered Institute of Bankers in Nigeria (CIBN), a member of the Institute of Credit Administrators (ICA), Nigerian Institute of Management (NIM), Commodity Brokers Association of Nigeria (CBAN) as well as an Alumnus of Bayero University, Kano. He has 23 Years of cognate Banking experience which started as a Clearing Officer of Access Bank Plc. He has worked with Former Continental Trust Bank Ltd, Former Citizens International Bank Ltd and Guaranty Trust Bank Plc. His banking experience covers Operations, Relationship Management, Marketing, International Trade Finance, Structured Finance, Risk Management and Product Development.

Alhassan Abdulkarim has attended various local & foreign courses and workshops. He joined Jaiz Bank Plc. in 2012 as the Head of Corporate and Retail Banking before his deployment as Regional Manager Lagos & Southern Region in 2019. He left Jaiz Bank Plc in 2021 following his appointment as Executive Director Marketing at Lotus Bank Ltd.

Dr AISHA WAZIRI UMAR - INDEPENDENT NON-EXECUTIVE DIRECTOR

Dr Umar is a Legal Practitioner & Notary Public. She was called to the Nigerian Bar in 1988 and has acquired vast experience in the public sector, private sector, and academia.

She possesses a doctorate degree in trade law from the University of West Scotland -Centre for Africa Research and Enterprise and Economic Development (CAREED)- where her thesis focused on leveraging the WTO Dispute Settlement Framework to address trade barriers faced by agricultural exports from African countries. In addition to her doctorate degree, she obtained a postgraduate diploma in global business from Oxford University in 2017 and a Postgraduate Diploma in Advanced Trade Studies from the World Trade Institute, University of Bern, Switzerland in 2021.

In 2011, She worked in the State House Abuja as Senior Special Assistant to the President of the Federal Republic of Nigeria. In this capacity she rendered policy advice and technical support to the Government on matters relating to social development, political development, and political risk management.

Umar also has several years of banking experience having worked at FSB International Bank PLC, a commercial bank (now Fidelity Bank), as the Special Assistant to the Chief Executive Officer & Head of Corporate Affairs in charge of the bank's communication strategy and managing its corporate brand.

DR ABDULLATEEF BELLO - INDEPENDENT NON-EXECUTIVE DIRECTOR

Dr. Abdullateef Bello obtained his Master's and Doctor of Philosophy (D.Phil.) degrees in Applied Statistics from the University of Oxford, UK. He was awarded the prestigious international Rhodes Scholarship for exceptional ability, academic excellence, and performance, which enabled him to complete his studies at Oxford and became the 10th Rhodes Scholar from Nigeria. He also attended the Management Development Programme of the Centre for Management Development, London Business School, UK.

As an international development banker, Dr. Bello served in various capacities—including treasury (dealing room), operations, and research at the Islamic Development Bank (IDB), where he worked for over 24 years on various initiatives and themes, including Islamic finance, data analytics, capacity development, strategies, policies, and emerging development issues facing IDB member countries.

At IDB, he occupied three senior managerial positions simultaneously: Director of Economic Research and Policy; Director of Data Resources and Statistics; and the IDB Group Chief Librarian. He also attained the highest professional and technical position at the Bank. He began his career as a lecturer at the Federal University of Technology, Akure (Nigeria), and later became a software developer with the Numerical Algorithms Group (NAG), Oxford, UK.

In 2003, he won the highest and most coveted "IDB Award for Excellence in Performance" and authored, among other things, "The role of Islamic finance in achieving Sustainable Development Goals (SDGs)." As an international scholar, he served as a board member of several international bodies and initiatives, including the boards of the Global Strategy to improve Agricultural and Rural Statistics (FAO) and Partnership in Statistics for Development in the 21st Century (PARIS21), as well as a member of IFSB's Task force on Prudential Islamic Finance Database.

Dr. Bello has travelled extensively to more than 40 countries, representing IDB at various conferences and initiatives.

SEEDY MOHAMMED NJIE - NON-EXECUTIVE DIRECTOR

He is a representative of the Islamic Development Bank. Mr. Seedy Mohammed Njie holds a Masters' degree in Business Administration from the School of Oriental & African Studies, University of London. He is a fellow of the Association of Chartered Certified Accountant - UK as well as an Associate Professional Risk Manager amongst other professional certifications.

Mr. Njie started his career in 1999 as an Assistant Audit Manager at Deloitte & Touche, the Gambia. He continued his career with Islamic Development Bank, Jeddah, Saudi Arabia in 2005, where he had served in different capacities of the Bank till date.

He has had 20 years work experience in Audit & Advisory services as well as Banking services. He also had versed knowledge of Islamic Finance having worked with the Islamic Development Bank for a period not less than 15 years.

MUHAMMAD HADI ABDUL MUTALLAB - NON-EXECUTIVE DIRECTOR

An economist at heart, Hadi is a dynamic businessman with an undying entrepreneurial spirit. Having concluded his undergraduate in Economics and Logistics, he capped his studies with a comprehensive MBA program with specialization in Islamic Finance.

He has 10 years meritorious working experience in banking, finance, maritime and technology firms have given him a deep and diverse perspective of the Nigerian business environment with a unique insight to identifying winning strategies, opportunities and spearheading their execution.

He currently manages a diverse portfolio with assets ranging from offshore support vessels, real estate, fintech and ecommerce companies and he sits on the board of several blue chip companies including Barade Holdings Ltd and Jaiz Bank. His experience emanates from his participation on the board in several blue chip companies in the maritime, real estate and fledgeling start ups in the tech world wherein high-level and difficult, far reaching and strategic decisions are taken on a regular basis.

IBRAHIM MOHAMMED INDIMI - NON-EXECUTIVE DIRECTOR

Ibrahim Indimi received a BSc in Communications and Information Technology from the Arab academy for science, technology, and maritime Transport in Egypt. Afterward, he pursued a BSc in Petroleum Engineering at the University of Tulsa in the USA. He holds an MBA from Lynn University in Boca Raton, Florida. He annually attends leadership and management executive courses at Harvard University to keep up with the ever expanding international business landscape.

Ibrahim Indimi is a non-executive director on the Board of Oriental Energy Resources LTD. He is also the founder and Chairman of Farinciki Group, which operates in construction, export/Import, and manufacturing. He is MD of OER farms which owns 40,000 hectares of farmland spread across Kwara state, Edo State and Kogi State.

On the philanthropic side, Ibrahim Indimi is a board member of the Muhammadu Indimi Foundation, which focuses on women's and children's health, food security, and internally displaced persons in the Northeast of Nigeria. Foreign relations remain his strength and passion, leading to his ever-growing international network and acquaintances from Washington DC to Riyadh, Istanbul to Geneva, the Middle East, The Arabian Gulf to Korea, and China.

TAJUDDEEN AMINU DANTATA - NON-EXECUTIVE DIRECTOR

Alhaji Tajuddeen Aminu Dantata, a renowned business personality with over 2 decades of multi-sectorial experience, has been appointed a Non-Executive Director on the Board of Jaiz Bank Plc.

Alhaji Tajuddeen Aminu Dantata holds an Associate of Business Executive Certificate from West London College, United Kingdom, and is an alumnus of Manaret College, Jeddah, Saudi Arabia. His experience spreads across diverse fields of endeavors inclusive of Banking and Finance, Petroleum, Oil and Gas, Real Estate, Power, Aviation and Sales.

He has attended strategic training programs including: Petroleum Technology & Operations Overview, Houston Texas, USA; Risk Management in Islamic Finance Institutions, Jeddah Saudi Arabia; Leadership in Islamic Finance, Jeddah Saudi Arabia; Board effectiveness in Islamic Financial Institution, Madinah, Saudi Arabia.

Prior to this appointment, Alhaji Tajudeen Aminu Dantata was the Group Managing Director/CEO of Dantata Organization Limited. He also sits on the Board of some eminent Nigerian companies in the capacity of Chairman or Director. These include, Kano Electricity Distribution Company (KEDCO), Cement Company of Northern Nigeria (CCNN), Electric Meter Company of Nigeria (EMCON) and MTN among others. He is widely travelled and has presented various papers with specialty in providing business solutions. For leisure, Alhaji Tajuddeen enjoys his time off by playing Polo – a sport for which he is very passionate and has won numerous honours.

SA'ADAT HAMZA MOHAMMED - NON-EXECUTIVE DIRECTOR

Sa'adat Hamza Mohammed is an alumnus of Ahmadu Bello University, Zaria and the Nigerian Law School where she bagged her LL.B degree and B.L qualifications respectively. She possesses 30 years' cognate experience spanning legal practice, banking operations and business development. She began her banking career in 1995 as an Operations Officer in the defunct Habib Bank and rose to the position of Regional Manager with the same bank which later became Bank PHB and now Keystone Bank Limited.

Sa'adat has extensive exposure in marketing, relationship management, branch & regional management, credit risk and foreign operations. She is a member of the Nigerian Bar Association and Institute of Chartered Economists of Nigeria and has attended several strategic training programs including Fundamentals of Islamic Banking and Finance. Prior to her appointment, she was a General Manager at Althani Group of Companies Limited.

MUSTAPHA IBRAHIM AHMAD - NON-EXECUTIVE DIRECTOR

Mustapha Ibrahim, FCA, FCIT, is the Group Treasurer of Dangote Group and Head of the Group Finance Centre of Excellence, with executive oversight for Corporate Finance, Structured Finance, Investor Relations, Global Trade Finance, Strategic Tax Planning, and Compliance. He previously served as Group Financial Controller and Acting Group Chief Financial Officer of the Group.

He brings over three decades of experience across the banking, manufacturing, and oil and gas sectors, having held senior leadership roles as Treasurer and Chief Financial Officer in several commercial and merchant banks prior to joining Dangote Group in 2006.

Mustapha currently serves as a Non-Executive Director on the Boards of Jaiz Bank Plc, Dangote Fertiliser Limited, and Dangote Packaging Limited, where he contributes extensive expertise in corporate governance, finance and investment, strategy, risk management, regulatory compliance, and stakeholder engagement. He is a graduate of Accounting from Ahmadu Bello University, Zaria (1989), and a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN) and the Chartered Institute of Taxation of Nigeria (CITN), among other professional bodies.

He is also a co-founder of the Association of Corporate Treasurers of Nigeria and previously served as a Governing Council member of the Financial Markets Dealers Association. He has attended various executive training programmes both in Nigeria and internationally.

AHMED MOHAMMED INDIMI - NON-EXECUTIVE DIRECTOR

Ahmed Indimi is a respected entrepreneur and business executive in Nigeria's energy sector. He currently serves as the Director and Head of Crude Marketing at Oriental Energy Resources, where he leads commercial operations, oversees crude sales strategy, negotiates pricing frameworks, and fosters client relationships. His leadership in the sector reflects a strong blend of technical understanding, commercial insight, and stakeholder engagement.

He holds a Bachelor's degree in Information Technology (Internet Security) and an MBA from the American InterContinental University, Atlanta, after completing his foundational studies at Global International College, Lagos.

Ahmed's presence on the Board of Jaiz Bank brings a unique perspective shaped by hands-on experience in one of Nigeria's most strategic sectors. His appointment supports the Bank's ambition to deepen industry expertise on the Board and broaden its vision of ethical banking in alignment with national development objectives.

ADENIKE KOLAWOLE - INDEPENDENT NON-EXECUTIVE DIRECTOR

Nike Kolawole is a highly accomplished finance professional with an extensive career spanning global investment banking and senior executive roles in the oil and gas industry. Her experience includes successful tenures at leading international institutions such as Merrill Lynch, Citibank, Goldman Sachs, and Credit Suisse, where she served as Vice President, overseeing asset management, credit risk, and Eurobond issuances across global markets.

In 2007, she joined the Nigerian National Petroleum Corporation (NNPC), where she rose through key finance roles to become Group General Manager, LNG Investment Management Services. Over her tenure, she led critical project financing efforts and helped reposition Nigeria in the global LNG market, including landmark transactions such as the award-winning 2012 RDP Funding deal.

Kolawole holds a Bachelor's degree in Economics from Suffolk University, Boston, and an MBA from Durham University Business School, UK. She is also a registered member of the UK's Securities and Futures Authority (now FCA). Her appointment brings to Jaiz Bank a rare combination of investment banking acumen, deep sectoral knowledge in project and infrastructure finance, and a proven track record of capital mobilization and stakeholder engagement at the highest levels of industry.

Nike Kolawole's appointment is in line with regulatory guidelines and reflects the Bank's vision to continually attract top-tier talent committed to advancing financial innovation and corporate excellence.

MOHAMMED SHEHU - COMPANY SECRETARY/LEGAL ADVISER

Mohammed Shehu is an accomplished legal practitioner and corporate governance professional with over three decades of experience spanning legal practice, banking, corporate governance, and company secretariat functions. He possesses extensive expertise in litigation management, corporate advisory services, regulatory compliance, and board governance, with a proven track record of supporting boards and executive management in achieving sound corporate oversight and institutional integrity.

He holds academic qualifications from Ahmadu Bello University, Bayero University Kano, Nigerian Law School, and the Lagos Business School, reflecting a strong foundation in law, management, and corporate governance.

Mr. Shehu is a member of several professional bodies, including the Nigerian Bar Association, Institute of Chartered Economists of Nigeria, Institute of Chartered Secretaries and Administrators of Nigeria, Chartered Institute of Directors Nigeria, and the Chartered Institute of Bankers of Nigeria.

He commenced his banking career in 2001 with NUB International Bank Ltd as Legal Officer and subsequently rose to the position of Assistant Company Secretary/Legal Adviser. Following the 2006 banking consolidation, he served in FinBank Plc, First City Monument Bank, and Fin Insurance Ltd, where he held several senior roles including Acting Group Head Legal, Head Legal (North), and Company Secretary/Legal Adviser.

In February 2017, he was appointed Company Secretary of Unity Bank Plc, a role he held until 2019. He subsequently served as Managing Partner at Al-Fil Legal Consult, providing legal advisory and corporate governance services.

Mr. Shehu currently serves as Company Secretary/Legal Adviser at Jaiz Bank Plc, where he supports the Board and Management in strengthening governance structures, ensuring regulatory compliance, and promoting best practices in corporate administration within Nigeria's non-interest banking sector.

He has attended numerous professional development programmes both locally and internationally, covering areas such as anti-money laundering and counter-terrorism financing, securities and credit documentation in banks, board leadership and effectiveness, corporate governance, arbitration, information technology governance, and cyber security, among others.

ADVISORY COMMITTEE OF EXPERTS (ACE)

PROF. ABDULAZEEM ABOZAIID - CHAIRMAN

Prof. Abdulazeem Abozaid is the current Chairman of the Advisory Committee of Experts (ACE) of Jaiz Bank. He assumed this role in September 2023. Prof. Abozaid is a Syrian national and presently works as a Professor of Islamic Finance at the College of Islamic Studies, Hamad Bin Khalifa University, Doha, Qatar. He holds a PhD and a Master's in Islamic Financial Law from Damascus University, a BA in Arabic Literature, English Literature, and Islamic Law, and a Higher Diploma in Islamic Law and Human Sciences.

Prof. Abozaid serves as a Shariah advisor to Five Pillars and Methaq Takaful Insurance and has previously been a member of various Boards, including Oman Arab Bank and RHB Islamic Bank. His research interests lie in the fields of Islamic Law, Islamic Finance and Islamic Banking. He has also taught at the International Islamic University in Malaysia and authored many books, articles, and journal entries on Shariah and Islamic finance.

Moreover, Prof. Abozaid is an active participant in conferences around the world and leads seminars and workshops on Shariah and Islamic finance

PROF. AHMAD BELLO DOGARAWA - MEMBER

Prof. Ahmad Bello Dogarawa is a Professor at the Department of Accounting, Ahmadu Bello University (ABU) Zaria, Nigeria. He obtained a Bachelor in Business Administration, Masters in Banking & Finance, Master of Science and Doctorate in Accounting & Finance.

In addition to the academic degrees he obtained, he holds a Certificate in Islamic Religious Sciences, Da'awah and Islamic Economics from Al-Azhar University, Cairo. He was a former Head of Department of Accounting and Deputy Dean of ABU Business School. He is a founding member of League of Scholars, Imams and Preachers in the Sahel.

Dogarawa has published more than 50 articles in refereed academic journals (local and international), presented over 100 papers at local and international conferences/symposia, and supervised to completion 27 M.Sc. dissertations and 18 PhD theses. He has authored six Islamic books and is the lead author of "Introduction to Islamic Finance" book.

He has travelled throughout Nigeria and some countries to present papers, give sensitisation lectures and conduct workshops on various topical issues that include various aspects of Islamic banking and finance; Islamic epistemology and integration of knowledge; institutions of Zakah and Waqf; Islamic perspective of economic empowerment, investment and poverty eradication; and Maqaasid Ash-Shari'ah. He has also participated in the training of members of various religious and social groups in Nigeria and beyond.

DR. WARSHU TIJJANI RABI'U - MEMBER

Dr Warshu Tijjani Rabi'u joined the Advisory Committee of Experts of the Bank in 2023. He holds a Bachelor's degree in Islamic Law from the International University of Africa (IUA) in Sudan and a Master's and PhD in Islamic Law from the Institute of Islamic Sciences and Research at Sudan University of Science and Technology. He currently serves as a Senior Lecturer in the Department of Islamic Studies and Shari'ah at Bayero University in Kano, where he teaches courses such as Islamic Law of Mu'amalat, Comparative Fiqh, Reasons for Juristic Differences, and Islamic Laws of Wasiyah and Waqf.

From 2016 to 2022, Warshu worked as the Deputy Director of Research and Publications at the International Institute of Islamic Banking and Finance (IIIBF) at Bayero University. He currently serves as the Lead Consultant for the Palladium Lafiya Programme on Ethical Health Financing (EHF).

Dr Warshu has established connections with international Islamic finance players and key stakeholders, enabling him exposure to the industry's latest developments as he fulfils his role as Deputy Director.

He is a certified Financial Literacy Trainer by the Central Bank of Nigeria (CBN). He is also a Certified Shari'ah Advisor and Auditor (CSAA) by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI). He is a member of the Association of Zakat and Waqf Operators in Nigeria (AZAWON). Dr Warshu serves as a member of the Advisory Council of Experts (ACE) for Noor Takaful Insurance Ltd. Additionally, he is the founder and CEO of S&P Universal Investment Limited and the founder and chairman of Yusfa Consult.

His research interest is in the areas of Islamic Jurisprudence, Islamic Finance, and Islamic Social Finance

PROF. IBRAHIM AHMAD MAKARI - MEMBER

Prof. Ibrahim Ahmad Makari is a seasoned academic scholar in Arabic Language and Islamic religion Born in Zaria in 1976, he holds a B.A in Arabic from Al-Azhar university, Cairo and a M.A and PH.D both in Arabic from Ahmadu Bello University, Zaria and Bayero University, Kano respectively.

With over two decades of teaching experience, he has served at institutions such as Ahmadu Bello university, Nigeria Arabic Language Village. He is currently the Chief Imam of National Mosques, Abuja

Dr. Makari has supervised numerous undergraduate master's and Ph.D theses, particularly focusing on Arabic poetry and sufi literature. his scholarly contributions include several journal, articles and book chapters on Arabic and African arabic literature

SENIOR MANAGEMENT TEAM

HARUNA MUSA Ph.D - MANAGING DIRECTOR/CEO

Haruna Musa was appointed Managing Director/CEO of Jaiz Bank Plc on the 21st of November 2023. He is a seasoned banker with over 27 years of cognate experience in banking across Nigeria and Africa. He is an alumnus of Ahmadu Bello University, Zaria, Bayero University, Kano, and Cranfield University, United Kingdom. He holds a Ph.D. in Islamic Banking At the Cranfield University, Haruna obtained an MSc. in Finance and Management (2008 – 2009). He received a Master's Degree in Business Administration from Bayero University, Kano (1997 – 1998); a Post Graduate Diploma in Management earlier from the same University (1994 – 1995), while he holds a Bachelor of Agriculture from Ahmadu University Zaria.

Haruna undertook extensive executive-level courses including Advanced Management Program from Wharton Business School, University of Pennsylvania, USA (2023); Making Corporate Boards More Effective – Harvard Business School, Harvard University, USA (2015); Positive Leadership Program – Michigan Ross Executive Education, USA (2014); General Management Program – Cranfield University, UK (2012). He is also an honorary member of the Chartered Institute of Bankers (CIBN) of Until his appointment as the substantive MD/CEO of Jaiz Bank Plc, he served as Executive Director with GT Bank for eight years, and garnered 22 years out of his 27 years' wealth of banking experience working for Guaranty Trust Bank Holding Company (GTCO) from March 2001–October 2023.

He commenced his banking profession as Banking Officer at United Bank for Africa Plc from June 1997 – December 1998 and served as a Senior Banking Officer at the FSB International Bank Plc between December 1998 and March 2001. Earlier, he worked at the Federal Ministry of Agriculture, Abuja, as Agricultural officer II from January 1993 – June 1997.

In October 2015, Haruna assumed the role of Executive Director & Head, Northeast & Public Sector, Abuja Divisions on the Board of GT Bank, a testament to his professionalism and exemplary competence.

He was also appointed as a Non- Executive Director with GT Bank (Cote D'Ivoire Ltd) and Chairman of the Board Audit Committee from March 2015 to October 2023, where he contributed to the turn-around of the Bank from a loss Jaiz Bank's new MD/CEO's robust achievements include several commendation letters for selflessness and meritorious service from his previous and current employers.

ALHASSAN ABDULKARIM - EXECUTIVE DIRECTOR - Risk Management

Alhassan Abdulkarim is a bona fide member of four reputable organizations including the Chartered Institute of Bankers of Nigeria (CIBN), Institute of Credit Administrators (ICA), Nigeria Institute of Management (NIM), Commodity Brokers Association of Nigeria (CBAN), was employed following his trajectory of protracted service in the banking industry. Alhassan holds a Master's Degree in Islamic Banking and Finance; a Master's Degree in Business Administration with specialization in Finance and Investment and Postgraduate Diploma in Management from Bayero University Kano.

He also possesses personal and excellent skills in products and services management, advanced credit skills, business evaluation and investment packaging, budgeting, team and general leadership skills.

Alhassan's 23 years of cognate experience in Executive and Senior positions in different Banks across Nigeria, accorded him leadership and team management skills in Islamic Banking, Product Development and Structured Finance. He was appointed into the Board of Jaiz Bank on March 1st, 2023. Prior to joining Jaiz Bank plc in 2012, He worked with Infectious Disease Hospital Kano 1997 – 1998, Access Bank Plc 1999 – 2001 and 2011 - 2012, Continental Trust Bank 2001 2003, Citizens Bank International limited 2003 – 2005 and Guaranty Trust Bank 2005 – 2011.

The ED Risk Management had also acquired broad experience in Banking Operations; Commercial and Corporate Banking; Credit Packaging and Financial Analysis; International Trade Finance; Customer Service and Relationship Management.

OMOLARA MUI NAT ISMAIL - EXECUTIVE DIRECTOR - Business Development

Omolara Ismail brings more than 25 years of experience across retail, commercial and corporate banking. Her professional career spans senior management and board-level roles at Guaranty Trust Bank Plc, including service as a Non-Executive Director and Chairman of the Board Credit Committee of the bank's subsidiary in The Gambia.

A Chartered Banker, she is a Fellow of the Chartered Institute of Bankers of Nigeria and the National Institute of Credit Administration. She holds an MBA from the University of Ilorin and Bangor University in the United Kingdom and has completed several executive programmes at international institutions. Prior to her appointment, she was General Manager, Business Development, and Head of the Lagos and South Directorate, where she oversaw regional expansion, product innovation and digital banking initiatives.

MOHAMMED SHEHU - COMPANY SECRETARY/LEGAL ADVISER

Mohammed Shehu is an accomplished legal practitioner and corporate governance professional with over three decades of experience spanning legal practice, banking, corporate governance, and company secretariat functions. He possesses extensive expertise in litigation management, corporate advisory services, regulatory compliance, and board governance, with a proven track record of supporting boards and executive management in achieving sound corporate oversight and institutional integrity.

He holds academic qualifications from Ahmadu Bello University, Bayero University Kano, Nigerian Law School, and the Lagos Business School, reflecting a strong foundation in law, management, and corporate governance.

Mr. Shehu is a member of several professional bodies, including the Nigerian Bar Association, Institute of Chartered Economists of Nigeria, Institute of Chartered Secretaries and Administrators of Nigeria, Chartered Institute of Directors Nigeria, and the Chartered Institute of Bankers of Nigeria.

He commenced his banking career in 2001 with NUB International Bank Ltd as Legal Officer and subsequently rose to the position of Assistant Company Secretary/Legal Adviser. Following the 2006 banking consolidation, he served in FinBank Plc, First City Monument Bank, and Fin Insurance Ltd, where he held several senior roles including Acting Group Head Legal, Head Legal (North), and Company Secretary/Legal Adviser.

In February 2017, he was appointed Company Secretary of Unity Bank Plc, a role he held until 2019. He subsequently served as Managing Partner at Al-Fil Legal Consult, providing legal advisory and corporate governance services.

Mr. Shehu currently serves as Company Secretary/Legal Adviser at Jaiz Bank Plc, where he supports the Board and Management in strengthening governance structures, ensuring regulatory compliance, and promoting best practices in corporate administration within Nigeria's non-interest banking sector. He has attended numerous professional development programmes both locally and internationally, covering areas such as anti-money laundering and counter-terrorism financing, securities and credit documentation in banks, board leadership and effectiveness, corporate governance, arbitration, information technology governance, and cyber security, among others.

OSENI KEHINDE BELLO - CHIEF FINANCIAL OFFICER

Oseni Kehinde Bello serves as Chief Financial Officer (CFO) at Jaiz Bank, overseeing the Finance & Strategy Division. With over 28 years of progressive experience across insurance, advisory services, banking, finance, and accounting, he brings exceptional expertise to the role.

Throughout his career, Kehinde has held key positions at leading financial institutions, including Crusader Insurance (Nig) Plc, PricewaterhouseCoopers, Oceanic Bank, NNB International Bank Plc, and Unity Bank. In these roles, he championed process refinement, automation, and operational excellence across diverse financial environments.

Kehinde holds a B.Sc. (Second Class Upper) in Actuarial Science from the University of Lagos and is a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN). He is also an alumnus of Lagos Business School and has completed numerous executive and professional programmes in finance, treasury, and banking.

Driven by a commitment to innovation and ethical business practices, Kehinde leverages technology to deliver strategic financial solutions that enhance organizational performance. His leadership ensures robust financial governance and sustainable growth at Jaiz Bank.

MOHAMMED WANKA - CHIEF INFORMATION OFFICER

Dr. Mohammed Haruna Wanka has over 26 years working experience in the Financial Services industry. He possesses a strong understanding and knowledge of Information Technology, Strategy development, Risk Management, Security/Disaster Planning, among others. Prior to joining Jaiz Bank Plc in 2024, he had worked at First Bank Nigeria PLC, GT Bank PLC, ASO Savings & Loans PLC and Premium Pension Limited.

Dr. Wanka is a graduate of Computer Science and Mathematics from Federal University of Technology, Minna. He has a Postgraduate Diploma in Business Administration from the Warwick Business School, University of Warwick, UK, Masters in Business Administration (MBA) and Doctorate in Business Administration (DBA) with specialization in Accounting and Finance from University of Abuja Business School. -He was a participant at Leading the AI-Driven Organization program of Massachusetts Institute of Technology (MIT) Cambridge, Massachusetts, the Innovative Chief Information Officer (CIO) program on Leadership, Innovation and Global Change of Stanford University Graduate School of Business, Stanford University, USA, he also attended the Leading Digital Transformation program at Columbia University Business School, NYC, USA. He is an Alumni of Lagos Business School and has attended several courses at the school including the Advanced Management Program (AMP41) and Senior Management Program (SMP68) class.

Dr. Wanka is an Honorary Senior Member of the Chartered Institute of Bankers of Nigeria (HCIB), Certified Islamic Banker (CIB), Chartered IT Professional (CITP), Associate Chartered Risk Manager (CRM), an Oracle Certified Professional 9i and 10g, IBM Certified Specialist on AIX 5.3 Administration and Support and has the IT Business Manager Certification (ITBMC). He is a Fellow of the British Computer Society (FBCS), UK and a member of IT Business Managers Roundtable, USA. He is currently a distinguished Fellow Certified Institute of Pension (FCIP) and Fellow Institute of Credit Administration, Nigeria (FICA).

NA'IMATU ABDULLAHI - DIVISIONAL HEAD KANO EAST

Mrs. Abdullahi is 52 years old with over 24 years of banking experience in Operations and Business Development. Prior to joining Jaiz Bank Plc in 2011, she worked at Guaranty Trust Bank 2000 – 2011, and Government Technical College, Kano 1995 – 1999.

Mrs. Abdullahi has a B.A in Mass Communication, M.Sc in Mass Communication and Professional Masters in Islamic Banking and Finance. Mrs. Abdullahi has a plethora of certifications including; the CIBAFI Certified Islamic Banker, Kingdom of Bahrain; the CIMC Chartered Management Consultant, USA; the Institute of Financial Consultants, Certified Financial Consultant in Islamic Finance Canada; The Institute of Management Specialists- Fellow United Kingdom.

BABAJIDE ODEDELE OLUFEMI - CHIEF AUDIT EXECUTIVE

Babajide holds a Bachelor of Agriculture and Master's in business administration with specification in Marketing from Ladoko Akintola University of Technology, Ogbomoso. He is a Fellow, Institute of Chartered Accountants of Nigeria (FCA) and also an ICAN IFRS Certified Accountant.

Babajide has about 28 years of experience in Banking Industry spanning across Operations, Credit & Risk Management, Internal Control and Audit. He started his career at Wema Bank Plc in 1998 and later moved to Fin Bank Plc in 2003, where he worked for 9 years. In 2012, Babajide moved to First City Monument Bank (FCMB) and served as the Chief Audit Executive before leaving to join Jaiz 1

TUKUR GALADIMA Ph.D - CHIEF COMPLIANCE OFFICER

Tukur is a highly experienced legal professional with over two decades of expertise in banking, financial regulation, corporate law, and compliance. Prior to joining Jaiz Bank in November 2025, he worked as a Principal Partner at Clouds and Stones Legal Practitioners, providing advisory services on corporate, compliance and regulatory matters.

Previously, he held senior roles at the Central Bank of Nigeria (CBN), including Assistant Director and Head of Banking & Commercial Law, where he led legal reviews, policy reforms, and represented the CBN in high-level committees and legislative engagements. He demonstrated leadership in legal reforms such as BOFIA, the Credit Reporting Act, and the Secured Transactions Act.

Tukur holds a PhD in Private Law and has extensive experience in legal drafting, litigation, regulatory frameworks and compliance, and inter-agency collaboration. He also holds LLB, LLM, and BL from the Nigerian Law School. He is a member of the Compliance Institute of Nigeria and has 26 years of working experience. He is currently the Chief Compliance Officer of Jaiz Bank Plc.

BASHEER ABDULRASHEED - CHIEF RISK OFFICER

Basheer Abdulrasheed is a seasoned banking professional with over 22 years of extensive experience in the financial industry. He is currently serving as the Chief Risk Officer at Jaiz Bank, a position he has held since 2024.

Mr. Abdulrasheed possesses a strong academic background complemented by numerous professional certifications. His academic credentials include a Bachelor of Science in Management, a Master of Business Administration, and an MSc in Finance with a focus on Economic Policy. In addition, he is an Associate of the Chartered Institute of Bankers of Nigeria, and he holds several specialized certifications such as Certified Risk Manager and Certified Islamic Specialist in Risk Management, among others. Throughout his career, Basheer has demonstrated his expertise and leadership in various banking roles. Before joining Jaiz Bank, he gained valuable experience working with several reputable financial institutions. His career journey includes a tenure at Access Bank from 2011 to 2022, where he contributed significantly to the bank's risk management and operational strategies. Prior to that, he worked at FCMB from 2009 to 2011, Diamond Bank from 2004 to 2009, Citizens Bank from 2003 to 2004, and NUB International Bank from 2002 to 2003.

Basheer Abdulrasheed is recognized for his deep understanding of banking operations, risk management, and financial regulations, making him a vital asset to Jaiz Bank and the Nigerian banking sector as a whole.

AUWALU ADO - HEAD SHARIAH AUDIT

Auwalu Ado, is a seasoned banking professional with over 25 years of extensive experience across conventional and non-interest banking. He currently serves as the Head of Shari'ah Audit at Jaiz Bank Plc, a position he has held since 2016, where he provides strategic oversight on Shari'ah compliance and governance.

He possesses strong academic and professional credentials in Islamic finance, including Certified Shariah Advisor and Auditor (CSSA), Certified Islamic Specialist in Shariah Auditing (CISSA), and Certified Islamic Banker (CIB), among other qualifications. Auwalu is a widely respected subject matter expert in Shari'ah, Islamic Banking, and Finance, and is also a CIBAFI Certified Trainer, having delivered Islamic banking and finance training programmes for several decades.

Prior to joining Jaiz Bank, he held several senior leadership and managerial roles across leading financial institutions. These include Regional Executive at African Alliance Insurance Plc (2010–2012), as well as senior positions at Ecobank (formerly Oceanic Bank) (2009–2010) and Access Bank (formerly Intercontinental Bank) (2005–2009). His earlier career also spans roles at Equity Bank, IMB International Bank, Ecobank, and United Bank for Africa (UBA).

DIRECTOR'S REPORT

The Directors present their report on the affairs of Jaiz Bank Plc ('the Bank'), together with the audited financial statements and independent auditors' report for the year ended 31 December 2025

1. LEGAL FORM AND PRINCIPAL ACTIVITY

In 2003, the Bank was established as a public limited liability company and was granted a regional license to function as a non-interest commercial bank on November 10, 2011. Operations officially commenced on January 6, 2012. The Central Bank of Nigeria later issued a National Banking license to the Bank in May 2016. Subsequently, on February 10, 2017, the Bank's shares were officially listed on the Nigerian Stock Exchange Group.

2. OPERATING RESULTS

DETAILS	2025	2024
Gross Earnings	102,812,858	82,874,820
Profit Before Tax	31,247,090	24,444,874
Income Tax Credit/(Expense)	(1,040,287)	(960,624)
Windfall Levy	(50,000)	-
Profit for the year	30,156,803	23,484,250
Basic & Diluted Earnings per share(kobo)	67.63 kobo	66.38 kobo

3. BUSINESS REVIEW AND FUTURE DEVELOPMENT

The Company carried on as a non-interest commercial bank in the year under review in accordance with its Memorandum and Articles of Association. A comprehensive review of the business for the year and prospects for the ensuing year is contained in the Managing Director's Report

4. DIRECTORS

a. Directors' Remuneration

The Bank ensures that remuneration paid to its Directors and Managers complies with the provisions of the Code of Corporate Governance issued by its regulators. In compliance with Section 34(5) of the Code of Corporate Governance for Public Companies as issued by the Securities and Exchange Commission, the Bank makes disclosure of the remuneration paid to its directors as follows:

Type of package Fixed	Description	Timing
Basic Salary	Part of gross salary package for Executive Directors only. This reflects the banking industry competitive salary package and the extent to which the Bank's objectives have been met for the financial year.	Paid monthly during the financial year.
Other allowances	Part of gross salary package for Executive Directors only. This reflects the banking industry competitive salary package and the extent to which the Bank's objectives have been met for the financial year.	Paid at periodic intervals during the financial year.
Performance Based Pay	Paid to Executive Directors/other staff and tied to performance of the line report. It is also a function of the extent to which the Bank's objectives have been met for the financial year.	Paid annually in arrears.
Director fees	Paid annually to Non - Executive Directors only.	Paid quarterly in arrears.
Sitting allowances	Allowances paid to Non-Executive Directors only, for attending Board and Board Committee Meetings.	Paid after each Meeting.

b. Changes on the Board

Appointments on the Board

The Board appointed Omolara Muinat Ismail as Executive Director of the Bank effective from 28th February , 2026. Her appointment has been approved by the Central Bank of Nigeria and would be presented to shareholders at the Annual General Meeting.

.Profile of Omolara Muinat Ismail

Omolara Ismail brings more than 25 years of experience across retail, commercial and corporate banking. Her professional career spans senior management and board-level roles at Guaranty Trust Bank Plc, including service as a Non-Executive Director and Chairman of the Board Credit Committee of the bank's subsidiary in The Gambia.

A Chartered Banker, she is a Fellow of the Chartered Institute of Bankers of Nigeria and the National Institute of Credit Administration. She holds an MBA from the University of Ilorin and Bangor University in the United Kingdom and has completed several executive programmes at international institutions.

Prior to her appointment, she was General Manager, Business Development, and Head of the Lagos and South Directorate, where she oversaw regional expansion, product innovation and digital banking initiatives.

c. Directors Retiring by Rotation

In accordance with the provisions of the Companies & Allied Matters Act, Tajuddeen Aminu Dantata, Sa'adat Hamza Mohammed and Mustapha Ibrahim Ahmad hereby retire by rotation. Being eligible, Tajuddeen Aminu Dantata, Sa'adat Hamza Mohammed and Mustapha Ibrahim Ahmed hereby present themselves for re-election. A record of attendance at the Board and Board Committee meetings by Tajuddeen Aminu Dantata, Sa'adat Hamza Mohammed and Mustapha Ibrahim Ahmad is contained in the Corporate Governance section of this report.

d. Notification of Attainment of Seventy (70) Years of Age

In accordance with the provisions of the Companies & Allied Matters Act, the Directors hereby announce Mohammed Mustapha Bintube has attained the age of seventy (70) years during the period.

e. Directors Fees

The Board of Directors hereby retain their fees as approved at the last General Meeting

DIRECTORS	DECEMBER 2025		DECEMBER 2024	
	DIRECT	INDIRECT	DIRECT	INDIRECT
Mohammed Mustapha Bintube	25,602,000	9,092,326,811 (Estate of Alhassan Aminu Dantata)	20,000,000	4,023,971,327 (Dantata Invest. & Sec. Co. Ltd)
Saádat Hamza Mohammed	-	4,096,154,4893 (Althani Invest. Ltd)	N/A	4,096,154,493 (Althani Invest. Ltd)
Mallam Mustapha Ibrahim Ahmad	-	3,053,458,570 (Dangote Industries Ltd)	N/A	3,053,458,570 (Dangote Industries Ltd)
Ibrahim Mohammed Indimi	-	13,093,099,656	N/A	13,093,099,656 (Alh. (Dr) Muhammad Indimi)
Seedy Mohammed Njie	-	2,506,666,588 (Islamic Development Bank)	N/A	2,506,666,588 (Islamic Development Bank)
Muhammad Hadi Abdulmutallab	-	4,461,382,066 (Alh. (Dr.) Umaru Abdulmutallab)	-	4,461,382,066 (Alh. (Dr.) Umaru Abdulmutallab)
Ahmed Mohammed Indimi	-	13,093,099,656	-	13,093,099,656 (Alh. (Dr) Muhammad Indimi)
Dr. Abdulateef Bello	4000	N/A	4000	N/A
Dr Aisha Waziri Umar Ph.D	-	-	-	-
Tajuddeen Aminu Dantata	-	9,092,326,811 (Estate of Alhassan Aminu Dantata)	-	-
Nike Kolawole	-	-	-	-
Haruna Musa Ph.D	21,985,800	-	11,000,000	-
Alhassan Abdulkarim	10,475,050	-	11,475,000	-

5. ACQUISITION OF OWN SHARES

The shares of the Bank are held in accordance with the Articles of Association of the Bank. The Bank has no beneficial interest in any of its shares.

6. PROPERTY AND EQUIPMENT

Information relating to changes in property and equipment is given in the Notes to the financial statements. In the opinion of the directors, the market value of the Bank's property and equipment is not less than the value shown in the financial statements.

7. EMPLOYMENT AND EMPLOYEES

a. Employee Involvement and Training

Management, professional and technical expertise are the Bank's major assets and investment in their training, both locally and overseas, continued during the period under review.

Formal and informal channels of communication are employed in keeping staff abreast of various factors affecting the Bank as a going concern.

b. Employment Policy

The Company's recruitment policy is based solely on merit and does not discriminate against any person based on religion, tribe, or physical disability.

c. Health Safety and Welfare at Work

Health and safety regulations are in force within the Bank's premises, and employees are aware of existing regulations. The Bank provides subsidies to all employees for medical, transportation, lunch, and access to recreational facilities to enhance their welfare and productivity.

The Bank operates a crèche facility for its staff at its Head Office and plans to extend it to other locations in due course. We actively promote the wellness of our employees and have provided a gymnasium at our Head Office for use by all staff. Fire prevention and fire-fighting equipment are installed in strategic locations within the Bank's premises. The Bank operates a contributory pension plan in line with the Pension Reform Act for its employees.

d. Gender Analysis

The average number and percentage of male and female employees during the year ended 31 December

Total Staff

	MALE	FEMALE	TOTAL	MALE	FEMALE
EMPLOYEES	Number			Percentage	
	685	302	987	69%	31%

Senior Management

	MALE	FEMALE	TOTAL	MALE	FEMALE
	Number			Percentage	
Board	10	3	13	77%	23%
Top Management	9	2	11	82%	18%
Total	19	5	24	79%	21%

Gender analysis of the Board and Top Management for the year ended 31 December, 2025 is as follows:

8. POST BALANCE SHEET EVENTS

There were no post-balance sheet events that could have a material effect on the company's state of affairs as of 31 December, 2025, or the profit for the year ended on that date that has not been adequately provided for or disclosed.

9. EQUITY RANGE ANALYSIS

The shareholding pattern of the Bank as of 31 December, 2025 is as follows:

HOLDINGS		NO. OF SHAREHOLDERS	PERCENTAGE OF SHAREHOLDERS (%)	NUMBER OF HOLDINGS	PERCENTAGE HOLDINGS (%)
1.00	1,000.00	3645	10.34	1,151,118	0.00
1,001.00	1,000.00	12474	35.39	34,431,386	0.08
5,001.00	5,000.00	5762	16.35	51,402,981	0.12
100,001.00	100,000.00	5944	16.86	152,085,898	0.34
500,001.00	500,000.00	2940	8.34	270,447,137	0.61
100,001.00	100,000.00	3147	8.93	776,038,508	1.74
500,001.00	500,000.00	592	1.68	471,364,719	1.06
1,000,001.00	1,000,000.00	570	1.62	1,288,135,714	2.89
5,000,001.00	5,000,000.00	93	0.26	718,394,122	1.61
10,000,001.00	10,000,000.00	62	0.18	1,279,098,921	2.87
50,000,001.00	50,000,000.00	6	0.02	433,599,747	0.97
100,000,001.00	100,000,000.00	9	0.03	2,165,065,622	4.86
1,000,000,001.00	Above	8	0.02	36,948,194,459	82.86
GRAND TOTAL		35,252	100	44,589,410,332	100

10. SUBSTANTIAL SHAREHOLDERS

According to the register of members at 31 December, 2025, the following shareholders held more than 5.0% of the issued share capital of the Bank:

S/N	NAME	Holdings	%
1	Alhaji (Dr.) Muhammadu Indimi	13,093,099,656	29.36
2	Estate of Dantata Aminu Alhassan	8,606,126,811	19.30
3	Alh. (Dr.) Umaru Abdul Mutallab	4,461,382,066	10.01
4	Althani Investment Ltd	4,096,154,493	9.19
5	Dangote Industries Ltd	3,053,458,570	6.85
6	Islamic Development Bank	2,506,666,588	5.62

We wish to declare that the Bank has diverse shareholding structures and that no other individual(s) or entity(ies) holds above 5% of the Bank's issued and fully paid shares except as disclosed above.

9. SHAREHOLDING HISTORY

Authorized Share Capital Increase				Issued & Fully Paid Capital Increase			
Year	Unit	From	To	Unit	From	To	Consideration
2003	2,500,000,000	-	2,500,000,000	2,500,000,000	-	2,500,000,000	Cash
2004	-	-	-	-	-	-	-
2005	-	-	-	-	-	-	-
2006	13,000,000,000	2,500,000,000	13,000,000,000	-	13,000,000,000	-	Cash
2007	-	-	-	-	-	-	-
2008	-	-	-	1,514,429,720	2,500,000,000	4,014,429,720	Cash
2012	-	-	-	7,732,867,330	4,014,429,720	11,829,699,720	Cash
2014	15,000,000,000	13,000,000,000	15,000,000,000	-	-	-	-
2016	-	-	-	2,902,424,930	11,829,699,720	14,732,124,650	Cash
2017	25,000,000,000	15,000,000,000	25,000,000,000	2,464,249,300	-	14,732,124,650	-
2018	25,000,000,000	-	25,000,000,000	2,464,249,300	-	14,732,124,650	-
2019	25,000,000,000	-	25,000,000,000	2,464,249,300	-	14,732,124,650	-
2020	25,000,000,000	-	25,000,000,000	29,464,249,330	-	14,732,124,650	-
2021	25,000,000,000	-	25,000,000,000	34,541,172,377	-	17,270,586,188 50	-
2022	25,000,000,000	-	25,000,000,000	34,541,172,377	14,732,124,650	17,270,586,188 50	Cash
2023	25,000,000,000	-	25,000,000,000	34,541,172,377	-	17,270,586,188 50	-
2024	25,000,000,000	-	25,000,000,000	44,589,410,332	-	22,294,705,166	Cash
2024	25,000,000,000	-	25,000,000,000	44,589,410,332	-	22,294,705,166	-

Share split from N1.00 per Share to N0.50K Per Share

10. DONATIONS AND SPONSORSHIP

In order to identify with the aspirations of various sections of the society, the Bank donated a total sum of N192,355,000 (December 31 2024: N188,154,500) as donations and charitable contributions during the year. It comprises contributions to Educational organisations, Art and Cultural organisations, and Professional organisations amongst others which are sharia compliant

11. Asset Values

Information relating to the Company's Assets is detailed in the Notes to the Financial Statements.

12. Audit Committee

Pursuant to Section 404 (7) of the Companies and Allied Matters Act, (CAMA) 2020, the Company has in place an Audit Committee comprising three shareholders and two directors as follows:

Alhaji Shehu Mohammed, FCA	Shareholder Representative - Chairman
Alhaji Ibrahim Lawal Ozomata	Shareholder Representative
Alhaji Mohammed Gulani Shuaibu	Shareholder Representative
Mrs. Aisha Waziri Umar Ph.D	Non-Executive Director
Alhaji Ibrahim Indimi	Non-Executive Director

The functions of the Audit Committee are as laid down in Section 404 (7) of CAMA 2020.

13. Auditors

Messrs. Deloitte have indicated their willingness to continue in office and will do so in accordance with Section 401 (2) of the Companies and Allied Matters Act (CAMA) 2020 and Section 20.2 of the Nigerian Code of Corporate Governance 2018.

A resolution will be proposed at the Annual General Meeting to authorise the Directors to determine their remuneration.

BY ORDER OF THE BOARD



MOHAMMED SHEHU
FRC/2017/NBA/00000016416
Company Secretary/Legal Adviser
Jaiz Bank PLC.
Jaiz Bank House
Plot 1073 J.S. Tarka Street
Area 3, Garki, Abuja
Federal Capital Territory
4th March 2026

CORPORATE GOVERNANCE REPORT

The Board of Jaiz Bank Plc ('the Bank') is pleased to present the Corporate Governance Report for the Year Ended December 31, 2025. The report provides insight into the Bank's governance framework and key activities of the Board during the reporting year.

Introduction

The Board underscores the paramount importance of Corporate Governance in fostering the development of a resilient and enduring organization. We firmly believe that the attainment of effective governance hinges on cultivating a culture steeped in transparency and openness, both within the dynamic interplay of Management and the Board and in the interactions with our esteemed shareholders.

To uphold the highest standards, the Board is dedicated to perpetual adherence to the stipulations set forth in the Code of Corporate Governance for Banks and Discount Houses in Nigeria, as promulgated by the Central Bank of Nigeria ("the CBN Code"), the Code of Corporate Governance for Public Companies articulated by the Securities and Exchange Commission (SEC), and the rigorous Post-Listing Requirements mandated by the Nigeria Exchange Group.

Board Structure

The Bank's Board is a distinguished assembly of seasoned professionals equipped with the requisite skills, knowledge, and experience necessary to contribute independent judgment to the deliberations and decisions of the Board. At the helm of the Board is the Chairman, leading a contingent of 12 members, comprising 11 Non-Executive Directors and 3 Executive Directors. Within this framework, 3 of the Non-Executive Directors assume the crucial role of Independent Directors, their appointments meticulously aligned with the criteria stipulated by the Central Bank of Nigeria's Guideline on Independent Directors of Banks in Nigeria. The Board experienced changes throughout the year, with 6 Directors retiring or resigning from their positions.

Notably, the positions of Managing Director and Chairman are distinct, each held by separate individuals with clearly defined roles. This organizational structure underscores the Board's commitment to governance principles that foster accountability, transparency, and effective decision-making.

S/N	NAMES	DESIGNATION
1	Mohammed Mustapha Bintube	Chairman
2	Seedy Mohammed Njie	Non-Executive Director
3	Muhammad Hadi Abdulmutallab	Non-Executive Director
4	Ibrahim Mohammed Indimi	Non-Executive Director
5	Tajuddeen Aminu Dantata	Non-Executive Director
6	Mustapha Ibrahim Ahmad	Non-Executive Director
7	Sa'adat Hamza Mohammed	Non-Executive Director
8	Ahmed Mohammed Indimi *	Non-Executive Director
9	Dr. Abdullateef Bello	Independent Non-Executive Director
10	Dr Aisha Waziri Umar	Independent Non-Executive Director
11	Adenike Kolawole *	Independent Non-Executive Director
12	Haruna Musa Ph.D	Managing Director/CEO
13	Alhassan Abdulkarim	Executive Director, Risk Management

*Ahmed Mohammed Indimi was appointed as Non-Executive Director effective April 14, 2025

* Adenike Kolawole was appointed as Independent Non-Executive Director effective June 11, 2025

Board Changes

*Appointments on the Board

The Board appointed Omolara Muinat Ismail as Executive Director of the Bank effective from 28th February, 2026. Her appointment has been approved by the Central Bank of Nigeria and would be presented to shareholders at the Annual General Meeting.

*Profile of Omolara Muinat Ismail

Omolara Ismail brings more than 25 years of experience across retail, commercial and corporate banking. Her professional career spans senior management and board-level roles at Guaranty Trust Bank Plc, including service as a Non-Executive Director and Chairman of the Board Credit Committee of the bank's subsidiary in The Gambia.

A Chartered Banker, she is a Fellow of the Chartered Institute of Bankers of Nigeria and the National Institute of Credit Administration. She holds an MBA from the University of Ilorin and Bangor University in the United Kingdom and has completed several executive programmes at international institutions. Prior to her appointment, she was General Manager, Business Development, and Head of the Lagos and South Directorate, where she oversaw regional expansion, product innovation and digital banking initiatives.

Matters Reserved for the Board

The Board assumes a pivotal role in guiding and steering the management, shaping the strategic objectives, and formulating policies that govern the Bank. Through decisive leadership, the Board not only establishes the overarching vision but also ensures the effective execution of these strategies. To streamline operations, the Board has judiciously delegated specific powers pertaining to the day-to-day operational aspects of the Bank to the Managing Director. This delegation facilitates a focused and efficient approach to the operational running of the institution, allowing the Board to maintain its strategic oversight and governance responsibilities

Specific matters have been reserved for approval by the Board and include but are not limited to the following:

- Defining the Bank's Strategic Plans and Objectives.
- Ensuring the integrity of financial reports.
- Approval of significant changes to the Bank's accounting policies.
- Appointment and removal of Directors and the Company Secretary.
- Approval of charter and membership of Board Committees.
- Establishing effective internal control systems.
- Instilling a culture of compliance with rules and regulations.
- Formulating risk policies.
- Approval of quarterly, half-yearly and full-year financial statements.
- Ensuring planned Management succession.
- Effective communication with shareholders.
- Performance appraisal and compensation of Board members and Senior Executives.

Director's Appointment Process, Induction and Training

The Board, through its Governance, Remuneration, and Nominations Committee, has crafted a comprehensive policy on Board appointments, entrusting the committee with the responsibility of identifying and recommending qualified candidates for approval by the Board. In the selection process, the Board carefully considers attributes such as knowledge, skills, experience, and other qualities deemed essential for the roles in question. Approval for Director appointments is contingent upon the endorsement of both shareholders and the Central Bank of Nigeria.

In adherence to best practices, the Board conducts a tailored induction program for new Board members, providing insights into the Bank's operational processes and outlining expected duties and responsibilities. Each new member receives an induction pack, comprising the Board's charter, various Board Committees' charters, significant reports, the memorandum and articles of association of the Bank, Board/Board Committee resolutions, important legislations/policies, and a calendar of Board activities.

To enhance the effectiveness of its members, the Board places strong emphasis on ongoing training related to their oversight functions. Directors are obligated to participate in periodic and relevant continuing professional development programs, ensuring their knowledge and skills remain current and aligned with the evolving industry and operating environment. This commitment underscores the Board's dedication to maintaining a high standard of governance and ensuring that its members are well-equipped to navigate the complexities of their roles. The table below provides the details of continuous education training programs undertaken by directors in 2025.

S/N	NAMES	FACILITATOR	TRAINING ATTENDED	PERIOD
1	Mohammed Mustapha Bintube	Bahrain Institute of Banking and Finance University of Cambridge Uk	Cambridge Islamic Finance Structuring Master Cambridge Islamic Finance Leadership Programme	2nd -7th February 2025 17th -24th August 2025
2	Dr. Abdullateef Bello	London Business School, UK	Leading Business into the Future	1st - 6th June, 2025
3	Dr Aisha Waziri Umar	INSEAD Executive Education, France Rissalat Consultants Int'Ltd, Istanbul,Turkey	Corporate Strategy for Board Members Islamic Finance Training	13th - 16th March 2025 17th - 27th November 2025
4	Muhammad Hadi Abdulmutallab	Qitmeer Smart Maant Consultancies LLC Dubai	Certification in AAOFI Shariah Standards Digital Transformation Leadership	April 2025 July 28th - August 1, 2025
5	Ibrahim Mohammed Indimi	Harvard Business School , U.S.A Columbia Business School, New York. U.S.A	Driving Digital Strategy Finance and Accounting for the Non- financial Executives	March 30th - April 4th 2025 23rd - 27th June 2025
6	Haruna Musa Ph.D	INSEAD Executive Education, France Rissalat Consultants Int'Ltd, Istanbul,Turkey	AI for Business Islamic Finance Training	15th -19th September 2025 17th - 27th November 2025
7	Alhassan Abdulkarim	Cambridge Business School Executive Education	Cambridge Management Programme	11th - 23rd May 2025
8	Sa'adat Hamza Mohammed	Prospect Development London, U.K. Rissalat Consultants Int'Ltd, Istanbul,Turkey	Transformation Leadership Excellence Islamic Finance Training	15th -19th September 2025 17th - 27th November 2025
9	Ahmed Mohammed Indimi	Harvard Business School , U.S.A	Preparing to Be a Corporate Director	1st - 4th October 2025
10	Adenike Kolawole	Rissalat Consultants Int'Ltd, Istanbul,Turkey	Islamic Finance Training	17th - 27th November 2025
11	All Directors	Centre for Information & Security Intelligence Pattison Consulting Ltd	Cybersecurity & AI Executive Masterclass AML/CFT/CPF Training	12th November 2025 12th November 2025

Tenure of Directors

To ensure both continuity and injection of fresh ideas, the tenure for Non-Executive Directors is limited to a maximum of three (3) terms of four (4) years each, i.e. twelve (12) years while the maximum tenure for Executive Directors is limited to a maximum of three (3) terms of four (4) years each, i.e. twelve (12) years.

This is in compliance with the provisions of the CBN Code.

Board Meetings

The Board meets quarterly, and additional meetings are convened as the need arises. The Board has the authority to delegate matters to Board Committees and Executive Management.

Attendance of Meetings

With a steadfast commitment to advancing corporate governance practices and optimizing Board meeting attendance, the Company Secretary takes proactive measures. An annual calendar of meetings is meticulously crafted, serving as a strategic tool for planning and scheduling. This calendar undergoes thorough scrutiny, with the Board engaging in a comprehensive review and subsequent adoption before the commencement of each new financial year. This deliberate approach ensures transparency, planning, and efficient utilization of Board members' valuable time, aligning with the company's dedication to continual improvement in governance processes.

The table below is the record of attendance for the Board of Directors meetings for the 2025 financial year.

S/N	Names of Directors	FEBRUARY 26	JUNE 17	AUGUST 18	DECEMBER 29
1	Mohammed Mustapha Bintube	√	√	√	√
2	Haruna Musa Ph.D	√	√	√	√
3	Alhassan Abdulkarim	√	√	√	√
4	Seedy Mohammed Njie	√	√	√	√
5	Muhammad Hadi Abdulmutallab	√	√	√	√
6	Ibrahim Mohammed Indimi	√	√	√	√
7	Dr. Abdullateef Bello	√	√	√	√
8	Dr Aisha Waziri Umar	√	√	√	√
9	Tajuddeen Aminu Dantata	√	√	√	√
10	Mustapha Ibrahim Ahmad	√	√	√	√
11	Sa'adat Hamza Mohammed	√	√	√	√
12	Ahmed Mohammed Indimi*	-	√	√	√
13	Adenike Kolawole *	-	-	√	√

* Ahmed Mohammed Indimi was appointed as Non-Executive Director effective April 14, 2025

* Adenike Kolawole was appointed as Non-Executive Director effective June 11, 2025

Board Committees

The Board has established various Committees with well-defined Terms of Reference highlighting their scope of responsibilities. The Committees meet quarterly but may hold additional meetings as the need arises.

Board Committees

Board Risk Management Committee (BRMC)

Board Investment Committee (BIC)

Board Finance and General Purpose Committee (BFGPC)

Board Governance Nominations and Remuneration Committee (BGNRC)

Board Audit Committee (BAC)

In addition to the above committees, and in line with the provisions of the Companies and Allied Matters Act, the Board also established the Statutory Audit Committee with five (5) members drawn from among the shareholders and the Board:

Board Governance, Remunerations & Nominations Committee (BGRNC)

Membership

Details	Designation
Dr. Aisha W. Umar	Chairman
Mustapha Ibrahim Ahmed	Member
Tajudeen Aminu Dantata	Member
Sa'adat Hamza Mohammed	Member
Dr. Abdullateef Bello	Member
Ibrahim Mohammed Indimi	Member

The Committee's major responsibilities include:

Considering matters relating to Board's remunerations and Appointment;

Recommending any proposed change(s) to the Board;

Keeping under review the need for appointments;

Preparing a description of the specific experience and abilities needed for each Board appointment, considering candidates for appointment as either Executive or Non-Executive Directors and recommending such appointments to the Board;

Advising the Board on succession planning regarding the roles of the Chairman, Chief Executive Officer and Executive Directors;

Advising the Board on the contents of the Directors Annual Remuneration Report to shareholders;

The Committee held four (4) regular meetings during the financial year and the record of attendance is provided below:

BGRNC Meeting Attendance

Names of Directors	JAN 9	JAN 30	FEB 11	FEB 19	MAR 25	APR 11	APR 29	MAY 13	JUNE 16	AUG 12	SEP 10	SEP 24	NOV 11
Dr. Aisha Waziri Umar	√	√	√	√	√	√	√	√	√	√	√	√	√
Dr. Abdullateef Bello	√	√	√	√	√	√	√	√	√	√	√	√	√
Ibrahim Mohammed Indimi	√	√	√	√	√	√	√	√	√	√	√	√	√
Tajudeen Aminu Dantata	√	√	√	√	√	√	√	√	√	√	√	√	√
Sa'adat Hamza Ibrahim	√	√	√	√	√	√	√	√	√	√	√	√	√
Mustapha Ibrahim Ahmad	√	√	√	√	√	√	√	√	√	√	√	√	√

Board Investment Committee (BIC)

Membership

Details	Designation
Mustapha Ibrahim Ahmad	Chairman
Muhammadu Hadi Abdulmutallab	Member
Dr Aisha Waziri Umar	Member
Sa'adat Hamza Mohammed	Member
Haruna Musa Ph.D.	Member
Alhassan Abdulkarim	Member
Ahmed Mohammed Indimi	Member

The Committee's major responsibilities include:

On an ongoing basis, review the appropriateness of the Bank's Investment Policy, products, processes and approving authorities and make any recommendations for Board approval as may be appropriate.

Articulate the Bank's tolerances with respect to Investment Risk and oversee Management's administration of, and compliance with these policies.

Periodically review Management's strategies, policies and procedures for managing investment risks, including investment quality administration, underwriting standards, and the establishment and testing of provisioning for credit losses.

Oversee Management's administration of the Bank's investment portfolio including Management's responses to trends in investment risk, investment concentration, and asset quality.

Coordinate as appropriate its oversight of investment risk with the Board Risk Management Committee to assist the Committee in its task of overseeing the Bank's overall management and handling of risk.

Evaluate and approve all investment beyond the powers of the Executive Management.

Ensure that the Bank's investment portfolio is both quantitative and qualitative.

Evaluate and recommend to the Board all investments beyond its powers

Review and approve any changes in investment strategy and plan that would lead to the disposal of the Bank's assets.

Review and approve investment risk appetites and limits.

Review proposals for investment recovery.

Review Management Investment Committee (MIC) reports on the Bank's investment portfolio at least once every quarter.

Undertake an annual review of the effectiveness of the Committee.

Report to the Board on its consideration of the above matters, identifying those areas where action or improvement is needed, and making recommendations as appropriate.

Consider such other matters as the Board requires or the Committee considers appropriate and to make recommendations or reports to the Board as appropriate.

The table below is the record of attendance for the BIC meetings for the 2025 financial year.

BIC Meeting Attendance

Names of Directors	JAN 22	FEB 3	APR 16	MAY 5	JUN 20	JUL 17	JUL 24	AUG 4	AUG 21	SEP 11	NOV 3
Mustapha Ibrahim Ahmad	√	√	√	√	√	√	√	√	√	√	√
Alh. Muhammadu Hadi Abdulmutallab	√	√	√	-	√	√	√	√	√	√	√
Mrs Aisha Waziri Umar Ph.D	√	√	√	√	√	√	√	√	√	√	√
Sa'adat Hamza Mohammed	√	√	√	√	√	√	√	√	√	√	√
Ahmed Mohammed Indimi *	-	-	-	-	-	-	-	√	√	√	√
Haruna Musa Ph.D	√	√	√	√	√	√	√	√	√	√	√
Alhassan Abdulkarim	√	√	√	√	√	√	√	√	√	√	√

* Ahmed Mohammed Indimi became member of BIC effective June 17, 2025

* Ceased to be a member of BRMC effective June 17, 2025

** Became a member of BRMC effective June 17, 2025

*** Became a member of BRMC effective June 17, 2025

Board Risk Management Committee (BRMC)**Membership**

Details	Designation
Dr. Abdullateef Bello	Chairman
Tajuddeen Aminu Dantata	Member
Sa'adat Hamza Mohammed	Member
Ahmed Mohammed Indimi	Member
Adenike Kolawole	Member
Haruna Musa Ph.D.	Member
Alhassan Abdulkarim	Member

The Committee’s major responsibilities include:

- On an ongoing basis, review the appropriateness of the Bank’s Investment Policy, products, processes and approving authorities and make any recommendations for Board approval as may be appropriate.
- Articulate the Bank’s tolerances with respect to Investment Risk and oversee Management’s administration of, and compliance with these policies.
- Periodically review Management’s strategies, policies and procedures for managing investment risks, including investment quality administration, underwriting standards, and the establishment and testing of provisioning for credit losses.
- Oversee Management’s administration of the Bank’s investment portfolio including Management’s responses to trends in investment risk, investment concentration, and asset quality.
- Coordinate as appropriate its oversight of investment risk with the Board Risk Management Committee to assist the Committee in its task of overseeing the Bank’s overall management and handling of risk.
- Evaluate and approve all investment beyond the powers of the Executive Management.
- Ensure that the Bank’s investment portfolio is both quantitative and qualitative.
- Evaluate and recommend to the Board all investments beyond its powers.
- Review and approve any changes in investment strategy and Plan that would lead to the disposal of the Bank’s assets.
- Review and approve investment risk appetites and limits.
- Review proposals for investment recovery.
- Review Management Investment Committee (MIC) reports on the Bank’s investment portfolio at least once every quarter.
- Undertake an annual review of the effectiveness of the Committee.
- Report to the Board on its consideration of the above matters, identifying those areas where action or improvement is needed, and making recommendations as appropriate
- Consider such other matters as the Board requires or the Committee considers appropriate and to make recommendations or reports to the Board as appropriate.
- To ensure the Chairman of the Committee or other designated member of the Committee attends the Annual General Meeting of the Bank and answer any questions, through the Chairman of the Board, on the Committee’s activities and responsibilities; and review the terms of reference of the Committee annually and propose any changes it considers appropriate to the Board.

The table below is the record of attendance for the BRMC meetings for the 2025 financial year.

BRMC Meeting Attendance

Names of Directors	FEBRUARY 10	MAY 12	AUGUST 11	NOVEMBER 10
Dr. Abdulateef Bello	√	√	√	√
Alh. Tajudden Dantata	√	√	√	√
Sa’adat Hamza Mohammed *	√	√	-	-
Ahmed Mohammed Indimi *	-	-	√	√
Adenike Kolawole *	-	-	√	√
Haruna Musa Ph.D	√	√	√	√
Alhassan Abdulkarim	√	√	√	√

* Ahmed Mohammed Indimi became member of BRMC effective June 17, 2025

* Sa’adat Hamza Mohammed ceased to be member BRMC effective June 17, 2025

* Adenike Kolawole Became a member of BF&GPC effective June 17, 2025

Board Finance & General-Purpose Committee (BF&GPC)

Membership

Details	Designation
Ibrahim Mohammed Indimi	Chairman
Muhammad Hadi Abdulmutallab	Member
Tajuddeen Aminu Dantata	Member
Mustapha Ibrahim Ahmad	Member
Adenike Kolawole *	Member
Haruna Musa Ph.D.	Member
Alhassan Abdulkarim	Member

The Committee's major responsibilities include:

- Consider and advise the Board of Directors on all aspects of the Bank's finances;
- Consider and make recommendations to the Bank on the annual estimates of income and expenditure, other budgets and the financial forecasts for the Bank;
- Consider and make recommendations to the Board of Directors for its approval, the framework for expenditure on capital items and to review the list of priorities within the framework;
- Consider, review and report on the periodic management accounts of the Bank, and to also advise the Board of Directors on the year-end accounts.
- Consider and make representations to the Board of Directors on the solvency of the Bank and the safeguarding of its assets;
- Consider and advise the Board of Directors on any relevant taxation issues;

The table below is the record of attendance for the Board F&GPC meetings for the 2025 financial year.

BFGPC Meeting Attendance

Names of Directors	FEBRUARY 6	MARCH 25	MAY 8	AUGUST 7	NOVEMBER 6
Ibrahim Mohammad Indimi	√	√	√	√	√
Muhammad Hadi Abdulmutallab	√	√	√	√	-
Tajuddin Aminu Dantata	√	√	√	√	√
Mustapha Ibrahim Ahmad	√	√	√	√	√
Adenike Kolawole *	-	-	-	√	√
Haruna Musa Ph.D	√	√	√	√	√
Alhassan Abdulkarim	√	√	√	√	√

* Adenike Kolawole Became member of F&GPC effective July 17, 2025

Board Audit Committee**Membership****Details**

Adenike Kolawole *

Dr. Abdullateef Bello

Muhammad Hadi Abdulmutallab

Sa'adat Hamza Mohammed

Ahmed Mohammed Indimi*

Designation

Chairman

Member

Member

Member

Member

The Committee's major responsibilities include:

- To develop and keep under review the Bank's accounting policies in order to ensure that they were in consonance with the applicable Accounting Standards.
- To review the effectiveness of the Bank's system of accounting, reporting, and internal control and ensure compliance with legal and ethical requirements of the Bank;
- To review the integrity of the bank's financial reporting and the independence of the external auditors;
- To review the appropriateness and completeness of the Bank's statutory accounts and other published financial statements, and thus;
- Consider, review and report on the periodic Management Accounts of the Bank; and also advise the Board of Directors on the year-end accounts;
- Ensuring that the Bank complies with all relevant internal policies and procedures as well as regulations governing the Bank;
- To review the summaries of the whistleblowing cases reported and the result of the investigation from the Head of Internal Audit.
- Review the internal audit reports and assess the adequacy of the internal controls.
- Review the Compliance Reports for each quarter.
- Ensuring full and prompt implementation of recommendations of Internal Auditors, Examiners and External Auditors.

The table below is the record of attendance for the BAC meetings for the 2025 financial year.

BAC Meeting Attendance

Names of Directors	FEBRUARY 4	MAY 6	AUGUST 5	OCTOBER 4
Adenike Kolawole *	-	-	√	√
Dr. Abdullateef Bello	√	√	√	√
Muhammad Hadi Abdulmutallab	√	√	√	√
Sa'adatu Hamza Muhammad	√	√	√	√
Ahmed Mohammed Indimi *	-	-	√	√

Statutory Audit Committee**Membership****Details**

Alh. Shehu Mohammed, FCA

Alh. Lawal Ibrahim Ozomata (Shareholder)

Alh. Mohammed Shuaibu Gulani (Shareholder)

Alh. Ibrahim Mohammed Indimi

Dr. Aisha Umar Waziri

Designation

Chairman

Shareholder

Shareholder

Non-Executive Director

Non-Executive Director

The Committee's major responsibilities include:

To ascertain whether the accounting and reporting policies of the Bank are in accordance with legal requirements and agreed ethical practices;

Review and approve the scope and planning of audit requirements;

Review the findings on management matters in conjunction with the External Auditors and Management's responses thereon;

Oversee the independence of the external auditors;

Keep under review the effectiveness of the Bank's system of accounting and internal control systems;

Oversee management's process for the identification of significant fraud risks across the Bank and ensure that adequate prevention, detection and reporting mechanisms were in place;

At least on an annual basis, obtain and review a report by the internal auditor describing the strength and quality of internal controls including any issues or recommendations for improvement raised by the most recent internal control review of the company;

Discuss the annual audited financial statements and half yearly unaudited statements with management and external auditors.

The table below is the record of attendance for the SAC meetings for the 2025 financial year.

Names of Directors	FEBRUARY 5	MAY 7	AUGUST 6	NOVEMBER 6
Alh. Shehu Mohammed, FCA	√	√	√	√
Alh. Lawal Ibrahim Ozomata (Shareholder)	√	√	√	√
Alh. Mohammed Shuaibu Gulani (Shareholder)	√	√	√	√
Alh. Ibrahim Mohammed Indimi	√	√	√	√
Dr. Aisha Umar Waziri	√	√	√	√

Management Committees

The Board Committees are supported by the Bank's management committees, comprising senior officers who are responsible for the day-to-day operation of the Bank as a going concern. They ensure that the policies laid down are followed and that the Bank abides by all relevant regulatory and legal requirements.

The Executive Management Committee is the highest Management Committee comprising the Bank's Executive Directors and Top Management Staff. Other Management Committees include the Assets and Liability Committee (ALCO), Management Investment Committee (MIC), Branch Development Committee, Procurement Committee, IT Steering Committee, Disciplinary Committee, Criticised Asset Committee (CAC), and Operational Risk Management Committee. These Committees review and formulate strategies to implement the Board's broad strategic direction in various areas, including business and financial performance, strategic planning, manpower planning, operations, customer service, investor relations, external relations, and organisational efficiency, amongst others.

Ownership Structure

The ownership structure of the Bank is as follows:

S/N	CATEGORY	NO.	UNITS	
1	CORPORATE	504	10,917,176,770	24.5
2	FOREIGN	74	2,516,310,755	5.6
3	GOVERNMENT	85	784,562,290	1.8
4	INDIVIDUAL	46933	30,083,477,895	67.5
5	INSTITUTION	314	213,947,212	0.5
6	JOINT	284	12,480,177	0.0
7	PENSION	9	60,455,233	0.1
	TOTAL	48,203	44,589,410,332	100.0

Sustainability Banking

At Jaiz Bank Plc, our primary interest is to conduct business with a solid ethical foundation and a positive social impact. Mindful of the profound implication of our business decisions on the environment, we continually evolve and implement policies geared towards improving the overall quality of life for our stakeholders and community. Our focus extends to safeguarding the environment, while ensuring the sustainable growth of our business.

To solidify our dedication to responsible banking, we have embraced the Nigerian Sustainable Banking Principles (NSBP). These principles serve as a guiding framework, aligning our practices with sustainable and socially responsible initiatives. Through this strategic adoption, we aim to foster the success of our business and the well-being of our people and the broader community, exemplifying our commitment to creating a positive impact on both societal and environmental fronts.

Code of Ethics

The Bank has an Ethical Conduct and Integrity Policy, which all employees are required to abide by. Employees are expected to maintain high ethical standards in all aspects of their professional lives. The Policy also provides sample offences and appropriate disciplinary measures to be adopted.

The Bank also has a Code of Conduct & Ethics for its Directors, which specifies expected behaviours.

Dealing in Company Securities and price-sensitive information

The Bank has adopted a policy on insider trading and market abuse regarding all transactions in the Bank's securities. This policy applies to its Directors, Officers, employees, contractors, and consultants who have access to material public information. In line with the policy, affected persons are prohibited from trading on the Bank's security during a closed period.

Whistle Blowing Procedure

The Bank has established a robust whistle-blowing procedure which covers internal whistle-blowers and extends to the conduct of the stakeholders. The Bank has a direct link on its website and intranet to enable stakeholders to report any allegations they want the Bank to investigate. Apart from the direct link, unethical practices can be reported via the email address whistleblowing@jaizbankplc.com.

A team comprising selected members of Top Management is responsible for reviewing reported cases and recommending appropriate action to the Board through the Audit Committee, depending on the severity of the issues involved. However, all whistle-blowing cases are reported quarterly to the Board.

The Bank's Chief Compliance Officer similarly renders quarterly whistle-blowing reports to the Central Bank of Nigeria.

Remuneration Policy

In line with corporate governance best practices, the Board developed a robust policy on remuneration for the Bank. The Policy takes into account the environment in which the Bank operates and the results it achieves at the end of each financial Year. The Bank's remuneration comprises the following elements:

Fixed remuneration: This is primarily based on the level of responsibility and constitutes a relevant part of total compensation. It entails the base salary and allowances payable monthly, in arrears or annually. A wage benchmark is established for each position/level.

Variable remuneration: This is primarily linked to achieving previously established targets and prudent risk management. It comprises profit-sharing/productivity bonuses payable annually.

The combination of these elements serves as the basis for a balanced remuneration system that reflects the Bank's strategy, values, and shareholders' interests.

I Remuneration to Non-Executive Directors (NEDs):

The remuneration structure for NEDs at the Bank is multifaceted. They receive remuneration in the form of sitting allowance for participating in Board and Committee meetings. In addition to sitting allowance, NEDs are entitled to reimbursement for travel, hotel accommodations, and other out-of-pocket expenses incurred while fulfilling their official responsibilities. NEDs also receive Directors' fees which are paid on a quarterly basis. Upon completion of their tenure, Non-executive Directors also receive one-off payment benefits.

The sitting fees, a compensation component, may be subject to modification or implementation changes, requiring approval from the Board. This approach ensures transparency and aligns with the commitment to periodic review and adjustment of compensation structures in accordance with evolving governance practices and business needs. It is noteworthy that NEDs do not receive any other form of remuneration or commission except those enumerated above.

ii. Remuneration to Executive Directors,

The remuneration for Executives comprises fixed remuneration, benefits & perquisites, retirement/exit benefits and performance-based remuneration (short-term and long-term incentives).

Contingency Planning Framework

The framework for contingency planning consists of a set of identified policies, actions and processes necessary for the prevention, management and containment of banking systemic distress and crisis.

The Board has put in place various contingency plans for capital and liquidity restoration, among others, which would enhance the Bank's ability to withstand both temporary and long-term disruptions in its ability to fund its activities in a timely manner.

Shareholders' interest

The Bank, in its bid to protect the interest of its shareholders, including particularly its minority shareholders, ensures that shareholder meetings are convened in a transparent and fair manner. Adequate notice of the general meeting is provided to shareholders, and their rights are always protected. Attendance at the general meeting is open to all shareholders or their proxies. The proceedings are usually monitored by the representatives of the Central Bank of Nigeria, the Corporate Affairs Commission, the Nigerian Deposit Insurance Commission and the Securities and Exchange Commission.

The Bank has an Investor Relations Unit, which deals with communications among the Bank; the shareholders; as well as the capital market. The Bank also has an Investor Relations Portal on its website where the Bank's annual reports and accounts and other relevant information are made accessible to its shareholders. The Bank has a dedicated email address through which shareholders and prospective investors can channel their enquiries for prompt response. The email address is investorrelations@jaizbankplc.com.

Communication Policy

The main objective of the Policy is to support the Bank in achieving its objectives in pursuit of best corporate governance practices. Executive Management ensures that communication and dissemination of information are done in English, which must be clear, relevant, objective, easy to understand, and useful. The Policy also ensures that the Bank delivers prompt, courteous, and responsive service that is sensitive to the needs and concerns of customers and other stakeholders.

Advisory Committee of Experts (ACE)

The independent Committee of Shariah Experts reviews the Bank's operations to confirm that activities were carried out in accordance with Shariah's standards. The ACE is responsible for assuring that the Bank's funds are not invested in prohibited activities or transactions and certifying that all the Bank's products and services are compliant with Shariah.

The members of the Shari'ah Advisory Board are a mixture of Islamic scholars well-versed in Islamic laws, principles, and traditions relating to trade, finance, and economics, as well as financial experts.

Internal Control

Various aspects of the internal control of the Bank are the responsibilities of key officers. The Chief Audit Executive, the Chief Compliance Officer, the Chief Risk Officer, the Chief Finance Officer, and the Company Secretary/Legal Adviser are all responsible for managing the internal control of the Bank.

The control system of the Bank provides adequate assurance that the Bank will not be adversely affected by any event that could be reasonably foreseen.

Company Secretary

The Company Secretary is responsible for assisting the Board and Management in implementing the applicable Codes of Corporate Governance. The Company Secretary serves as a point of reference and support for all Directors. The appointment of the Company Secretary is done through a rigorous process that is similar to that of directors. The Company Secretary is fully empowered to discharge these responsibilities, and the position reports directly to the Board, with a dotted line to the MD/CEO.

Statement of Compliance

The Bank complies with the relevant provisions of the SEC, FRCN and CBN Codes of Corporate Governance. In the event of any conflict between the two Codes regarding any matter, the Bank would refer to the provision of the CBN Code as its primary Regulator.

Monitoring Compliance with Corporate Governance

The Chief Compliance Officer monitors compliance and implementation of the Central Bank of Nigeria (CBN) Code of Corporate Governance as well as the Securities and Exchange Commission (SEC) 's Code of Corporate Governance.

Complaints Management Policy

In line with the Securities and Exchange Commission's rules, the Bank has iDeveloped a Complaints Management Policy. The Policy is available in the Investor Relations section on the Bank's website.

OUR PEOPLE, CULTURE AND DIVERSITY

At Jaiz Bank PLC, we embrace and celebrate cultural diversity and inclusion as central to our organizational values. Our workforce is a reflection of the dynamic and diverse communities we serve across Nigeria, with representation from all six geopolitical zones, alongside a wide array of nationalities, genders, and age groups. Currently, our workforce consists of 987 permanent employees, with women making up 31% and men accounting for 69% of our team.

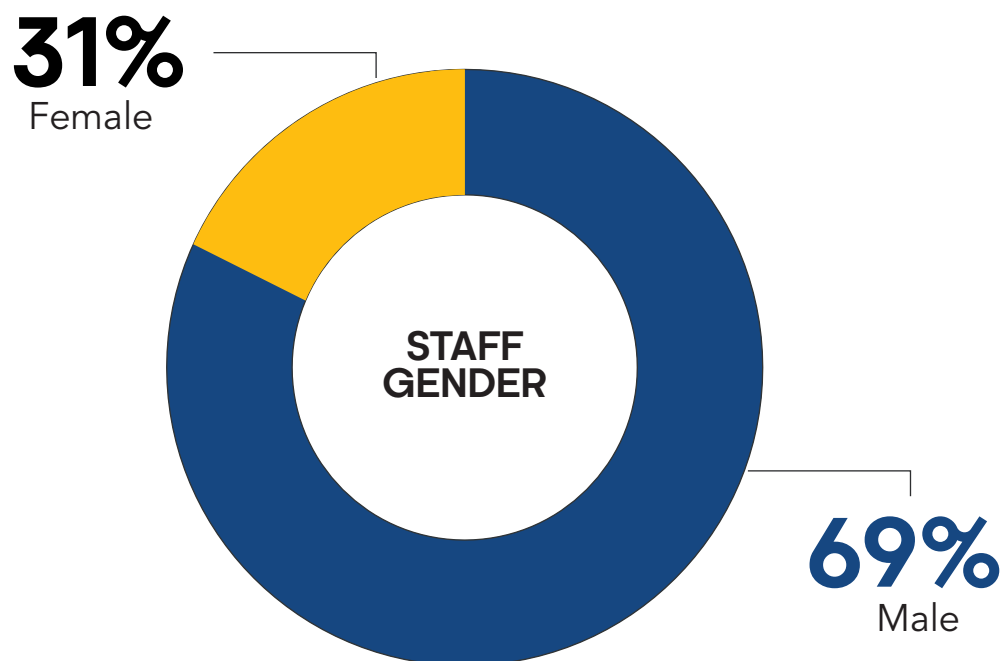
We understand that diversity drives innovation, strengthens customer relationships, and cultivates a productive and engaging work environment. As such, we are deeply committed to ensuring that our workplace is inclusive, where every employee feels respected, valued, and empowered with equal opportunities for success.

Our dedication to fostering a truly inclusive environment is demonstrated through our focus on:

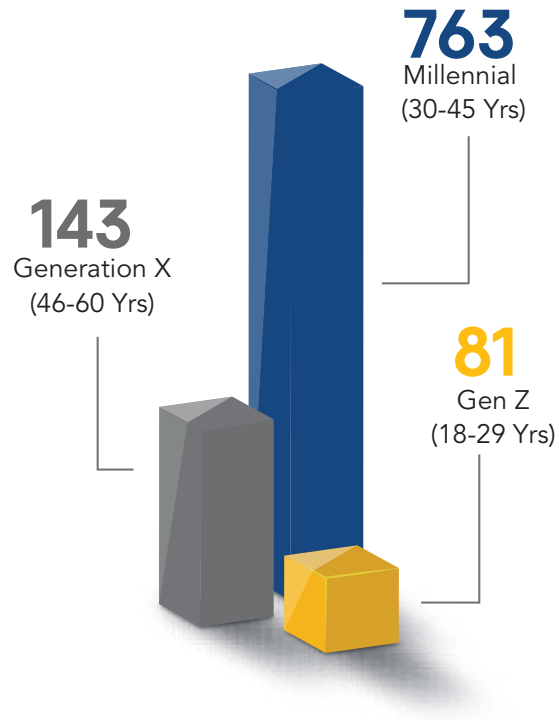
- **Promoting intercultural understanding:** We invest in training programs and initiatives designed to enhance communication skills and increase awareness of different cultural perspectives, ensuring all employees appreciate the value of diversity.
- **Creating equal opportunities:** We are committed to providing fair and equitable treatment to all employees, regardless of their background, and ensuring that every individual has an opportunity to grow and succeed within our organization.
- **Developing a culture of respect:** At Jaiz Bank PLC, we prioritize creating an environment where every voice is heard, every opinion is valued, and all employees are empowered to contribute meaningfully to our collective success.

By continuing to foster diversity and inclusion, we aim to create a workplace that reflects the values of fairness, respect, and equality, and enhances the overall experience of both our employees and customers.

S/N	GENDER	NO	%
1	FEMALE	302	31
2	MALE	685	69
		987	100



S/N	AGE CATEGORY	NO	%
1	Generation X (46-60yrs)	143	14
2	Millennials (30-45 Yrs)	763	77
3	Gen Z (18-29yrs)	81	8
		987	100



CUSTOMER COMPLAINT FEEDBACK

Jaiz Bank Plc’s journey through 2025 has been defined by transformation, innovation, and an unwavering dedication to ethical finance. As a leading institution in this dynamic landscape, our mission of "Making Life Better through Ethical Finance" continues to shape every aspect of our operations, ensuring that customer satisfaction remains at the heart of all we do.

This year, our strategy has revolved around embedding customer-centric practices across all touchpoints. Recognizing that exceptional service stems from a well-equipped workforce, we launched targeted training programs aimed at developing empathy-driven, solution-oriented service professionals. Also, in tandem with capacity building, we introduced comprehensive upgrades to our complaints and feedback management systems. These enhancements incorporate advanced digital technologies designed to streamline processes, enabling real-time issue resolution and fostering stronger customer connections. By shifting our focus from reactive problem-solving to proactive engagement, we have transformed feedback into a powerful tool for growth and innovation.

Our Complaints Channels

The following complaint and feedback channels are available to ensure a seamless and effective complaint management process:

These channels include:

Online Enquiry and Complaints form on the Bank's website - www.jaizbankplc.com

Live Chat via the Bank's Website www.jaizbankplc.com

24/7 Call Centre (07007730000)

Customer Support email - customercare@jaizbankplc.com

Social Media

- Facebook: @jaizbankplc
- Twitter: @jaizbankNG
- Instagram: @jaizbankplc
- LinkedIn: @jaizbankplc
- Tiktok: @jaizbankng
- Thread: @jaizbankplc

Jaiz Bank Branches

Feedback QR Codes

Dedicated Feedback / Complaint Phone Lines

Suggestion / Complaint Boxes

Customer Service Desks

Complaints

At Jaiz Bank, resolving customer complaints swiftly and effectively is a core priority. Our frontline staff, trained and empowered to address issues efficiently, handle complaints as a first point of contact. Each complaint is assigned a unique identifier for tracking and monitoring. For cases requiring escalation, the issue is directed to the relevant desk, and the customer is kept informed throughout the resolution process. If the customer is not satisfied with the resolution provided, alternative dispute resolution options are clearly communicated.

We remain dedicated to enhancing customer experiences and continuously improving our complaints management system. By adopting a proactive, customer-focused approach, Jaiz Bank strives to deliver exceptional service while fostering trust and satisfaction among our valued customers.

Transparent Tracking and Reporting

We employ a systematic approach to track and record complaints, ensuring timely and effective resolution. Through root cause analysis, recurring issues are identified and addressed in collaboration with relevant business units to implement lasting solutions. Regular reports on complaints are compiled and submitted to regulatory authorities on a daily and monthly basis.

Customer Feedback Mechanisms

Jaiz Bank actively seeks and values feedback to better understand customer needs and improve our services. Following every transaction, customers receive surveys via email to evaluate their experiences with our products, services, and channels. Additional feedback channels include:

- Online Surveys
- Plaques
- Feedback QR Codes
- Staff forums
- Customer Engagement Programs
- Regular Business Review Meetings
- Social Media Platforms' Interactions

Report as at 31st December 2025

S/N	Description	Number		Amount Claimed (Naira) (N'000)		Amount Refunded (Naira) (N'000)		Amount Claimed (Dollar)		Amount Refunded (Dollar)	
		2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
1.	Pending Complaints B/F	207	62	57,734	1,642	-	-	20,000	2,479	-	-
2.	Received Complaints	113,014	116,114	4,978,789	12,767,042	-	-	-	-	-	-
3.	Resolved Complaints	113,159	116,164	4,960,651	12,730,277	4,960,651	12,730,277	(20,000)	(2,479)	-	-
4.	Unresolved Complaints Escalated to CBN for Intervention	-	-	-	-	-	-	-	-	-	-
5.	Unresolved Complaints Pending with the Bank C/F	62	12	1,642	1,667	-	-	-	-	-	-

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Directors accept responsibility for the preparation of the financial statements that give a true and fair view in accordance with the requirements of the International Financial Reporting Standards, the Financial Accounting Standards issued by AAOIFI, the Financial Reporting Council of Nigeria Act 2011, the Banks and Other Financial Institutions Act 2020, and relevant Central Bank of Nigeria regulations.

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

Going Concern:

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

Resulting from the above, the directors have a reasonable expectation that the company has adequate resources to continue operations for the foreseeable future. Thus, Directors continued the adoption of the going concern basis of accounting in preparing the annual financial statements.

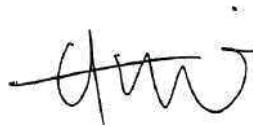
SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:



Alhassan Abdulkarim

Executive Director, Business Development

FRC/2024/PRO/DIR/003/690956



Haruna Musa Ph.D

Managing Director/CEO

FRC/2017/CIBN/00000016515

REPORT OF EXTERNAL CONSULTANTS ON THE BOARD PERFORMANCE



Report of the Independent Consultant to the Board of Directors of Jaiz Bank Plc. on their Appraisal for the Year Ended 31 December 2025.

In compliance with the provisions of Principles 14 and 15 of the Nigerian Code of Corporate Governance 2018 ("the NCCG") and Principles 2.8.1 and 2.8.2 of the CBN Code of Corporate Governance for other Financial Institutions in Nigeria 2018 ("the CBN Code"), Jaiz Bank Plc ("Jaiz Bank" or "the Bank") engaged KPMG Advisory Services to carry out an appraisal of the Board of Directors ("the Board") for the year ended 31 December 2025. The CBN Code mandates an annual appraisal of the Board with specific focus on the Board's structure and composition, responsibilities, relationships, processes, individual director competencies and respective roles in the performance of the Board.

We have performed the procedures agreed with Jaiz Bank in respect of the appraisal of the Board in accordance with the provisions of the CBN Code and the NCCG. These procedures, which are limited in scope but sufficient for the Board's objectives in line with the Codes, are different in scope from an external audit. Consequently, no opinion is expressed by us on the activities reported upon.

Our approach to the appraisal of the Board involved a review of the Bank's Board papers and minutes, key corporate governance structures, policies, and practices. This included the review of the corporate governance framework and representations obtained from questionnaires and interviews with members of the Board and Senior Management.

On the basis of our review, the Bank's corporate governance practices are largely in compliance with the key provisions of the Codes of Corporate Governance mentioned above. Specific recommendations for further improving the Bank's governance practices are included in our detailed report to the Board.

A handwritten signature in blue ink, appearing to read 'Bimpe Afolabi'.

Bimpe Afolabi
Partner, Internal Audit & Governance, Risk and Compliance Services
FRC/2012/PRO/0000000437
KPMG Advisory Services
March 2026

ADVISORY COMMITTEE OF EXPERTS REPORT (ACE)

In the Name of Allah, the Most Gracious, the Most Merciful

All praise is due to Allah, Lord of the Worlds. Peace and blessings be upon our Noble Prophet Muhammad (SAW), his family, his companions, and those who follow them in righteousness until the Day of Judgment.

To the Shareholders of Jaiz Bank Plc

Assalamu Alaikum wa Rahmatullahi wa Baraka atuh.

May the peace, mercy and blessings of Allah be upon you .

In accordance with our letter of appointment as the Advisory Committee of Experts (ACE) of Jaiz Bank Plc and pursuant to the requirements of Shariah governance, we hereby submit our Report for the financial year ended 31 December 2025

1. Responsibility of the Management

The Management of Jaiz Bank Plc is responsible for ensuring that the Bank's operations, products, contracts, and activities are conducted in full compliance with the principles and rules of Shariah. This responsibility includes the establishment and maintenance of effective internal Shariah compliance controls, ensuring adherence to the resolutions, fatwas, and guidelines issued by the Advisory Committee of Experts (ACE), and implementing appropriate corrective measures where any instances of non-compliance are identified .

2. Responsibility of the Advisory Committee of Experts

Our responsibility is to express an independent opinion, based on our review, on whether the Bank has complied, in all material respects, with the principles and rules of Shariah in its operations during the year under review.

Our review was conducted in accordance with the applicable Shariah governance framework and AAOIFI standards.

3. Scope of Review

In discharging our responsibilities, we have

- Reviewed and approved the structures and documentation of products and contracts entered by the Bank.
- Examined reports submitted by the Shariah Audit and Shariah Compliance functions.
- Reviewed selected transaction samples and operational processes .
- Assessed the profit distribution methodology for investment account

For and on behalf of the Advisory Committee of Experts (ACE)

Prof. Dr. Abdulazeem J. Abozaid

FRC/2025/PRO/IODN/002/555358

Chairman's Signature



Prof. Ahmad Bello Dogarawa Member

Dr. Warshu Tijjani Rabiu Member

Prof. Ahmad Ibrahim Makari Member

holders.

- Reviewed the identification, segregation, and disposal of Non - Permissible Income (NPI)
- Monitored compliance with our resolutions and directives.

Our procedures were designed to obtain reasonable assurance that the Bank's activities were conducted in accordance with Shariah principles. We confirm that we have received all necessary information and explanations required to discharge our duties.

4. Shariah Opinion

Based on the information provided to us and the review undertaken, we are of the opinion that:

- The contracts, transactions, and operations carried out by Jaiz Bank Plc during the financial year ended 31 December 202 5 were, in all material respects, in compliance with the principles and rules of Shariah.
- The basis and methodology adopted for the allocation and distribution of profits to investment account holders were in accordance with Shariah principles and the approvals of the ACE.
- Income identified as Non -Permissible Income (NPI) during the year was properly segregated and disposed of in accordance with Shariah requirements and the Bank's approved policy. The disposal of such income has been carried out to the satisfaction of the ACE
- Instances of operational observations identified during the year were communicated to management, and appropriate corrective measures have been implemented.

5. Conclusion

We appreciate the cooperation extended to us by the Board of Directors, Management, and staff of Jaiz Bank Plc, for their cooperation and their commitment to the Islamic banking practices . We particularly acknowledge the support of the Shariah Audit and Shariah Compliance functions which had enabled us to effectively perform our supervisory responsibilities.

We pray to Almighty Allah (SWT) to grant continued success, integrity, and growth to Jaiz Bank Plc and all its stakeholders.

And Allah knows best.

Wa Assalamu Alaikum wa Rahmatullahi wa Barakatuh.

Dated: February 2026

MANAGEMENT'S ANNUAL ASSESSMENT OF, AND REPORT ON, JAIZ BANK PLC'S INTERNAL CONTROL OVER FINANCIAL REPORTING FOR THE YEAR ENDED 31 DECEMBER 2025

To comply with the provisions of Section 1.3 of SEC Guidance on Implementation of Sections 88 – 91 of The Investments and Securities Act 2025, we hereby make the following statements regarding the Internal Controls of JAIZ BANK PLC for the year ended 31 December 2025:

- i. The Bank's management is responsible for establishing and maintaining a system of internal control over financial reporting ("ICFR") that provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards.
- ii. The Bank's management used the Committee of Sponsoring Organization of the Treadway Commission (COSO) Internal Control-Integrated Framework to conduct the required evaluation of the effectiveness of the entity's ICFR;
- iii. The Bank's management has assessed that the entity's ICFR as of the end of 31 December 2025 is effective
- iv. The Bank's external auditor Messrs Deloitte and Touche that audited the financial statements, included in the annual report, has issued an attestation report on management's assessment of the entity's internal control over financial reporting.

The attestation report of Messrs Deloitte and Touche that audited its financial statements will be filed as part of JAIZ BANK PLC's annual report.

Signed by



Oseni K Bello

Chief Financial Officer

FRC/2013/ICAN/000000002476



Hafuna Musa

Managing Director/CEO

FRC/2017/CIBN/00000016515

CHIEF EXECUTIVE OFFICER'S CERTIFICATION OF MANAGEMENT'S ASSESSMENT ON INTERNAL CONTROL OVER FINANCIAL REPORTING FOR THE YEAR ENDED 31 DECEMBER 2025

To comply with the provisions of Section 1.1 of SEC Guidance on Implementation of Sections 88 – 91 of The Investments and Securities Act 2025, I hereby make the following statements regarding the Internal Controls of JAIZ BANK PLC for the year ended 31 December 2025.

I, Haruna Musa, certify that:

I have reviewed this management assessment on internal control over financial reporting of JAIZ BANK PLC;

Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the year ended 31 December 2025;

The entity's other certifying officer and I;

- i. are responsible for establishing and maintaining internal controls;
- ii. have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the entity, and is made known to us by others within those entities, particularly during the period in which this report is being prepared;
- iii. have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
- iv. have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.

The entity's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the entity's auditors and the audit committee of the entity's board of directors (or persons performing the equivalent functions):

- i. There are no significant deficiencies or material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the entity's ability to record, process, summarize and report financial information; and
- ii. There are no fraud, whether or not material, that involves management or other employees who have a significant role in the entity's internal control system.

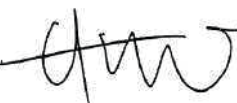
The entity's other certifying officer(s) and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

Name: Haruna Musa Ph.D

Designation: Managing Director/CEO

FRC No: FRC/2017/CIBN/00000016515

Signature:



Date: 4th March 2026

CHIEF FINANCIAL OFFICER'S CERTIFICATION OF MANAGEMENT'S ASSESSMENT ON INTERNAL CONTROL OVER FINANCIAL REPORTING FOR THE YEAR ENDED 31 DECEMBER 2025

To comply with the provisions of Section 1.1 of SEC Guidance on Implementation of Sections 88 – 91 of The Investments and Securities Act 2025, I hereby make the following statements regarding the Internal Controls of JAIZ BANK PLC for the year ended 31 December 2025.

I, Oseni Kehinde Bello, certify that:

I have reviewed this management assessment on internal control over financial reporting of JAIZ BANK PLC;

Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the year ended 31 December 2025;

The entity's other certifying officer and I;

- i. are responsible for establishing and maintaining internal controls;
- ii. have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the entity, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
- iii. have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
- iv. have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.

The entity's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the entity's auditors and the audit committee of the entity's board of directors (or persons performing the equivalent functions):

- i. There are no significant deficiencies or material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the entity's ability to record, process, summarize and report financial information; and
- ii. There are no fraud, whether or not material, that involves management or other employees who have a significant role in the entity's internal control system.

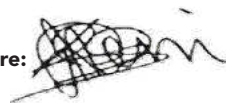
The entity's other certifying officer(s) and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

Name: Oseni Kehinde Bello

Designation: Chief Financial Officer

FRC No: FRC/2017/CIBN/00000016515

Signature:



Date: 4th March 2026

CERTIFICATION BY CHIEF EXECUTIVE AND CHIEF FINANCIAL OFFICER FOR THE YEAR ENDED 31 DECEMBER 2025

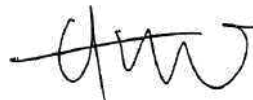
Certification Under Section 405 (1) of the Companies and Allied Matters Act 2020

We the undersigned hereby certify the following with regards to our audited financial statements (AFS) for the year ended 31 December 2025 that:

1. We have reviewed the AFS and to the best of our knowledge:
 - i. the AFS do not contain any untrue statement of material facts or omit to state a material fact, which would make the statements misleading, in the light of the circumstances under which such statement was made, and
 - ii. the AFS and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the Company as of and for, the periods covered by the AFS;
2. We are responsible for establishing and maintaining internal controls and has designed such internal controls to ensure that material information relating to the Company and it is made known to the officer by other officers of the companies, particularly during the year in which the audited financial statement report is being prepared;
3. We have evaluated the effectiveness of the Company's internal controls within 90 days before the date of AFS, and certify that the Company's internal controls are effective as of that date;
4. We have disclosed to the Company's auditors and audit committee –
 - i. there are no significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarise and report financial data, and we have not identified for the Company's auditors any material weaknesses in internal controls, and
 - ii. there was no fraud whether or not, material that involves management or other employees who have a significant role in the Company's internal control.
5. There were no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.



Oseni K. Bello
Chief Financial Officer
FRC/2013/ICAN/00000002476



Haruna Musa Ph.D
Managing Director/CEO
FRC/2017/CIBN/00000016515

REPORT OF THE STATUTORY AUDIT COMMITTEE

We have examined the Auditors' Report for the year ended 31st December 2025 in accordance with the provisions of Section 404(7) of the Companies and Allied Matters Act 2020.

In our opinion the Auditors' Report is consistent with our views of the scope and planning of the Audit. The External Auditors' findings as stated in the Management Letter received satisfactory responses from Management. We are also satisfied that the Bank's Accounting Policies are in conformity with the Statutory requirements and agreed with ethical practices.



Alhaji Shehu Mohammed

FCA FRC 2018/ICAN/00000017824

Chairman, Statutory Audit Committee

Abuja

March 2026

Members of the Statutory Audit Committee

- * **Alhaji Shehu Muhammed FCA** - Chairman
- * **Alhaji Muhammed Shuaibu Gulani FCA** - Member
- * **Mr. Ibrahim Ozomata Lawal FCA** - Member
- * **Dr. Aisha Waziri Umar** - Member
- * **Ibrahim Mohammed Indimi** - Member

The image features a low-angle, upward-looking view of a modern building's facade, characterized by a grid of windows and structural elements. The entire scene is overlaid with a semi-transparent blue filter. A large, solid yellow shape with a curved top edge covers the bottom half of the image, creating a strong visual contrast.

Financial Statements

ASSURANCE REPORT OF INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Jaiz Bank Plc

Assurance Report on management's assessment of controls over financial reporting

We have performed a limited assurance engagement in respect of the systems of internal control over financial reporting of Jaiz Bank Plc as of 31 December 2025, in accordance with the FRC Guidance on assurance engagement report on Internal Control over Financial Reporting and based on criteria established in the Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) ("the ICFR framework"), and the SEC Guidance on Management Report on Internal Control Over Financial Reporting. Jaiz Bank Plc's management is responsible for maintaining effective internal control over financial reporting and for assessing the effectiveness of internal control over financial reporting including the accompanying Management's Report on Internal Control Over Financial Reporting.

We have also audited, in accordance with the International Standards on Auditing, the financial statements of the Bank and our report dated 15 May 2026 expressed an unmodified opinion.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence that we have obtained, nothing has come to our attention that causes us to believe that the bank did not establish and maintain an effective system of internal control over financial reporting, as of the specified date, based on the SEC Guidance on Management Report on Internal Control Over Financial Reporting.

Definition of internal control over financial reporting

Internal control over financial reporting is a process designed by, or under the supervision of, the entity's principal executive and principal financial officers, or persons performing similar functions, and effected by the entity's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. An entity's internal control over financial reporting includes those policies and procedures that:

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





Inherent limitations

Our procedures included the examination of historical evidence of the design and implementation of the bank's system of internal control over financial reporting for the year ended 31 December 2025. Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Directors' and Management's Responsibilities

The Directors are responsible for ensuring the integrity of the entity's financial controls and reporting. Management is responsible for establishing and maintaining a system of internal control over financial reporting that provides reasonable assurance regarding the reliability of financial reporting, and the preparation of financial statements for external purposes in accordance with the International Financial Reporting Standards (IFRS) and the ICFR framework.

Section 7(2f) of the Financial Reporting Act 2011 (As amended) further requires that management perform an assessment of internal controls, including information system controls. Management is responsible for maintaining evidential matters, including documentation, to provide reasonable support for its assessment of internal control over financial reporting.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

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

Auditor's Responsibility and Approach

Our responsibility is to express a limited assurance opinion on the bank's internal control over financial reporting based on our Assurance engagement.

We performed our work in accordance with the FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting and the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than the Audits or Reviews of Historical Financial Information (ISAE 3000) revised. That Standard requires that we comply with ethical requirements and plan and perform the limited assurance engagement to obtain limited assurance on whether any matters come to our attention that causes us to believe that the bank did not establish and maintain an effective system of internal control over financial reporting in accordance with the ICFR framework.

Deloitte.

That Guidance requires that we plan and perform the Assurance engagement and provide a limited assurance report on the entity's internal control over financial reporting based on our assurance engagement.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. As a result, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion on whether the bank established and maintained an effective system of internal control over financial reporting.

As prescribed in the Guidance, the procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our engagement also included performing such other procedures as we considered necessary in the circumstances.

We believe the procedures performed provides a basis for our report on the internal control put in place by management over financial reporting.



Deloitte & Touche (FRC/2022/COY/091021)

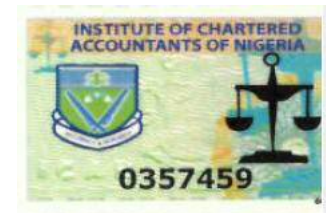
Chartered Accountants

Lagos, Nigeria

15 May 2026

Engagement Partner: Bolaji Saidi

FRC/2021/PRO/00000024025



INDEPENDENT AUDITOR’S REPORT To the Shareholders of Jaiz Bank Plc

Opinion

We have audited the Financial Statements of Jaiz Bank Plc set out on pages 55 - 130 which comprise the statement of financial position as at 31 December 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended and the notes to the financial statements, including a summary of material accounting information.

In our opinion, the financial statements give a true and fair view of the financial position of Jaiz Bank Plc as at 31 December 2025, and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by International Accounting Standards Board, the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), the requirements of Companies and Allied Matters Act, 2020 (CAMA), Banks and Other Financial Institutions Act Cap B3 LFN 2020 (BOFIA), the Financial Reporting Council of Nigeria (Amendment) Act, 2023 and relevant Central Bank of Nigeria Guideline and Circulars.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial statement section of our report. We are independent of the Bank in accordance with the requirements of the International Ethics Standards Board for Accountants’ (IESBA), International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA code) and other independence requirements applicable to performing audits of Financial Statements of public interest entities in Nigeria. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and other ethical requirements that are relevant to our audit of Financial Statement in Nigeria.

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

Key Audit Matter

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the financial statements of the current period. This matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. The key audit matter below relates to the audit of Jaiz Bank Plc’s financial statements.

Key Audit Matter	How the matter was addressed in the audit
Impairment of carrying value of Islamic financing assets as per IFRS 9	
<p>As disclosed in notes 7 and 8 to the financial statements, in line with the provisions of IFRS 9, the Bank identifies, and measures loss allowances based on Expected Credit loss (ECL) model on the Islamic Financing Assets which are not measured at Fair Value Through Profit or Loss (FVTPL)</p> <p>The audit of the impairment of Islamic financing assets is a key area of focus because of its size</p>	<p>We obtained a detailed understanding of the Bank’s Islamic financing assets business processes including the critical accounting estimates and judgments used. We equally involved our credit specialists to support us in auditing aspect of the IFRS 9 ECL models as at 31 December 2025.</p>

Key Audit Matter	How the matter was addressed in the audit
<p>(representing 24% of total assets) and due to the significance and complexity of the estimates and judgments, which were used in classifying Islamic financing assets into various stages and determining the estimated credit losses (“ECL”).</p> <p>Some of the key assumptions used are:</p> <ul style="list-style-type: none"> - Assessment of significant increase in credit risk. - Calculation of lifetime probabilities of default (PD) as well as lifetime expected credit loss (ECL) - Loss given default (LGD) - Forward looking for information about macro-economic factors (e.g., unemployment rates, inflation rate etc.) <p>Islamic Financing assets is assessed individually for the significant increase in credit risk (SICR) and measurement of ECL. This requires management to capture all qualitative and quantitative reasonable and supportable forward-looking information while assessing SICR, or while assessing credit-impaired criteria for the exposure. Management judgement may also be involved in manual staging override in accordance with the Bank’s policies.</p> <p>The measurement of ECL amounts for exposures classified as Stage 1 and Stage 2 are carried out by the models with limited manual intervention, however, it is important that models (PD, LGD, EAD and macroeconomic adjustments) are valid throughout the reporting period and subject to validation process by an independent reviewer. The exposures are classified as impaired as soon as there is doubt about the borrower’s ability to meet payment obligations to the Bank in accordance with the original contractual terms.</p> <p>Impaired Islamic financing assets are measured on the basis of the present value of expected future cash flows including observable market price or fair value of the collateral. The impairment loss is calculated based on the shortfall in the Islamic financing assets carrying value compared to the net present value of future cash flows using original effective profit rate. The factors considered when determining impairment losses on individually assessed accounts include the customer’s aggregate borrowings, risk rating, value of the collateral and probability of successful repossession and the costs involved to recover the debts.</p> <p>In view of the aforementioned areas where judgement and significant estimates were made,</p>	<ul style="list-style-type: none"> ▪ We tested the design, implementation and operating effectiveness of the relevant controls which included testing: <ul style="list-style-type: none"> - System-based and manual controls over the timely recognition of impaired Islamic financing assets. - Controls over the ECL calculation models. - Controls over collateral valuation estimates. - Controls over governance and approval process related to impairment provisions and ECL Models including continuous reassessment by the management. ▪ We understood and evaluated the theoretical soundness of the ECL model by involving our subject matter experts to ensure its compliance with the requirements of IFRS 9. ▪ We tested the mathematical integrity of the ECL model by performing recalculations. ▪ We assessed the accuracy, completeness and consistency of various inputs and assumptions used by the Bank’s management to determine impairment. <p>For allowances against exposures classified as Stage 1 and Stage 2, we obtained an understanding of the Bank’s methodology to determine the allowance, assessed the reasonableness of the underlying assumptions and the sufficiency of the data used by the management. We assessed the appropriateness of the Bank’s determination of significant increase in credit risk and the resultant basis for classification of exposures into various stages. For samples of exposures, we checked the appropriateness of the Bank’s staging.</p> <ul style="list-style-type: none"> ▪ For forward looking assumptions used by the Bank’s management in its ECL calculations, we held discussions with management and corroborated the assumptions using publicly available information. ▪ We selected samples of Islamic financing assets and assessed the accuracy of the Exposure at Default (EAD), appropriateness of the Probability of Default (PD) and calculations of the Loss Given Default (LGD) used by management in their ECL calculations. ▪ For exposures determined to be individually impaired, we tested samples of Islamic financing assets and examined management’s estimate of future cash flows, assessed their reasonableness and assessed the resultant allowance calculations. Further, we challenged the estimates and assumptions used by management around the LGD calculation for individually impaired exposures by testing

Key Audit Matter	How the matter was addressed in the audit
<p>we have accordingly, for the purposes of our audit, considered identification and measurement of impairment of Islamic financing as a key audit matter.</p>	<p>the enforceability and adequacy of valuation of underlying collaterals and estimated recovery on default.</p> <p>We also, assessed the accuracy of disclosures in the financial statements to determine if they were in compliance with the requirements of IFRSs.</p> <p>The assumptions and judgement applied by the Directors in assessing the required level of impairment of Islamic financing assets supports the related disclosures in note 35.</p> <p>Based on the audit procedures performed, we concluded that the bank's impairment methodology, including all the relevant assumptions and key inputs used by management and directors to account for the expected credit loss on Islamic financing assets were appropriate.</p>

Emphasis of Matter

We draw attention to the fact that the entity's issued share capital is lower than the authorized share capital as at 31 December 2025. The Bank is currently undergoing the process to enable it to comply with the combined provisions of Section 124 of the Companies and Allied Matters Act 2020 and Paragraph 13 of the Companies Regulation 2021 which stipulate that issued and authorized share capital of an entity should be exactly the same amount. Refer to 18 (iii) to the financial statements for details.

Our opinion is not modified in respect of this matter.

Other Information

The Directors are responsible for the other information. The other information comprises the Directors' Report as required by Companies and Allied Matters Act, 2020, Corporate Governance Report, the Statement of Director's Responsibilities, Corporate information, Bank's Secretary Report, Financial Highlight, Board Evaluation Report, the Audit committee's report, Advisory Council of Experts Report, Chief Executive Officer's Statement and the chairman's Statement which we obtained prior to the date of this auditor's Report and the Annual Report, which is expected to be made available to us after that date. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors are responsible for the preparation and fair presentation of the Financial Statements that give a true and fair view in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board, the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), the Companies and Allied Matters Act, 2020, Banks and Other Financial Institutions Act Cap B3 LFN 2020 and the Financial Reporting Council of Nigeria (Amendment) Act, 2023 and for such internal control as the directors determine is necessary to enable the preparation of Financial Statements that are free from



material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the directors are responsible for assessing the bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the bank or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the bank's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determined the matter that was of most significance in the audit of the financial statements of the current year and is therefore the key audit matter. We

describe the matter in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest of such communication.

Report on Other Legal and Regulatory Requirements

- In accordance with the Fifth Schedule of the Companies and Allied Matters Act, 2020, we expressly state that:
 - i. We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - ii. The Bank has kept proper books of account, so far as appears from our examination of those books.
 - iii. The Bank's financial position and its statement of profit or loss and other comprehensive income are in agreement with the books of account and returns.
- In accordance with Circular BSD/1/2004 issued by the Central Bank of Nigeria, details of insider-related transactions are as disclosed in note 42.
- Returns on customers' complaints are disclosed in Note 46 to the financial statements in compliance with Central Bank of Nigeria circular PDR/DIR/CIR/01/20.
- In accordance with the requirements of the Financial Reporting Council of Nigeria, we performed a limited assurance engagement and reported on management's assessment of the entity's internal control over financial reporting as of 31 December 2025. The work performed was done in accordance with FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting and based on the procedures we have performed, and the evidence obtained, we have issued an Unmodified conclusion in our report dated 15 May 2026. That report is included on page 47 - 49 of the financial statements.

Contraventions

The bank contravened certain sections of the Central Bank of Nigeria's Regulations, the Nigerian Stock Exchange Regulations, and the Securities & Exchange Commission's Rules and Regulations during the year. The particulars thereof and penalties paid are as disclosed in Note 50 to the financial statements.



Deloitte & Touche (FRC/2022/COY/091021)

Chartered Accountants

Lagos, Nigeria

15 May 2026

Engagement Partner: Bolaji Saidi

FRC/2021/PRO/00000024025



STATEMENT OF FINANCIAL POSITION

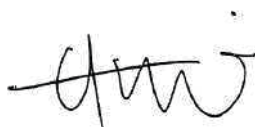
Assets	Notes	2025 N'000	2024 N'000
Cash and balances with Central Bank of Nigeria	3	214,539,910	238,764,980
Due from banks and other financial institutions	4b	174,568,423	142,401,137
Investment in Sukuk	5a	490,565,445	349,556,203
Interbank Mudarabah Placement	6	50,117,123	48,130,103
Financing Assets(net)	7	246,768,800	215,254,217
Inventory Financing(net)	8	61,780,790	58,340,129
Other assets	12	17,847,396	4,425,638
Property and Equipment (net)	9	27,674,625	20,165,312
Leasehold improvement (net)	10	57,830	108,756
Intangible assets (net)	11	615,191	673,262
Deferred tax asset	13c	2,805,150	2,927,243
Total assets		1,287,340,682	1,080,746,982
Liabilities			
Customer current deposits	14	724,052,808	493,599,402
Customers' investment account	15	394,277,738	411,188,555
Other funding	16	22,332,405	28,999,627
Other liabilities	17	47,028,212	73,900,759
Tax payable	13a	1,148,207	1,592,872
Total Liabilities		1,188,839,371	1,009,281,215
Owners' Equity			
Share capital	18	22,294,705	22,294,705
Share premium	19	6,372,565	6,372,565
Retained earnings	20	28,804,309	15,692,261
Risk regulatory reserve	21	11,975,872	8,607,256
Statutory reserve	22	24,804,326	15,757,285
Other reserves	23	4,249,534	2,741,694
Total Equity		98,501,311	71,465,766
Total Liabilities and Equity		1,287,340,682	1,080,746,982

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


Signed on behalf of the Board of Directors on , 11th March, 2026



Alhaji. Mohammed Mustapha Bintube
Chairman
FRC/2018/PRO/00000018479



Haruna Musa Ph.D
Managing Director/CEO
FRC/2017/CIBN/00000016515



Oseni K. Bello
Chief Financial Officer
FRC/2013/ICAN/00000002476

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	2025 N'000	2024 N'000
Gross Earnings		102,812,858	82,874,821
Income:			
Income from financing contracts	24	42,057,567	32,042,048
Income from investment activities	25	56,696,664	44,366,015
Gross income from financing & Investment transactions		98,754,231	76,408,063
Impairment (charges)	39 (c)	(1,387,579)	166,333
Net Income after provisions		97,366,652	76,574,396
Return to equity investment accountholder	28a	(26,862,221)	(21,285,829)
Bank's share as equity investor/ mudarib		70,504,432	55,288,567
Fee and Commission			
Fees and commission revenue	29a	5,763,735	6,020,522
Fees and commission expense	29b	(2,481,791)	(547,490)
Net fees and commission revenue		3,281,945	5,473,032
Other Income			
Other operating income	30	1,003,077	849,626
Foreign exchange gain/ (loss)	31	(226,395)	144,099
Total Income		74,563,058	61,755,324
Expenses:			
Staff costs	32	18,187,035	13,759,018
Depreciation and amortisation	33	2,303,300	1,834,898
Other operating expenses	34i	22,825,632	21,716,533
Total expenses		43,315,967	37,310,450
Profit before tax		31,247,090	24,444,875
Income tax expense		(1,040,287)	(960,624)
Windfall Levy		(50,000)	-
Profit after Tax		30,156,803	23,484,251
Other Comprehensive income			
Item that may not be reclassified to profit or loss		-	-
Net gain on gifted property		-	-
Foreign currency translation difference		-	-
Item that may be reclassified to profit or loss		-	-
Total comprehensive income for the period		30,156,803	23,484,251
Earning per share			
Earnings per share attribute to the equity holders of the Bank during the year (express in naira per share)			
Basic and diluted Earnings per share (kobo)		67.63 kobo	66.38 kobo

STATEMENT OF CHANGES IN EQUITY

31 DECEMBER 2024

	Share Capital N'000	Share Premium N'000	Retained Earnings N'000	Risk Regulatory Reserve N'000	CBN (AGSMEIS) Reserve N'000	Other Comp Income N'000	Statutory Reserve N'000	Total N'000
Balance at January 2024	17,270,586	1,348,446	5,408,868	5,007,534	1,455,169	112,313	8,712,010	39,314,925
Additions during the year	5,024,119	5,024,119	-	-	-	-	-	10,048,238
Profit for the year	-	-	23,484,251	-	-	-	-	23,484,251
Transfer to risk regulatory reserve	-	-	(3,599,722)	3,599,722	-	-	-	-
Transfer to statutory reserve	-	-	(7,045,275)	-	-	-	7,045,275	-
Transfer to AGSMEIS	-	-	(1,174,213)	-	1,174,213	-	-	-
Dividend Paid	-	-	(1,381,647)	-	-	-	-	(1,381,647)
At 31 December 2024	22,294,705	6,372,565	15,692,262	8,607,256	2,629,382	112,313	15,757,285	71,465,767

31 DECEMBER 2025

	Share Capital N'000	Share Premium N'000	Retained Earnings N'000	Risk Regulatory Reserve N'000	CBN (AGSMEIS) Reserve N'000	Other Comp Income N'000	Statutory Reserve N'000	Total N'000
Balance at 1 January 2025	22,294,705	6,372,565	15,692,261	8,607,256	2,629,382	112,313	15,757,285	71,465,767
Profit of the year	-	-	30,156,803	-	-	-	-	30,156,803
Transfer to risk regulatory reserve	-	-	(3,368,616)	3,368,616	-	-	-	-
Transfer to statutory reserve	-	-	(9,047,041)	-	-	-	9,047,041	-
Transfer to AGSMEIS	-	-	(1,507,840)	-	1,507,840	-	-	-
Dividend Paid	-	-	(3,121,259)	-	-	-	-	(3,121,259)
At 31 December 2025	22,294,705	6,372,565	28,804,308	11,975,872	4,137,222	112,313	24,804,326	98,501,311

Statutory Reserve

Nigerian banking regulations require Banks to make an annual appropriation to a stipulated to a statutory reserve. As stipulated by section 15(1) of the Financial Institutions Act of 2020, an appropriation of 30% of profit after tax is made if the statutory reserve is less than the paid up share capital and 15% of profit after tax if the statutory reserve is greater than the paid up capital.

Non Distributable Regulatory Reserve

This is a reserve created by comparing impairment of risk assets under IFRS accounting standard and provisions for risk assets using CBN Prudential Guidelines. Where the impairment amount under IFRS is lower than the provisions amount under Prudential Guidelines, the IFRS impairment figure is used in the account. However, the difference between the IFRS accounting standard impairment and Prudential guidelines provisioning is charged to the retained earnings and transferred to a non distributable reserve.

STATEMENT OF CASH FLOWS

	Notes	2025 N'000	2024 N'000
Cash flows from operating activities			
Profit for the year		30,156,803	23,484,251
Adjustments for non - cash items:			
Depreciation	33	2,131,382	1,689,728
Amortisation of intangible asset	33	120,992	120,118
Amortisation of leasehold improvement	33	50,926	25,053
Amortisation of occupancy cost	34(ii)	829,320	602,789
Impairment on financing asset		1,387,580	(166,333)
Gain on Disposal of PPE		(1,313)	-
Property and Equipment expensed	9	170,341	-
Income tax expense	13a	1,090,287	960,624
Unrealised exchange gain/(loss)		2,536,973	9,389,411
Net cash flows before changes in working capital		38,473,291	36,105,641
Working capital movement:			
Financing Asset		(33,131,033)	(41,777,778)
Inventory Financing		(3,440,661)	(30,860,574)
Other assets		(27,118,447)	(1,989,528)
Customer's current account		230,453,406	269,135,440
Customers investment account		(16,910,817)	169,081,319
Other funding		(4,819,902)	(12,432,873)
Other liabilities		(28,646,764)	41,476,757
Cash from/(used) in operations		154,859,073	428,738,403
Tax paid		(1,412,858)	(457,341)
Net cash provided by operating activities		153,446,215	428,281,062
Investing activities			
Purchase of Sukuk Investment held at amortised cost		(1,535,760,555)	(204,098,056)
Redemption/Disposal of Sukuk Investment		1,407,672,256	14,646,886
Investment Mudarabah Placement		(1,987,020)	(43,119,315)
Purchase of property, plant & equipment		(9,998,387)	(9,867,876)
Proceed from disposal of property, plant & equipment		52,464	-
Improvement on leasehold properties		-	(72,964)
Purchase of intangible assets		(50,920)	(195,122)
Net cash provided by/(used in) Investing activities		(140,072,162)	(250,954,157)
Financing activities			
Other funding		-	10,048,238
Issue of Ordinary share & Share premium		-	10,048,238
Dividends paid to owners		(3,121,259)	(1,381,647)
Net cash provided by financing activities		(3,121,259)	8,666,591
Increase/(decrease) In cash and cash equivalents		10,252,793	185,993,497
Effect of Exchange rate changes on cash and cash equivalent		(2,310,577)	(9,245,312)
Cash and cash equivalents at beginning of year		381,166,117	204,417,932
Cash and cash equivalents At 31st December	4c	389,108,333	381,166,117
Operating cash flows from profit on balances and deposits with CBN and other financial institutions, financing, customer financing, sukuk and customer deposits are as follows:			
Profit received		97,366,651	76,574,396
Profit paid to depositors		(26,862,221)	(21,285,829)
Net Profit received/(paid)		70,504,430	55,288,567

STATEMENT OF SOURCES AND USES OF QARD FUND

	2025 N'000	2024 N'000
Opening balance 1 January	8,666	42,608
Granted to staff	-	2,941
Total uses during the year	8,666	45,549
Repayments		
Staff repayment	7,727	10,825
Customer repayment	98	26,068
Total repayment	7,825	36,893
Net qard hassan	841	8,666
Impairment allowance	(7)	(1,314)
Balance at 31 December	834	7,342

The staff portion is made up of facilities granted to employees to buy the Bank's shares under 2012 Private Placement exercise and facilities taken over by the Bank from their previous employers. Staff under critical situations were also granted this type of facility. The amount granted to staff during the year was nil (2024: N2.94m) while none was granted to customers in 2025 Financial Year. The impairment charged under Qard Hassan is in line with the IFRS Accounting Standards.

STATEMENT OF SOURCES AND USES OF CHARITY FUND

	2025 N'000	2024 N'000
Sources of charity funds		
Balance 1 January	-	6,491
Non-permissible income during the year	946,370	841,676
Total sources of charity funds	946,370	848,167
Uses of charity Funds		
Philanthropic activities	946,370	848,167
Total uses of charity funds	946,370	848,167
Balance at 31 December	-	-

This Central Bank of Nigeria directed the Bank to reverse N5.2 Billion in interbank Mudaraba assessed as non-permissible under Non- Interest Banking principles and redirect it to charitable purposes over six years.

Of this amount, N866 million was allocated to philanthropic activities during the year, with the remainder to be distributed over the next five years per directive of the Apex Bank. Philanthropic cash outflows are classified as operating activities in the cash flow statement.

NOTE ON THE FINANCIAL STATEMENTS

1. Reporting entity

Jaiz Bank Plc (the "Bank") is the first fully fledged non-interest financial institution in Nigeria. The Bank was granted a banking license to carry on the business of non interest banking and commenced operation on January 6th, 2012 with three branches in two states and the Federal Capital Territory. It was established as a private limited liability Company but was converted to a Public limited liability company in April 2016 and now trades its Stock on the Nigeria Exchange Bank.

The address of the Bank's registered office is Jaiz House, Plot 1073, J.S Tarka Street, Area 3, Garki Abuja, Nigeria. The Financial Statement of the Bank as at 31 December 2025, is only for the Bank as it has no subsidiary and/or Associate company. These audited financial statements were approved and authorized for issue by the Board of Directors on 11th March, 2026. The Directors have the power to amend and issue the financial statements.

2. Basis of preparation

The financial statements have been prepared in accordance with the requirements of IFRS Accounting Standards as issued by International Accounting standards Board (IASB). For matters that are peculiar to Islamic Banking and Finance, the Bank shall rely on the Statement of Financial Accounting ("SFA") and Financial Accounting Standards ("FAS") issued by the Accounting and Auditing Organization for Islamic Financial Institutions ("AAOIFI"), Standards issued by the Islamic Financial Services Board ("IFSB") and Circulars issued by the Central Bank of Nigeria ("CBN") shall also be of guidance.

2.1. Material Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

a. Basis of measurement

The Bank's financial statements are to be prepared under the historical cost convention, and may be modified by their valuation of certain investment securities, property, plant and equipment. Financial statements are to be prepared mainly in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board ("IASB"). For matters that are peculiar to Islamic Banking and Finance, the Bank shall rely on the Statement of Financial Accounting ("SFA") and Financial Accounting Standards ("FAS") issued by the Accounting and Auditing Organization for Islamic Financial Institutions ("AAOIFI"), Standards issued by the Islamic Financial Services Board ("IFSB") and Circulars issued by the Central Bank of Nigeria ("CBN") shall also be of guidance, except for the following:

1. Financial assets measured at fair value through profit or loss.
2. Financial instruments measured at fair value through other comprehensive income.

b. Going Concern

The Bank's management shall be making assessment of the Bank's ability to continue as a going concern and where satisfied that the Bank has the resources to continue in business for the foreseeable future, shall form a judgment and prepare accounting information based on that premise. In any situation whereby the Board of Directors is aware of any material uncertainties that may cast significant doubt upon the Bank's ability to continue as a going concern such issues shall be disclosed in the annual report.

c. Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Naira', which is the Bank's presentation currency which is further rounded up to the nearest thousand.

d. Use of estimates and judgments

The preparation of the financial statements in conformity with IFRS Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual Results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

e. Changes to accounting policies

The accounting policies adopted are consistent with those of the previous financial period.

2.2. New and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial period except as noted below which became effective for the year ended 31 December 2025. Adoption of the standard did not result in changes in the amounts previously recognised in the financial statements. However the standard affected disclosures of the Bank.

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates titled Lack of Exchangeability

The Bank has adopted the amendments to IAS 21 for the first time in the current year. The amendments specify how to assess whether a currency is exchangeable, and how to determine the exchange rate when it is not.

B. New and revised IFRS Accounting Standards in issue but not yet effective

The amendments in Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) are:

a) Derecognition of a financial liability settled through electronic transfer

The amendments permit an entity to deem a financial liability (or part of a financial liability) that is settled using an electronic payment system to be discharged (and derecognised) before the settlement date if specified criteria are met. If an entity elects to apply this accounting policy, it must do so for all settlements made through the same electronic payment system.

b) Classification of financial assets

Contractual terms that are consistent with a basic lending arrangement

The amendments provide guidance on how an entity should assess whether contractual cash flows of a financial asset are consistent with a basic lending arrangement. This is intended to assist an entity to apply the requirements for assessing contractual cash flow characteristics to financial assets with features linked to environmental, social and governance (ESG) concerns.

Assets with non-recourse features

The amendments enhance the description of the term 'non-recourse', in particular to specify that a financial asset has non-recourse features if an entity's ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.

Contractually linked instruments

The amendments clarify the characteristics of contractually linked instruments that distinguish them from other transactions. Specifically, the amendments highlight that in such instruments a prioritisation of payments to the holders of financial assets using multiple contractually linked instruments (tranches) is established through a waterfall payment structure, resulting in concentrations of credit risk and a disproportionate allocation of losses between the holders of different tranches. The amendments also note that not all transactions with multiple debt instruments meet the criteria of transactions with multiple contractually linked instruments. In addition, the amendments clarify that the reference to instruments in the underlying pool can include financial instruments that are not within the scope of the classification requirements.

c) Disclosures**Investments in equity instruments designated at FVTOCI**

The requirements in IFRS 7 are amended to require an entity to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately the fair value gain or loss that relates to investments derecognised in the period and the fair value gain or loss that relates to investments held at the end of the period.

Contractual terms that could change the timing or amount of contractual cash flows

The amendments require an entity to disclose the contractual terms that could change the timing or amount of contractual cash flows on the occurrence (or non-occurrence) of a contingent event that does not relate directly to changes in a basic lending risks and costs. The requirements apply to each class of financial asset measured at amortised cost or FVTOCI and each class of financial liability measured at amortised cost.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026 with earlier application permitted. If an entity elects to apply these amendments for an earlier period, it is required to either:

- apply all the amendments at the same time and disclose that fact or
- apply only the amendments to the classification of financial assets for that earlier period and disclose that fact.

The amendments are required to be applied retrospectively, in accordance with IAS 8, with specific exceptions.

The directors of the entity anticipate that the application of these amendments may have an impact on the Bank's financial statements in future periods.

ii Amendments to IFRS 9 and IFRS 7 – Amendments to the Classification and Measurement of Financial Instruments

The IASB issued amendments to five IFRS Accounting Standards as part of its annual improvements process.

a) IFRS 1 First-time Adoption of International Financial Reporting Standards—Hedge accounting by a first-time adopter

For consistency with the requirements in IFRS 9, IFRS 1:B5-B6 were amended to refer to the 'qualifying criteria' for hedge accounting (instead of the 'conditions') and to add cross-references to IFRS 9:6.4.1 to improve the understandability of IFRS 1.

lb) IFRS 7 Financial Instruments: Disclosures—Gain or loss on derecognition

The amendments remove an obsolete cross-reference in IFRS 7:B38 to a paragraph that had been deleted when IFRS 13 was issued and align the wording of this paragraph with the terms used in IFRS 13.

c) Guidance on implementing IFRS 7—Disclosure of deferred difference between fair value and transaction price

The amendments update IFRS 7:IG14 to make the wording of that paragraph consistent with IFRS 7:28 and improve the internal consistency of the wording in the example in IFRS 7:IG14.

d) Guidance on implementing IFRS 7—Introduction and credit risk disclosures

The amendments add a statement to IFRS 7:IG1 clarifying that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7. The amendments also simplify the explanation of the aspects of the requirements that are not illustrated in IFRS 7:IG20B.

e) IFRS 9 Financial Instruments—Derecognition of lease liabilities

The amendments add a cross-reference to IFRS 9:3.3.3 in IFRS 9.2.1(b)(ii) to clarify that, when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to apply IFRS 9:3.3.3 and therefore recognise any resulting gain or loss in profit or loss.

f) IFRS 9 Financial Instruments—Transaction price

The amendments replace 'their transaction price (as defined in IFRS 15)' in IFRS 9.5.1.3 with 'the amount determined by applying IFRS 15' to address inconsistency between IFRS 9.5.1.3 and the requirements of IFRS 15 which may require a receivable to be measured at an amount that differs from the amount of the transaction price recognised as revenue. Additionally, the reference to 'transaction price' (as defined in IFRS 15) is deleted from Appendix A of IFRS 9.

g) IFRS 10 Financial statements—Determination of a 'de facto agent'

The amendments address concerns that the requirements in IFRS 10:B73-B74 might, in some situations, be contradictory. IFRS 10:B73 refers to 'de facto agents' as parties acting on the investor's behalf and states that the determination of whether other parties are acting as de facto agents requires judgement. However, the second sentence of IFRS 10:B74 includes more conclusive language and states that a party is a de facto agent when those that direct the activities of the investor have the ability to direct that party to act on the investor's behalf. The amendments update IFRS 10:B74 to use less conclusive language and to clarify that the relationship described in IFRS 10:B74 is just one example of a circumstance in which judgement is required to determine whether a party is acting as a de facto agent.

h) IAS 7 Statement of Cash Flows—Cost method

The amendment replaces the term 'cost method' with 'at cost' in IAS 7:37 in line with the removal of the definition of 'cost method' from the IFRS Accounting Standards.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with early application permitted. An entity is required to apply the amendments to IFRS 9:2.1(b)(ii) to lease liabilities that are extinguished on or after the beginning of the annual reporting period in which the entity first applies that amendment. No specific transition provisions are provided in respect of the other amendments.

iii Amendments to IFRS 9 and IFRS 7—Contracts Referencing Nature-dependent Electricity

a) Amendments to IFRS 9 Financial Instruments

The following requirements of IFRS 9 are affected by the amendments:

- the own-use requirements in IFRS 9 are amended to include the factors an entity is required to consider when applying IFRS 9:2.4 to contracts to buy and take delivery of renewable electricity for which the source of production of the electricity is nature-dependent; and
- the hedge accounting requirements in IFRS 9 are amended to permit an entity using a contract for nature-dependent renewable electricity with specified characteristics as a hedging instrument:
 - to designate a variable volume of forecast electricity transactions as the hedged item if specified criteria are met; and
 - to measure the hedged item using the same volume assumptions as those used for the hedging instrument

b) Amendments to IFRS 7 Financial Instruments: Disclosures and IFRS 19 Subsidiaries without Public Accountability:

Disclosures IFRS 7 and IFRS 19 were amended to introduce disclosure requirements about contracts for nature-dependent electricity with specified characteristics.

The amendments are effective for annual periods beginning on or after 1 January 2026, with earlier application permitted. The amendments to the own use exemption are required to be applied retrospectively in accordance with IAS 8 using the facts and circumstances at the date of initial application. The amendments to the hedge accounting requirements are to be applied prospectively to new hedging relationships designated on or after the date of initial application.

The directors of the entity anticipate that the application of these amendments may have an impact on the Bank's financial statements in future periods.

IFRS 18 Presentation and Disclosures in Financial Statements

IFRS 18 replaces IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. In addition, some paragraphs from IAS 1 have been moved to IAS 8 and IFRS 7. Furthermore, the IASB has made minor amendments to IAS 7 and IAS 33 Earnings per Share.

IFRS 18 introduces new requirements to:

- present specified categories and defined subtotals in the statement of profit or loss
- provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements
- improve aggregation and disaggregation.

An entity is required to apply IFRS 18 for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The amendments to IAS 7 and IAS 33, as well as the revised IAS 8 and IFRS 7, become effective when an entity applies IFRS 18. IFRS 18 requires retrospective application with specific transition provisions.

The directors of the entity anticipate that the application of these amendments may have an impact on the Bank's financial statements in future periods.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

IFRS 19 permits an eligible subsidiary (defined as a subsidiary that does not have public accountability and has an ultimate or intermediate parent that produces financial statements available for public use that comply with IFRS Accounting Standards) to provide reduced disclosures

when applying IFRS Accounting Standards in its financial statements.

The new standard is effective for reporting periods beginning on or after 1 January 2027 with earlier application permitted.

The directors of the entity do not anticipate that IFRS 19 will be applied for purposes of the financial statements of the Bank.

Transactions in foreign currencies

The financial statements are presented in Nigerian Naira, which is the reporting currency in line with IAS21 (Effects of foreign exchange) Transactions in foreign currencies are recorded in the books at the rate of exchange ruling on the date of the transactions.

Monetary assets and liabilities denominated in foreign currencies are converted into Naira at the rate of exchange ruling at the balance sheet date. Gains and losses on conversion are reported the income statement. .

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated into Naira using the exchange rates as at the dates of the initial recognition. Nonmonetary items measured at fair value in a foreign currency are translated into Naira using the exchange rates at the date when the fair value is determined. Exchange gains and losses on nonmonetary items classified as "fair value through statement of income" are taken to the income statement and for items classified at "fair value through equity" such differences are taken to the statement of comprehensive income.

c) Cash and cash equivalents

- * Cash in hand
- * Balance held with Central Bank of Nigeria
- * Balance with banks in Nigeria and outside Nigeria
- * Demand deposit denominated in Naira and other foreign currencies

Cash equivalents are short term, highly liquid instruments which are readily convertible into cash, whether in local or foreign currencies; and so near to their maturity dates with original maturities of three months or less as it present insignificant risk of changes in value as a result of changes in profits rates.

d) Financial instrument

Initial recognition and measurement

.Financial assets and liabilities, with the exception of financing to customers, deposits to customers and banks, are initially recognised on the trade date, i.e., the date that the Bank becomes a party to the contractual provisions of the instrument. Financing from customers are recognised when assets purchased are transferred to the customers. The Bank recognises deposits from customers and banks when funds are received.

Classification and measurement

Financial asset or liability are measured initially at fair value plus or minus, for an item not at fair value through profit or loss, direct and incremental transaction costs that are directly attributable to its acquisition or issue. Transaction costs of financial assets and liabilities carried at fair value through profit or loss are expensed in income statement at initial recognition.

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

- those to be measured at amortised cost.
- those to be measured at fair value through other comprehensive income
- those to be measured at fair value through profit or loss

I. Financial liabilities at fair value through profit or loss

The classification depends on the Bank's business model (i.e. business model test) for managing financial assets and the contractual terms of the financial assets cash flows (i.e. solely payments of principal and return - SPPI test).

Debt instruments

Amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL

(a) The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

(b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and return on the principal amount outstanding. The gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in income statement when the asset

is derecognised or impaired. Returns from these financial assets is determined using the effective rate of return (ERR) method and reported in income statement as 'income'.

The amortised cost of a financial instrument is defined as the amount at which it was measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the 'effective rate of return method' of any difference between that initial amount and the maturity amount, and minus any loss allowance. The effective rate of return method is a method of calculating the amortised cost of a financial instrument (or Bank of instruments) and of allocating the income or expense over the relevant period. The effective rate of return (ERR) is the rate that exactly discounts estimated future cash payments or receipts over the expected life of the instrument or, when appropriate, a shorter period, to the instrument's net carrying amount.

Business model assessment

The Bank makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

The stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual return revenue, maintaining a particular return rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;

How the performance of the portfolio is evaluated and reported to management;

The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

How managers of the business are compensated e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

The frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Bank's stated objective for managing the financial assets is achieved and how cash flows are realised

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into

account. If cash flows after initial recognition are realised in a way that is different from the Bank's original expectations, the Bank does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Assessment of whether contractual cash flows are solely payments of principal and return.

The Bank assesses the contractual terms of financial to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortization of the premium/discount). 'Return' includes consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

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

Financial liabilities

The Bank's holding in financial liabilities is in financial liabilities at fair value through profit or loss and financial liabilities at amortised cost. Financial liabilities are derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in income statement.

I Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss are financial liabilities held for trading. A financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term or if it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. Derivatives are also categorised as held for trading unless they are designated and effective as hedging instruments. Financial liabilities held for trading also include obligations to deliver financial assets borrowed by the Bank.

Gains and losses arising from changes in fair value of financial liabilities classified as held for trading are included in the income statement and are reported as 'Net gains/(losses) on financial instruments classified as held for trading'. Return expenses on financial liabilities held for trading are included in 'Net income'.

ii. Financial liabilities at amortised cost

Financial liabilities that are not classified at fair value through profit or loss fall into this category and are measured at amortised cost. Financial liabilities measured at amortised cost are deposits from banks or customers, debt securities in issue for which the fair value option is not applied, convertible bonds and subordinated debts. .

Financial assets

When the terms of a financial asset are modified, the Bank evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value. Any difference between the amortised cost and the present value of the estimated future cash flows of the modified asset or consideration received on derecognition is recorded as a separate line item in income statements as 'gains and losses arising from the derecognition of financial assets measured at amortised cost'.

If the cash flows of the modified asset carried at amortised cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Bank recalculates the gross carrying amount of the financial asset as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective rate of return (or credit-adjusted effective rate of return for purchased or originated credit-impaired financial assets). The amount arising from adjusting the gross carrying amount is recognised as a modification gain or loss in income statement as part of impairment charge for the year.

ii Financial liabilities

The Bank derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. This occurs when the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate of return, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in income statement. If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment (i.e. the modified liability is not substantially different), any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

Offsetting of financial instruments

Financial assets and financial liabilities are only offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right and under Sharia'a framework to set off the recognized amounts and the Bank intends to either settle on a net basis, or to realize the asset and settle the liability simultaneously.

Impairment of financial assets

The Bank recognizes allowance for ECL (expected credit losses) for all risk asset and other debt financial assets not held at FVPL (fair value through profit or loss), together with commitments and financial guarantee contracts, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under IFRS 9.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in

which case, the allowance is based on the 12mECL (12 months' expected credit loss)

The 12m ECL is the portion of LTECLs (lifetime expected credit loss) that represent the ECLs that result from default events on a financial instrument that are possible within the 12months after the reporting date. Both LTECLs and 12mECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments

Loss allowances for accounts receivable are always measured at an amount equal to lifetime ECL. The Bank has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Bank Banks its financing facilities into Stage 1, Stage 2, Stage 3 and POCI, as described below:

*** Stage 1:** When risk asset are first recognised, the Bank recognises an allowance based on 12mECLs. Stage 1 risk asset also include facilities where the credit risk has improved and the risk asset has been reclassified from Stage 2.

*** Stage 2:** When a risk asset has shown a significant increase in credit risk since origination, the Bank records an allowance for the LTECLs. Stage 2 risk asset also include facilities, where the credit risk has improved and the risk asset has been reclassified from Stage 3.

*** Stage 3:** risk asset considered credit-impaired. The Bank records an allowance for the LTECLs .A lifetime ECL is calculated for financial assets that are assessed to be credit impaired. The following criteria are used in determining whether the financial asset is impaired:

- default
- significant financial difficulty of borrower and/or modification
- probability of bankruptcy or financial reorganisation
- disappearance of an active market due to financial difficulties.

*** POCI:** Purchased or originated credit impaired (POCI) assets are financial assets that are credit impaired on initial recognition. POCI assets are recorded at fair value at original recognition and return is subsequently recognised based on a credit-adjusted ERR. ECLs are only recognised or released to the extent that there is a subsequent change in the expected credit losses.

If, in a subsequent period, credit quality improves and reverses any previously assessed significant increase in credit risk since origination, depending on the stage of the lifetime 2 or stage 3 of the ECL bucket, the Bank would continue to monitor such financial assets for a probationary period of 90 days to confirm if the risk of default has decreased sufficiently before upgrading such exposure from Lifetime ECL

(Stage 2) to 12months ECL (Stage 1). In addition to the 90 days probationary period above, the Bank also observes a further probationary period of 90 days to upgrade from Stage 3 to 2. This means a probationary period of 180 days will be observed before upgrading financial assets from Lifetime ECL (Stage 3) to 12months ECL (Stage 1).

For financial assets for which the Bank has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition of the financial asset.

Measurement of Expected credit losses (ECL)

The Bank calculates ECLs based on probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the expected profit rate. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

- **PD:** The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.
- **EAD:** The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and return, whether scheduled by contract or otherwise, expected draw downs on.
- **LGD:** The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. expressed as a percentage of the EAD.

When estimating the ECLs, the Bank considers three scenarios (a base case, an upside and downside). Each of these is associated with different PDs, EADs and LGDs. When relevant, the assessment of multiple scenarios also incorporates how defaulted risk asset are expected to be recovered, including the probability that the risk asset will cure and the value of collateral or the amount that might be received for selling the asset. Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

To estimate the expected credit loss (ECL) for off-balance sheet exposures, the Credit Conversion Factor (CCF) is used. CCF represents the proportion of any undrawn exposure that is expected to be drawn before a default event. It helps convert an off-balance sheet exposure into its credit equivalent exposure. In calculating CCF, the Bank takes into account its account monitoring practices, payment processing policies, and its ability to prevent further drawings when credit risk increases. The CCF is applied to off-balance sheet exposures to determine the Exposure at Default (EAD), and then the ECL impairment model is used on the EAD to calculate the expected credit loss on those exposures.

Financing commitments and letters of credit: When estimating LTECLs for undrawn financing in cash flows if the financing is drawn down, based on a probability-weighting of the four scenarios commitments, the Bank estimates the expected portion of the financing commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls. The expected cash shortfalls are discounted at an approximation to the expected EIR on the financing.

Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

Assessment Of Significant Increase In Credit Risk

Assessing significant increases in credit risk (SICR) requires careful judgment. The Bank uses 'backstop' indicators, with the presumption that an instrument's credit risk has increased significantly if payments are more than 30 days overdue. This presumption can be rebutted if there is evidence that credit risk has not increased significantly since initial recognition.

Exceptions to the 30-day rule include:

- Disputes between the Bank and obligor not exceeding 90 days.
- Insignificant outstanding amounts compared to the total due.

Assessments of SICR are performed at least monthly and at the instrument level. If credit risk is determined to have increased significantly, the asset will move from Stage 1 to Stage 2. After SICR subsides, assets may revert to Stage 1 or Stage 2, based on specified probationary periods:

Forward looking information

The measurement of expected credit losses for each stage and the assessment of significant increase in credit risk will consider information about past events and current conditions as well as reasonable and supportable projections of future events and economic conditions.

The PD, LGD and EAD inputs to be used in estimating Stage 1 and Stage 2 credit loss allowances are modelled based on the macroeconomic variables (or changes in macroeconomic variables) that are most closely correlated with credit losses in the relevant portfolio. Each macroeconomic scenario used in the expected credit loss calculation includes a projection of all relevant macroeconomic variables applying scenario weights. Macroeconomic variables used in the expected credit loss models include GDP growth rate, foreign exchange rates, inflation rate, crude oil prices and population growth rate.

The estimation of expected credit losses in Stage 1 and Stage 2 is a discounted probability-weighted estimate that considers a minimum of three future macroeconomic scenarios. The base case scenario is based on macroeconomic forecasts published by relevant government agencies. Upside and downside scenarios vary relative to our base case scenario based on reasonably possible alternative macroeconomic conditions. Additional and more severe downside scenarios are designed to capture material non-linearity of potential credit losses in portfolios. Scenario design, including the identification of additional downside scenarios, occurs at least on an annual basis and more frequently if conditions warrant.

The assessment of significant increases in credit risk is based on changes in probability-weighted forward-looking lifetime PD as at the reporting date, using the same macroeconomic scenarios as the calculation of expected credit losses. In its ECL models, the Bank relies on a broad range of forward looking information as economic inputs, such as:

- GDP growth
- Unemployment rates
- Exchange rate
- House price indices
- Inflation
- Crude Oil prices
- To evaluate a range of possible outcomes, the bank formulates three scenarios: a base case, an upward and a downward scenario. The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date

of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material.

Definition of default and credit impaired financial assets

The Bank considers a financial asset to be in default when:

- it is established that due to financial or non-financial reasons the borrower is unlikely to pay its credit obligations to the Bank in full without recourse by the Bank to actions such as realising security (if any is held);
- the borrower is past due 90 days or more on any material credit obligation to the Bank.

In assessing whether a borrower is in default, the Bank considers indicators that are

- qualitative - e.g. material breaches of covenant;
- quantitative - e.g. overdue status and non-payment on another obligation of the same customer/customer Bank to the banks; and based on data developed internally and obtained from external sources.
- Disappearance of an active market for a security because of financial difficulties.
- Others include death, insolvency, breach of covenants, etc.

Inputs into the assessment of whether a financing exposure is in default and their significance may vary over time to reflect changes in circumstances.

Renegotiated financing facilities

Where possible, the Bank seeks to restructure financing facilities rather than to take possession of collateral. This may involve extending the payment arrangements and the agreement of new conditions. Management continually reviews renegotiated facilities to ensure that all future payments are highly expected to occur. When the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the finance customer, then an assessment is made of whether the financial asset should be derecognized and ECL are measured as follows:

- If the expected restructuring will not result in derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset.
- If the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition.

Rebuttal Process

The rebuttal process allows the Bank to challenge automated staging classifications, particularly when an account breaches the 30 or 90 days past due criteria (Stage 2 or Stage 3, respectively). Rebuttals are only considered when there is strong, reasonable, and supportable evidence that the credit risk increase does not reflect the customer's actual financial condition.

Criteria for Rebuttal

The presumption of a significant increase in credit risk (SICR) or default can be rebutted under specific conditions, including:

- Temporary Payment Delays: Payment delays due to administrative issues or cashflow timing that not indicative of credit deterioration.

- Strong Financial Position: Customers with solid financial statements or assets demonstrating continued repayment capacity.
- External Factors: Non-credit-related disruptions (e.g., technical or operational issues) beyond the customer's control.
- Collateral Improvements: Additional or improved collateral that lowers the Bank's risk exposure.
- Others: Material information not explicitly mentioned above.

However, for a rebuttal to be granted, there are basic steps that must be met. When an account breaches the 30 days past due criteria for SICR (Significant Increase in Credit Risk) or the 90 days past due criteria for default, and is transferred to Stage 2 (SICR) or Stage 3 (default), the presumption of the transfer can be rebutted under the following process:

Initiation by Relationship Manager (RM):

The RM identifies a potential rebuttal case and collects relevant evidence, such as updated financials or customer interaction notes, to support the rebuttal. This evidence is then submitted to the Divisional Head for review.

* Divisional Head Review:

The Divisional Head evaluates the evidence provided by the RM. If the evidence is deemed satisfactory, the Divisional Head escalates the rebuttal to the Credit Risk Management team and the Chief Risk Officer (CRO) for further assessment.

* Credit Risk Team Evaluation:

The Credit Risk team reviews the submitted evidence, considering factors like financial history, collateral, and external influences. Based on this review, they present the case to the Criticized Asset Committee (CAC).

* Criticized Asset Committee (CAC):

The RM and CRO present the rebuttal to the CAC, which reviews the case and recommends approval or rejection to the Managing Director/Chief Executive Officer (MD/CEO).

Final Reclassification:

If the rebuttal is approved by the MD/CEO, the account is reclassified back to its prior stage. If the rebuttal is rejected, the account remains in its current stage unless new, relevant evidence is provided.

This process allows for the reconsideration of the stage reclassification based on new evidence that suggests the account may not warrant such a transfer.

Presentation of allowance for ECL in the statement of financial position.

Financing allowances for ECL are presented in the statement of financial position as follows:

- Financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- Financing commitments and financial guarantee contracts: generally, as a provision;
- Where a financial instrument includes both a drawn and an undrawn component, and the Bank cannot identify the
- ECL on the financing commitment component separately from those on the drawn component:

the Bank presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision; and

- Debt instruments measured at FVOCI: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognised in the fair value reserve.

Collateral valuation

To mitigate its credit risks on financial assets, the Bank seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, letters of credit/guarantees, real estate, receivables, inventories, other non-financial assets and credit enhancements such as netting agreements. The Bank’s accounting policy for collateral assigned to it through its lending arrangements under IFRS 9 is the same as it was under IAS 39. Collateral, unless repossessed, is not recorded on the Bank’s statement of financial position.

However, the fair value of collateral affects the calculation of ECLs. It is generally assessed, at a minimum, at inception and re-assessed on a quarterly basis. However, some collateral, for example, cash or securities relating to margining requirements, is valued daily.

To the extent possible, the Bank uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models. Non-financial collateral, such as real estate, is valued based on data provided by third parties such as mortgage brokers, or based on housing price indices.

Write-off

The Bank has in place Board approved policy that guides write-off of facilities. The Bank will write off financial assets (and any related allowances for impairment losses) when the Criticized Asset Committee(CAC) determines that the assets are uncollectible. In determining financial assets to write off, CAC considers amongst others:

- The occurrence of significant changes in the obliger/issuer’s financial position such that the obligor/issuer can no longer pay the obligation;
- That proceeds from the collateral will not be sufficient to pay back the entire exposure.
- The Prudential Guidelines (Section 3.21)
- The Bank’s Investment Policy.

Every effort will be made to recover a debt owed to the Bank before it is considered for write off. This includes all the processes prescribed in the ERM policies from collection by the relationship officer once a facility is due, to employing recovery agents, and litigation for those considered to be in terminal default. The BOD is responsible for delegating limits and authority to write off. This limit may be delegated at the discretion of the Board. The BOD is responsible for defining and delegating the approval limits for all balances that meet the criteria to be written off. The following delegated limits applies to the concerned Board and Management committees:

- Recovery cost is expected to be higher than the outstanding debt
- Amount obtained from realisation of credit collateral security leaves a balance of the debt.
- It is reasonably determined that no further recovery on the facility is possible.

All credit facility write-offs require endorsement by the Management Credit and Board Credit Committee, as defined by the Bank. Credit write-off approval is documented in writing and properly initiated by the Management Credit and Board Credit Committee.

S/N	Board/Management	Delegation
1	Crystalized Assets Committee	Five Million (N5,000,000:00) and Below
2	Board Risk Committee	Above N5Million(N5,000,000:00-N50Million (N50,000,000:00)
3	Board of Directors	Above N50 Million (N50,000,000:00), subject to any regulatory limit.

d. Property plant and equipment

The bank recognizes items of property, plant and equipment at the time the cost is incurred. They are stated at historical cost less accumulated depreciation and accumulated impairment losses. Subsequent costs are included in the asset’s carrying amount or are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Bank and the cost of the asset can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial year in which they are incurred.

Construction cost in respect of offices is carried at cost as work in progress. On completion of construction, the related amounts are transferred to the appropriate category of fixed assets. Payments in advance for items of fixed assets are included as Prepayments in Other Assets and upon delivery are reclassified as additions in the appropriate category of property and equipment.

Depreciation

Depreciation is to be provided on a straight-line basis to write off the cost of asset over their estimated useful live. The annual rate which should be applied consistently over time are as follows:

- Motor vehicle (5 years)
- Furniture and fittings (5 years)
- Equipment (5 years)
- Computer Equipment - General (3 years)
- Computer Equipment - Special (5 years)
- Computer Software (10 years)
- Freehold Buildings (50 years)
- Leasehold improvement over the expected life of the lease

Property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Gain and losses are recognised in the income statement.

Depreciation is charged when the assets are available for use irrespective of whether they are put to use.

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of the asset’s fair value less costs to sell and value in use.

Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in the statement of income for the year.

e. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the consolidated statement of income in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of income. Intangible Asset includes ;

Computer Software

Software licenses acquired by the Bank are stated at cost less accumulated amortization and accumulated impairment loss (if any). Expenditure incurred on internally developed software is recognized as an asset when the Bank is able to complete the software development and use it in such a manner that it will be able to generate economic benefit to the Bank, and that the cost to complete the development can reliably be measured by the Bank.

Internally developed software cost that is capitalized includes cost directly attributable to developing the software, and is amortized over the useful economic life of the software. Amortization is recognized in the income statement on a straight-line basis over the estimated useful life of the software.

f. Inventory

Inventory of stationery and consumables held by the Bank are to be stated at the lower of cost and net realizable value in line with IAS 2. When inventories become old or obsolete, an estimate is to be made of their net realizable value. For individually significant amounts, this estimation is to be performed on an individual basis. For amounts that are not individually significant, collective assessment shall be made and allowance applied according to the inventory type and degree of ageing or obsolescence based on historical selling prices.

g. Islamic financing and investing contracts

The Bank engages in Shari'ah compliant Islamic banking activities through various Islamic instruments such as Ijarah, Murabaha, Musharaka, Istisna'a and Wakala.

i. Ijarah

The Bank shall comply fully with the requirements of Shari'ah in recognition and measurement of Ijarah financing. The periodic lease rentals receivable are treated as rental income during the year they occur and charge thereon is included in operating expenses while initial direct cost incurred are written off to the income statement in the year they are incurred.

ii. Murabaha

This is a sale contract whereby the Bank sells to customer commodities or other asset at an agreed upon profit mark up on cost. The Bank purchases the assets based on a promise received from customer to buy the item purchased according to specific terms and conditions. Profit from murabaha is quantifiable at the commencement of the transaction. Such income is recognized as it accrues over the period of the contract on effective profit rate method on balance outstanding.

transaction. Such income is recognized as

v Wakala

A contract between a Bank and a customer whereby one party (the principal: the Muwakkil) appoints the other party (the agent: Wakil) to invest certain funds according to the terms and conditions of the Wakalah for a fixed fee in addition to any profit exceeding the expected profit as an incentives for the Wakil for the good performance. Any losses as result of the misconduct or negligence or violation of the the terms and conditions of the Wakalah are borne by the Wakil for otherwise, they are by the principal.

vi Bai-Mu'ajjal

Is a contract between the Bank and the Customer whereby the Bank sells certain/specified goods/assets to the Customer, purchased as per order and specification of the Customer at an agreed price payable within a fixed future date in lump sum or by fixed instalments. Thus it is a credit sale of goods/assets in which ownership of the goods/assets is transferred by the Bank to the Customer but the payment of sale price by the Customer is deferred for a fixed period.

vii Sukuk

Certificates which are equal in value and represent common shares in the ownership of a specific physical asset (leased or to be leased either existing or to be constructed in future), or in the ownership of cash receivables of selling an existing-owned asset, or in the ownership of goods receivables, or in the ownership of the assets of Mudaraba or Partnership companies.

iii. Musharaka

Musharaka contracts represents a partnership between the Bank and a customer whereby each party contributes to the capital in equal or varying proportions to establish a new project or share in an existing one, and whereby each of the parties becomes an owner of the capital on a permanent or declining basis and shall have a share of profits or losses. These are stated at the fair value of consideration given less any amounts written off and provision for impairment, if any.

iv. Istisna'a

A sale contract between two parties whereby the Bank ("Sani" or "Seller") undertakes to construct, for a customer (the "Mustasni" or "Purchaser"), a specific asset or property (being Al-Masnoo") according to certain pre-agreed specifications to be delivered during a pre-agreed period specifications to be delivered during a pre-agreed period of time consideration of a pre-determined price, which comprises the cost of construction and a profit amount. The work undertaken is not restricted to be accomplished by the "Sani" alone and the whole or part of the construction/development can be taken by third parties under the control responsibility of the Sani'. Under an Istisna'a contract the Bank could be the Sani' or Mustasni'. Istisna'a profit (difference between the sale price of Al-Masnoo to the customer and the Bank's total Istisna'a cost is internally accounted for on a time-apportioned basis over the period of the contract based on the principal outstanding.

v Wakala

A contract between a Bank and a customer whereby one party (the principal: the Muwakkil) appoints the other party (the agent: Wakil) to invest certain funds according to the terms and conditions of the Wakalah for a fixed fee in addition to any profit exceeding the expected profit as an incentives for the Wakil for the good performance. Any losses as result of the misconduct or negligence or violation of the the terms and conditions of the Wakalah are borne by the Wakil for otherwise, they are by the principal.

vi Bai-Mu'ajjal

Is a contract between the Bank and the Customer whereby the Bank sells certain/specified goods/assets to the Customer, purchased as per order and specification of the Customer at an agreed price payable within a fixed future date in lump sum or by fixed instalments. Thus it is a credit sale of goods/assets in which ownership of the goods/assets is transferred by the Bank to the Customer but the payment of sale price by the Customer is deferred for a fixed period.

vii Sukuk

Certificates which are equal in value and represent common shares in the ownership of a specific physical asset (leased or to be leased either existing or to be constructed in future), or in the ownership of cash receivables of selling an existing-owned asset, or in the ownership of goods receivables, or in the ownership of the assets of Mudaraba or Partnership companies. In all these cases, the Sukuk holders shall be the owners of their common shares in the leased assets, or in the cash receivables, or the goods receivable, or in the assets of the Partnership or the Mudaraba. These comprise asset backed, Shari'ah compliant trust certificates.

VIII. Quard Hassan

Is non profit bearing financing whereby the customer borrows funds for a period of time with an understanding that the same amount shall be repaid by the end of agreed period.

h. Income/Revenue recognition

The Bank recognised income on Shari'ah compliant Islamic banking activities through various Islamic instruments such as Ijarah, Murabaha, Musharaka, Istisna'a and Wakala.

i. Ijarah

Ijarah income is recognized on a time-apportioned basis, over the lease term. Accrual of income is suspended when the bank believes that the recovery of these amounts may be doubtful.

ii. Murabaha

Profit from Murabaha transactions is recognised when the income is both contractually determinable and quantifiable at the commencement of the transaction. Such income is recognised on a time-apportioned basis over the period of the transaction. Where the income from a contract is not contractually determinable or quantifiable, it is recognised when it is actually realised. Income related to non-performing accounts is excluded from the consolidated income statement.

iii. Mudaraba

Income on Mudaraba financing is recognised when the right to receive payment is established or on distribution by the Mudarib, whereas losses are charged to the consolidated statement of income on declaration by the Mudarib. In case Mudaraba capital is lost or damaged prior to the inception of work without misconduct or negligence on the part of Mudarib, then such losses are deducted from Mudaraba capital and are treated as loss to the Bank. In case of termination or liquidation, unpaid portion by Mudarib is recognized as receivable due from Mudarib.

IV. Musharaka

Income on Musharaka Contracts is recognized when the right to receive payment is established or on distribution by the Musharek.

V. Wakala

Estimated income from Wakala is recognised on an accrual basis over the period, adjusted by actual income when received. Losses are accounted for on the date of declaration by the agent.

VI. Sukuk

Income is accounted for on a time apportioned basis over the terms of the Sukuk.

VII. Fees and commission income

Fees and commission income that are integral to the effective profit rate on a financial asset carried at amortised cost are included in the measurement of the effective profit rate of the financial asset. Other fees and commission income, including account servicing fees, sales commission, management, arrangement and syndication fees, are recognised as the related services are performed.

VIII. Non-credit related fee income

This is recognized at the time the services have been performed and delivered or the transaction has been completed.

IX. Sale of property under development

Where property is under development and agreement has been reached to sell such property when construction is complete, the bank considers whether the contract comprises:

- Contract to construct a property; or
- Contract for the sale of completed property

Where a contract is judged to be for the construction of a property, revenue is recognized using the percentage of completion method, as construction progresses. The percentage of work completed is measured based on the costs incurred up until the end of the reporting Year as a proportion of total costs expected to be incurred.

vi. Bank's share as a mudarib

The Bank's share as a mudarib for managing the equity of investment account holders is accrued based on the terms and conditions of the related mudaraba agreements whereas, for off balance sheet equity of investment accounts, mudarib share is recognized when distributed.

I. Non-credit related fee income

Where the contract is judged to be for the sale of a completed property, revenue is recognized when the significant risks, rewards and control of ownership of the property are transferred to the buyer.

X. Service income

Revenue from rendering of services is recognized when the services are rendered.

XI. Revenue from sale of goods

Revenue from sales of goods is recognized when the significant risks, rewards and control of ownership of the goods have passed to the buyer and the amount of revenue can be measured reliably.

XII. Bank's share as a mudarib

The Bank's share as a mudarib for managing the equity of investment account holders is accrued based on the terms and conditions of the related mudaraba agreements whereas, for off balance sheet equity of investment accounts, mudarib share is recognized when distributed.

Expense recognition

a. Profit on mudaraba payable (banks and non-banks)

Profit on these is accrued on a time-apportioned basis over the year of the contract based on the principal amounts outstanding.

b. Return on equity of investment account holders

Equity of unrestricted investment account holders is funds held by the Bank, which it can invest at its own discretion. The unrestricted investment account holders authorises the Bank to invest the account appropriate without laying down any restrictions as to where, how and for what purpose the funds should be invested. The Bank charges a management fee (Mudarib fees) to investment account holders. Of the total income from investment accounts, the income attributable to account holders is allocated to investment accounts management of the Bank within the allowed profit sharing limits as per the terms and conditions of the investment accounts. Investment accounts are carried at their book values (amortised cost). Moreso, The bank's share of profit is deducted from the investors' share of income before distribution to investors.

c. Restricted investment accounts

Restricted investment accounts represent assets acquired by funds provided by holders of restricted investment accounts and their equivalent and managed by the Bank as an investment manager based on either a Mudaraba contract or (Wakala) agency contract. The restricted investment accounts are exclusively restricted for investment in specified projects as directed by the investments account holders. Assets that are held in such capacity are not included as assets of the Bank in the consolidated financial statements.

d. Distribution of profit between equity of unrestricted investment account holders and shareholders

The Bank complies agreed terms and conditions as well as sharia ruling:

- Net profit is arrived at after taking into account all income and expenses at the end of the financial year and is distributed between investment account holders and shareholders.
- The share of profit of investment account holders is calculated on the basis of their average daily balances over the year, after reducing the Banks agreed and declared Mudarba fee.
- In case the results of the Bank at the year-end are net losses, then Bank, being the authority responsible for determining the

accountability for these losses and how it shall be treated without violation to Islamic sharia rules.

- Due to pooling of investment funds with the Bank's funds for the purpose of investment, no priority has been given to either party in the appropriation of profit.

I Taxation

a. Current income taxation

Income tax is the amount of income tax payable on the taxable profit for the year determined in accordance with current statutory rate. Income tax payable on profits, based on the applicable tax law, is recognized as an expense in the year in which the related profits arise. All taxes related issues including deferred tax are treated in accordance with IAS 12 (Income taxes).

b. Deferred taxation

Provision for deferred taxation is made by the liability method and calculated at the current rate of taxation on the temporary differences between the net book value of qualifying fixed assets and their corresponding tax written down value in accordance with IAS 12 (Income taxes). The principal temporary differences arise from depreciation of property, plant and equipment, provisions for pensions and other post-retirement benefits, provisions for Investment losses and tax losses carried forward. The rates enacted or substantively enacted at the balance sheet date are used to determine deferred income tax. Deferred tax assets are recognized where it is probable that future taxable profit will be available against which the timing differences can be utilized.

j Employee benefits

Defined contribution plans

A defined contribution plan is a pension plan under which the Bank pays fixed contributions to a separate entity. The rate of contribution by the Bank and its employee is 10% and 8% respectively of basic salary, housing and transport allowance in line with the new Pension Reform Act, 2014. The Bank has no legal or constructive obligations to pay further contributions Membership of the scheme is automatic upon resumption of duty with the Bank. The Bank has no further payment obligations once the contributions have been paid to Pension Fund Administrators (PFA).

The Bank's liabilities in respect of the defined contribution are to be charged to statement of profit or loss for the year in which they become payable. Payments are made to Pension Fund Administrator (PFA) are financially independent of the bank.

k Provisions

Provisions are recognised when the Bank has a present obligation (legal or constructive) as a result of a past event, it is probable that the Bank will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When some or all of the

risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Bank has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract

I. Financial guarantees and financing commitments

Financial guarantees, principally consisting of letters of credit are included within other liabilities. financing commitments are firm commitments to provide credit under pre-specified terms and conditions. The Bank recognises a provision in accordance with IAS 37 if the contract was considered to be onerous. Transactions that are not currently recognized as assets or liabilities in the balance sheet, but which nonetheless give rise to credit risks, contingencies and commitments are reported off balance sheet. Such transactions included letters of credit, bonds, guarantees, acceptances, trade related contingencies such as documentary credits etc.

Outstanding and unexpired commitments at year end in respect of these transactions are to be shown by way of note to the financial statements.

m. Borrowings

Murabaha and due to Banks

This represents funds received from banks on the principles of murabaha contracts and are stated at fair value of consideration received less amounts settled

Murabaha and due to non-banks

These are stated at fair value of consideration received less amounts settled. Profit paid on borrowings is recognized in the statement of income for the year

n. Fiduciary activities

The Bank acts as trustee in its capacity as a Mudarib when managing the equity of investment account holders. Equity of investment account holders is invested in murabaha and due from banks, sukuk and financing contracts with customers. Equity of investment account holders is carried at fair value of consideration received less amounts settled. Expenses are allocated to investment accounts in proportion of average equity of investment account holders to total average assets of the Bank.

Income is allocated proportionately between equity of investment account holders and owners' equity on the basis of the average balances outstanding during the year and share of the funds invested. Equity and assets of restricted investment account holders are carried off-balance sheet as they are not assets and liabilities of the Bank.

o Segment reporting

The Bank prepares its segment information based on business segments and reported in accordance with IFRS 8 (Operating segments). An operating segment is a component of the Bank engaged in business activities that generate revenues and incur expenses, including those arising from transactions with other components of the Bank. The

Executive Management Committee regularly reviews the operating results of each segment to make resource allocation decisions and evaluate performance. Each segment provides discrete financial information to facilitate this review. Costs that are directly traceable to specific operating segments are allocated accordingly, while indirect costs are distributed based on the benefits derived by each segment.

p. Customer deposit

The Bank is required to maintain specific records for all the classes of deposits. The average daily balances for a particular month of all the classes of deposits will be used in the computation of the profitability of the Bank. The average daily balances of each Investment Account holder depositor will also be the basis for the distribution of profits to the depositor. All deposits accepted by Bank shall only be utilised in the provision of finances, investment in securities, inter-bank placements and other business prescribed by CBN that complies with Shari'ah. All division must ensure that all investments complying with the Shari'ah laws

Share capital and reserves

I. Share premium

Share premium is the excess paid by shareholders over the nominal value for their shares. More so, costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds which is processed to the share premium.

ii. Statutory reserve

The banking regulations in Nigeria require the Bank to make an annual appropriation to a statutory reserve. As stipulated by Section 16(1) of the Banks and Other Financial Institutions Act of 1991 (amended), an appropriation of 30% of profit after tax is made if the statutory reserve is less than the paid-up share capital and 15% of profit after tax if the statutory reserve is greater than the paid-up share capital.

iii. AGSMIES reserve

The AGSMIES reserve is maintained to comply with the Central Bank of Nigeria (CBN) requirement that all licensed banks set aside 5% of their annual profit after tax for equity investments in permissible activities.

iv. Retained earnings

Retained earnings comprise the undistributed profits from previous periods which have not been reclassified to any specified reserves.

v. Regulatory risk reserve

The regulatory risk reserve represents the difference between the impairment on financing and investments determined using the prudential guidelines issued by the Central Bank of Nigeria compared with the expected credit loss model used in determining the impairment loss allowance under IFRSs. Where the financing loss impairment determined using the prudential guidelines is greater than the financing loss impairment determined using the expected credit loss model under IFRSs, the difference is transferred to regulatory risk reserve. When the prudential provisions is less than IFRS provisions, the excess charges resulting is transferred from the regulatory risk reserve to retained earnings to the extent of the non-distributable reserve previously recognised. This reserve is not available for distribution to shareholders.

q. Earnings per share

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

3 Cash and balances with Central Bank of Nigeria	2025 N'000	2024 N'000
Cash	8,591,042	12,095,166
Current account with CBN	34,594,059	47,740,052
Deposit with CBN	169,896,760	178,033,572
CBN AGSMEIS Balance	1,458,048	896,191
At End of Period	214,539,909	238,764,981
Current	214,539,910	238,764,980
Non-Current	-	-
Total	214,539,910	238,764,980

- Cash in hand constitutes the aggregate cash balances in the vaults of the Bank branches.
- Current account with CBN represent the Bank's Operational Account which is used for daily operations.
- Deposits with the Central Bank of Nigeria comprises of Investment in Non-Interest Notes and mandatory Reserves Deposit as prescribed by CBN. The mandatory Reserve Deposit is not available for the Bank's day to day operations.
- The CBN AGSMEIS Balance represent the Bank's equity contribution to the Agribusiness/Small and Medium Enterprises Investment Scheme. Deposit Money Banks are expected to set aside 5% of the previous year's Profit After Tax for equity investment in the scheme.

4 Due from banks and other financial institutions

Balances with banks within Nigeria:

Access Bank	510,929	154,900
Total	510,929	154,900

Balances with banks outside Nigeria:

First Bank UK	3,736,476	21,585,407
AFRIXIM	2,241,413	43,230,051
Banco De Sabadel	3,723,545	(82)
Standard Chartered	140,463,053	39,784,105
Bank Al-Bilad	1,320,752	1,451,042
Zenith Bank UK	4,674,790	7,072,677
FCMB UK	116,909	599,804
Bank of Beirut	24,210	195,775
Access Bank	17,711,032	26,732,007
AKTIF	45,315	1,626,451
Total	174,057,494	142,246,237
At 31 December	174,568,423	142,401,137
Current	174,568,423	142,401,137
Non- Current	-	-
Total	174,568,423	142,401,137

Balances held with Banks outside Nigeria substantially represent the Naira equivalent of Foreign currency balances held on behalf of customers in respect of domiciliary accounts, letters of credit, and bank's induced transactions (for yet-to-be disbursed funds for pass-through financing). The corresponding Liabilities are included in customers' domiciliary deposit, margin deposits under "Other Liabilities" (Note 17).

4b Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents is made up of Cash and balances with Central Bank and Due from banks and other financial institutions.

The breakdown for the periods is given below:

Cash balance with Central Bank of Nigeria	3	214,539,910	238,764,980
Due from banks and other financial institution	4b	174,568,423	142,401,137
		389,108,333	381,166,117

5a Summary of Investment in sukuk

FGN Sovereign Sukuk	286,424,808	230,041,401
State Sukuk	3,286,857	3,904,736
Corporate Sukuk	799,606	905,543
IILM Sukuk (v)	200,225,222	115,115,540
Gross investment in Sukuk	490,736,493	350,007,220
Impairment	(171,049)	(451,017)
At 31 December	490,565,444	349,556,203
Current	200,755,314	130,693,955
Non- Current	288,735,850	218,862,248
Total	489,491,164	349,556,203

	2025 N'000	2024 N'000
5b Investment in sukuk		
At 1 January	330,121,995	140,670,825
Addition during the year	1,504,704,387	204,098,056
Redemption	(1,355,016,088)	(11,646,886)
Disposal	(21,600,000)	(3,000,000)
Gross Investment in Sukuk	458,210,294	330,121,995
Premium	25,789,494	15,279,315
Rental Receivable	6,736,705	4,605,910
At 31 December	490,736,493	350,007,220

The total sukuk investment is broken down into i,ii,iii and iv below:

i FGN Sovereign Sukuk		
At 1 January	210,909,881	135,495,310
Addition during the year	80,253,707	89,472,056
Redemption	(13,943,618)	(11,057,485)
Disposal	(21,600,000)	(3,000,000)
Gross Investment in FGN Sukuk	255,619,970	210,909,881
Premium	25,733,397	15,279,315
Rental Receivable	5,071,441	3,852,205
At 31 December	286,424,808	230,041,401

During the year, the Bank invested a net sum of N80.25 (2024:N89.47) billion in Sukuk issued by the Federal Government of Nigeria (FGN). A pledged Sukuk of N14.1billion Sukuk as collateral for the year to the Nigerian Interbank Settlement System (NIBSS), Interswitch Nigeria Limited, Unified Payment Services Ltd, and other entities for collections and various transactions. The pledge Sukuk are used to maintain continuous access to the collection and settlement platforms, as well as the underlying transactions.

* In the prior year, the balance of additions to FGN Sukuk was inadvertently stated as N89.472 billion instead of the correct amount of N204 billion. The difference of N114.528 billion has been identified and corrected in the current year's financial statements to ensure full and accurate disclosure in line with best practice and International Financial Reporting Standards (IFRS). This adjustment has no impact on the overall financial position but ensures that the comparative figures are correctly stated, thereby enhancing the reliability and transparency of the financial statements.

** In the prior year, the balance of investment in sukuk, amounting to N197.69 billion, was presented on a net basis in the statement of cash flows. For the current year, this balance has been restated and is now presented on a gross basis. This change was made to align with the requirements of International Financial Reporting Standards (IFRS), which stipulate that such balances should be disclosed gross to provide greater transparency and comparability in financial reporting. The adjustment ensures consistency with IFRS and enhances the clarity of the financial statements, allowing users to better understand the nature and movement of cash flows related to investments in sukuk.

ii State Sukuk		
At 1 January	3,766,368	4,298,000
Addition during the year	-	-
Redemption	(640,606)	(531,632)
Gross Investment in State Sukuk	3,125,762	3,766,368
Rental Receivable	161,095	138,368
At 31 December	3,286,857	3,904,736

The State sukuk represent the Gombe State Sukuk tagged Jewel Sukuk SPV Limited's N35bn Al-Ijarah Sukuk Issue which was aimed at transforming and reshaping the state as an agrarian state as well improvement and upgrade of economic viable infrastructure.

iii Corporate Sukuk		
At 1 January	819,746	877,515
Addition during the year	-	-
Redemption	(65,524)	(57,770)
Gross Investment in Corporate Sukuk	754,222	819,745
Rental Receivable	45,384	85,797
At 31 December	799,606	905,542

The corporate Sukuk, comprising the Family Homes Sukuk and Purple Urban Sukuk, was established to finance the construction of housing projects in urban residential areas in Nigeria. These Sukuk are structured under the Sukuk Al Ijarah concept, a lease agreement where the property owner grants another party the right to use and derive income from the property for a specified period and at an agreed price.

6 IILM Sukuk		
At 1 January	114,626,000	-
Additional during the year	1,424,450,680	114,626,000
Redemption	(1,340,366,340)	-
Gross investment in IILM Sukuk	198,710,340	114,626,000
Premium	56,097	529,540
Rental Receivable	1,458,785	-
At 31 December	200,225,222	115,155,540

The Bank invested \$138million(N198.7billion) (2024: \$74million at an equivalent of N114billion) in Sukuk issued by the International Islamic Liquidity Management Corporation (IILM). The IILM, an international organization formed by central banks and a multilateral institution, issue Shari'ah-compliant financial instruments to support effective cross-border Islamic liquidity management.

	2025 N'000	2024 N'000
6 Interbank Mudarabah Placement		
Interbank Mudarabah	50,000,000	48,000,000
Accured profit	117,123	130,103
At 31 December	50,117,123	48,130,103
Current	50,117,123	48,130,103
Non- current	-	-
Total	50,117,123	48,130,103

Interbank placements represent short-term Shariah-compliant placements made by the Bank with other financial institutions for liquidity management purposes. These placements are structured in accordance with Islamic finance principles. The Bank's interbank placements are executed through approved Shariah contracts and as at 31 December 2025, the Bank currently has a short term positioned fund of N50.1billion(2024:N48.1Billion).

7 Financing Asset		
Murabaha Financing	176,269,681	132,612,319
Bai Mu'ajjal Financing	1,466,239	1,582,863
Istisna Financing	9,212,034	11,980,430
Ijara Financing assets	59,820,014	67,945,148
Qard hassan Financing	833	7,351
Salam Financing	-	1,126,106
Total Financing Assets	246,768,801	215,254,217

b Murabaha Financing		
Murabaha retail	21,985,813	32,155,882
Murabaha corporate	163,424,938	108,287,250
Commercial Agric. Credit Scheme	44,282	90,616
Paddy Aggregation Scheme	-	134,335
Murabaha Staff Financing	2,849,567	749,050
Murabaha SME	8,365,326	6,300,153
Gross Murabaha Recievables	196,669,926	147,717,286
Allowance for impairment	(2,877,212)	(4,904,425)
Deferred profit	(17,523,033)	(10,200,541)
At 31 December	176,269,681	132,612,320
Current	157,388,412	116,450,440
Non- Current	18,881,269	16,157,879
	176,269,681	132,608,319

A sale contract, in which the Bank sells to a customer a physical asset, goods, or shares already owned and possessed (either physically or constructively) at a selling price that consists of the purchase cost plus a mark-up profit.

c Bai Mu'ajjal Financing		
Bai Mu'ajjal corporate	1,817,324	1,941,015
Gross Bai Mu'ajjal Receivables	1,817,324	1,941,015
Allowance for impairment	(20,453)	(29,972)
Deferred Profit	(330,632)	(328,179)
At 31 December	1,466,239	1,582,864
Current	861,372	759,424
Non- Current	604,867	823,440
Total	1,466,239	1,582,864

It is a mode of investment under which the Bank at the instance of the client procures certain goods permissible under Shariah and the law of the country & sells those to the client at a price payable at a fixed future date in lumpsum or in fixed instalments under this mode goods are delivered in advance and price is paid later agreed by the parties.

d Istisna Financing		
Istisna recievable	13,498,763	16,454,805
Gross Investment in Istisna	13,498,763	16,454,805
Allowance for impairment	(395,912)	(223,428)
Deferred Profit	(3,890,817)	(4,250,948)
At 31 December	9,212,034	11,980,429

	2025 N'000	2024 N'000
Current	2,745,297	5,414,736
Non- Current	6,466,737	6,565,694
Total	9,212,034	11,980,430

A sale contract, in which the Bank sells an asset to be developed using its own materials to a customer according to pre-agreed upon precise specification, at a specific price, installments dates and to be delivered on a specific date. This developed asset can be either developed directly by the Bank or through a subcontractor and then it is handed over to the customer on the pre-agreed upon date.

e Ijara assets Financing

Ijara wa iqtina	38,707,949	36,541,249
Ijara auto & other	8,802,719	14,455,609
Ijara other intervention	4,757,730	10,274,360
Gross Investment in Ijara	52,268,398	61,271,218
Ijara accrued profit	9,771,535	8,288,374
Impairment allowance	(2,219,919)	(1,614,444)
At 31 December	59,820,014	67,945,148
Current	19,287,732	15,675,806
Non- Current	40,532,282	52,269,342
Total	59,820,014	67,945,148

Ijara represent net investment in asset leased for period which is either approximate or cover major parts of the estimated useful lives of such asset. The documentation include a separate undertaking from the Bank to sell the leased assets to the lessee upon the maturity of the lease

f Qard hassan Financing

At 1 January	8,666	42,608
Granted to staff	-	2,941
Granted to customers		
Gross qard hassan	8,666	45,549
Repayments		
Staff repayment	7,727	10,825
Customer repayment	98	26,058
Total repayment during the year	7,825	36,883
Gross receivable	841	8,666
Impairment Allowance	(7)	(1,314)
At 31 December	834	7,352
Current	833	132
Non- Current	-	7,219
Total	833	7,351

A non-profit bearing facility that enables the borrower to use the borrowed amount for a specific period of time, at the end of which the same borrowed amounts would be repaid free of any charges or profits. The staff segment consists of privileges provided to employees for purchasing the Bank's shares through the 2012 Private Placement program, as well as benefits inherited by the Bank from their former employers. In addition, employees facing critical circumstances were also granted this particular facility. Furthermore, the Bank extended qard hassan to customers throughout the year.

g Salam Financing

Salam Corporate	-	1,263,548
Gross Investment in Salam	-	1,263,548
Allowance for impairment (Deferred Profit)	-	(137,443)
At 31 December	-	1,126,105
Current	-	1,126,105
Non- Current	-	-
Total	-	1,126,105

8 Inventory Financing

Advances for LC murabaha	-	6,885,059
Inventory for sale - (Note 8 (i))	65,219,889	53,770,119
Gross Investment in assets held for sale	65,219,889	60,655,178
Deferred Inventory	-	(298,820)
Impairment allowance	(3,439,099)	(2,016,229)
At 31 December	61,780,790	58,340,129

8(I) Schedules of inventory financing

Repossed Properties		
Muabaha Investing financing	65,219,889	53,770,119
Total inventory	65,219,889	53,770,119
Current	59,124,978	44,859,928
Non- Current	6,094,911	8,910,191
Total	65,219,889	53,770,119

The product is simply aimed to purchase an asset for resale to its customers or defined buyers at a profit margin. By virtue of their business model, the Bank provide financial intermediation via engaging in direct trade transactions, buying an asset for sale to customers. Different transaction models were identified based on the type of asset being purchased.

The detailed transaction dynamics and trading strategy are meant to guide the Bank on how to structure any business opportunity that comes to it for consideration.

9. Property and Equipment

	Freehold Land N' 000	Building Freehold N' 000	Office Equipment N' 000	Motor Vehicle N' 000	Furnitures & Fixtures N' 000	Computer Equipment N' 000	Fixed Assets WIP N' 000	Total N' 000
Cost								
At 1 January 2024	774,832	2,008,946	2,456,737	2,727,780	596,570	4,538,049	5,005,488	18,108,402
Additions	-	2,401,020	615,124	648,581	273,797	1,335,438	4,891,035	10,164,995
Disposals	-	-	-	(237,455)	-	(6,766)	-	(244,221)
At 31 December 2024	774,832	4,409,966	3,071,861	3,138,906	870,367	5,866,721	9,896,523	28,029,177
At 1 January 2025	774,832	4,409,966	3,071,861	3,138,906	870,367	5,866,722	9,896,523	28,029,177
Additions	20,986	5,854	612,483	1,505,011	223,807	582,059	7,048,189	9,998,389
Reclassification of finished PPE	67,625	207,562	205,049	-	6,222	490,165	(988,622)	(12,200)
Asset Reclassification P or L	-	-	-	-	-	-	(170,341)	(170,341)
Asset derecognised/Transfer	(124,200)	-	-	-	-	-	-	(124,200)
Disposals	-	-	-	(87,447)	-	(1,312)	-	(88,759)
At 31 December 2025	739,243	4,623,382	3,889,393	4,556,470	1,100,396	6,937,634	15,785,748	37,632,265
Accum. Dep. & impairment								
At 1 January 2024		173,442	1,400,653	987,640	345,967	3,213,537	-	6,121,239
Depreciation		87,293	359,667	525,499	98,852	618,418	-	1,689,729
Reclassification		-	-	-	-	111,933	-	111,933
Disposals		-	-	(59,035)	-	-	-	(59,035)
At 31 December 2024		260,735	1,760,320	1,454,104	444,819	3,943,888	-	7,863,866
At 1 January 2025		260,735	1,760,319	1,454,104	444,819	3,943,888	-	7,863,865
Depreciation		104,697	477,010	619,431	138,908	791,336	-	2,131,382
Disposals		-	-	(36,295)	-	(1,312)	-	(37,607)
At 31 December 2025		365,432	2,237,329	2,037,240	583,727	4,733,912	-	9,957,640
Carrying amount								
At 31 December 2025	739,243	4,257,950	1,652,063	2,519,230	516,670	2,203,722	15,785,748	27,674,625
At 31 December 2024	774,832	4,149,231	1,311,541	1,684,802	425,549	1,922,824	9,896,523	20,165,312

The Non-Current Work-in-Progress is associated with the capital expenses that arise from the establishment of new branches. Once these branches are completed and operational, depreciation commences, and they are then transferred to the relevant property, plant, and equipment categories.

There were no impairment losses on any class of property and equipment during the 2025 financial year (31 December 2024: Nil).

There were no capitalised borrowing costs related to the acquisition of property and equipment during the 2025 financial year (31 December 2024: Nil).

There were no restrictions on the title of any of the property and equipment.

There were no property and equipment pledged as securities for liabilities.

There was no contractual commitment for the acquisition of P&E.

All property and equipment are non-current. None of the Bank's assets were financed from borrowings.

	2025 N'000	2024 N'000
10. Leasehold improvement		
Cost		
As at 1 January	1,933,657	983,971
Reclassification	(1,862,976)	875,017
Addition	-	74,670
At 31 December	70,681	1,933,658
Amortisation and impairment		
As at 1 January	1,824,901	924,831
Adjustments/ Reclassification	(1,862,976)	875,017
Amortisation for the year	50,926	25,053
At 31 December	12,851	1,824,901
Carrying amount		
At 1 January	108,756	59,139
At 31 December	57,830	108,757

The Leasehold Improvement relates to the Bank's leased costs associated with acquisition, upgrade and amortization during the financial year

There were no impairment losses on any class of Leasehold Improvement during the year (31 December 2024: Nil).

There were no capitalised borrowing costs related to the acquisition of Leasehold Improvement during the year (31 December 2024: Nil).

There were no restrictions on the title of any of the Leasehold Improvement.

There were no Leasehold Improvement pledged as securities for liabilities.

There was no contractual commitment for the acquisition of Leasehold Improvement.

All Leasehold Improvement were financed from borrowings.

11. Intangible assets

Cost		
As at 1 January	1,556,041	1,362,624
Addition	50,920	193,417
Reclassification from non-current (WIP)	12,000	-
At 31 December	1,618,961	1,556,041
Amortisation and impairment losses		
As at 1 January	882,779	762,661
Amortisation for the year	120,992	120,118
At 31 December	1,003,771	882,779
Carrying amount		
At 1 January	673,262	599,963
At 31 December	615,191	673,262

The Leasehold Improvement relates to the Bank's leased costs associated with acquisition, upgrade and amortization during the financial year

There were no impairment losses on any class of Leasehold Improvement during the 2025 financial year (31 December 2024: Nil).

There were no capitalised borrowing costs related to the acquisition of Leasehold Improvement during the 2025 financial year (31 December 2024: Nil).

There were no restrictions on the title of any of the Leasehold Improvement.

There were no Leasehold Improvement pledged as securities for liabilities.

There was no contractual commitment for the acquisition of Leasehold Improvement.

All Leasehold Improvement were financed from borrowings

	2025 N'000	2024 N'000
12 Other Assets		
Financial assets		
Sundry debtors	1,375,466	1,932,017
Investment properties - under construction (WIP)	985,200	985,200
Account receivables	433,223	792,219
Settlement suspense	14,649,941	969,148
Investment in financial inclusion centres	400,000	400,000
	17,843,830	5,078,584
Non-financial assets		
Prepaid Rent	677,180	499,689
Prepayments (Licenses and others)	938,363	1,084,290
Prepaid staff allowance	-	573
Inventory and other security items	205,906	172,285
	1,821,449	1,756,837
Total	19,665,279	6,835,420
Impairment allowance	(1,817,883)	(2,409,780)
At 31 December	17,847,396	4,425,640
Current	16,458,630	3,693,283
Non- Current	1,388,766	732,257
Total	17,847,396	4,425,640
Movement in other assets:		
At 1 January	6,835,418	5,592,778
Additions / (Reduction)	12,829,861	1,242,642
Impairment allowance	(1,817,883)	(2,409,780)
At 31 December	17,847,396	4,425,640
The movement in the Other Asset Impairment during the year was as follows:		
At 1 January	2,409,780	2,298,780
Additions to Impairment Allowance during the year	-	111,000
Write off during the year	(591,897)	-
	1,817,883	2,409,780

Sundry Debtors: This represents amounts receivable from various debtors to the Bank, arising from services rendered across multiple business segments and in different capacities.

Investment Property - Under construction (WIP): This represents expenditure incurred on properties under development that are intended to be held for rental income and/or capital appreciation. The properties are recognised as investment property under construction and are measured at cost during the development phase. Upon completion and when the properties are available for use, the balances will be reclassified to completed investment properties, at which point they are expected to generate rental income for the Bank. Fair value cannot be reliably measured during construction, the properties are carried at cost until such time that fair value becomes reliably determinable.

Account Receivables: This refers to amounts owed to the Bank by customers for services provided. It represents a claim for payment that is expected to be settled within a specified period. Accounts receivable are considered an asset on the balance sheet since they are expected to result in cash inflows once paid.

Settlement suspense: This represents settlements due from other banks for the use of the Bank's electronic channels by their customers. It includes amounts owed by other financial institutions for transactions processed through the Bank's e-banking platforms, such as online transfers, mobile payments and other electronic banking services.

Investment in Financial Inclusion Centres: This refers to the Bank's financial commitment towards establishing or supporting centres that aim to provide banking and financial services to the unbanked populations. These centres are designed to promote access to essential financial services, such as savings, loans, payments, and financial education, particularly in rural or low-income areas. The investment reflects the Bank's efforts to enhance financial inclusion and extend its reach to a broader customer base.

Prepayments (Licenses and Others): This represents cost resulted from services that have been paid in advance for the period for which the amortization will be over the relevant period of service. These include rents, Licenses and others.

Inventory and other security items: Inventory consists of blank debit cards and cheque leaves that held by the Bank which are mostly short tenored

13a Tax payable

	2025 N'000	2024 N'000
(i) Statement of financial position		
Opening balance	1,592,872	605,315
Charge for the year	918,194	1,444,897
Windfall tax/Levy	-	102,582
	2,511,066	2,152,794
Tax Paid	(1,412,858)	(559,923)
At 31 December	1,098,207	1,592,872
(ii) Income statement		
Company income tax	527,605	875,472
Education tax	-	262,642
Information technology levy	312,471	244,449
Nigerian Police Trust Fund & CGT	-	1,222
NASENI	78,118	61,112
At 31 December	918,194	1,444,897
Deferred tax expenses (note 13d)		
Deferred tax expenses (origination)/ reversal	122,094	(484,273)
At 31 December	1,040,288	960,624
(iii) Windfall Tax/Levy		
Windfall Tax/Levy	50,000	-
At 31 December	50,000	-
At 31 December	1,090,287	960,624
To the extent that the related tax benefit is likely to be realised through future taxable profits, a deferred tax asset is recognised for the tax losses carried forward. After reviewing the strategic profit projections, the Bank believes there will be sufficient future profits to offset these losses. The amount of computed deferred tax asset as at December 31, 2025 is N2.8billion. The Bank's Tax Consultant is currently Oladele Konsult with FRC/2025/PRO/ICAN/004/650789		
(i) Reconciliation of tax expense and the accounting profit		
Accounting profit before tax	31,247,090	24,444,875
Add non-deductible expenses for tax purpose		
Depreciation of PPE	2,131,584	1,689,728
Amortization of intangible and leasehold	171,918	145,171
Collective impairment charge for the period	1,473,968	1,532,159
Other non-deductible expenses	3,289,958	5,785,394
At 31 December	38,314,518	33,597,327
Less:		
Exempted income on Sukuk	(32,454,489)	(21,364,390)
Collective impairment write-back	(2,022,364)	(2,966,258)
Gain on Sukuk disposal	(3,077)	(35,543)
Technology levy	(312,471)	(244,449)
NASENI	(78,118)	(61,112)
Others	(3,647,740)	(170,851)
Assessable Profit/(Loss)	(203,741)	8,754,723
Capital Allowance absorbed	-	-
Taxable Profit/(Loss)	(203,740)	8,754,723
Company income tax		
Tax income	527,605	875,472
Education Tax	-	262,642
Technology levy	312,471	244,449
Nigerian Police Trust Fund	-	1,222
NASENI	78,118	61,112
Total tax payable	918,194	1,444,897

The computation of the Bank's income tax expense and deferred tax was carried out in accordance with the Finance Act, CITA and other relevant tax laws. The changes made by the new act was incorporated in the Bank tax computation and it is believed by the management of the Bank that there is no uncertainty over its Income and Deferred tax treatment that relevant tax authorities may disagree with. The total tax of N918 million for the current year comprises of the Company income tax, Education Tax, Nig. Police Trust Fund, Naseni and Information Technology tax of N918 billion and N122 million deferred tax reversal arising in the year. The effective tax rate for 2025 financial year is 3.33% (3.93%:2024)

	%	2025 N'000	%	2024 N'000
Effective Tax Reconciliation				
Profit before tax from continuing operations		31,247,090		24,444,875
Expected Tax Rate @ 30%	30%	9,374,127	100%	7,333,462
Tax effect of:				
Security expenses	0.27%	83,787	0.13%	31,396
Donations	0.18%	57,707	0.14%	33,764
Tax expenses	0.79%	248,277	0.92%	224,600
Advertisement and marketing	0.03%	8,748	0.26%	64,428
Other non-deduction expenses creating non differences	1.30%	407,408	0.16%	39,159
Profit from FGN bonds	(30.30%)	(9,468,310)	(26.2%)	(6,409,318)
Gain on Sukuk disposal	0.0%	(923)	(0.30%)	(73,335)
Other non-taxable income creating non-timing differences	0.0%	-	(0.12%)	(28,997)
Adjustment recognised due to differences in CIT (30%) and TET (3%) rates	0.18%	(55,010)	(3.37%)	(823,962)
Tertiary Education Tax of Assessable Profit	(0.02%)	(6,112)	1.07%	262,642
NITDA Levy	1.00%	312,471	1.00%	244,449
Police Trust Fund	-	-	0.01%	1,223
NASENI	0.25%	78,118	0.25%	61,112
Actual Tax Expenses derived**	3.33%	1,040,287	3.93%	960,624
Effective Tax Rate (Derived**)		3.33%		3.93%

These include the tax impact for other expenses adjusted in the Bank's tax computation such as: cash shortages, tax expense, fraud and forgeries, penalties, etc

These include the tax impact for other income adjusted in the Bank's tax computation such as: NITDA levy, NASENI, PTF, etc. in line with the extant tax laws

Companies Income Tax (CIT)

In compliance with the Companies Income Tax Act (CITA), companies with an annual turnover exceeding N100 million are subject to a 30% income tax on their taxable profits. If a company records no taxable profit or the calculated income tax is lower than the minimum tax, the minimum tax rate of 0.5% of turnover applies. For the year, the company's income tax amounted to N527 million.

Education Tax (ET)

Education tax is levied under the Tertiary Education Trust Fund Act. The applicable rate for the financial year was 2.5% of assessable profit, which increased to 3% effective 1st September 2023. The education tax charge for the year was nil as the company recorded an assessable profit.

Information Technology Levy or the National Information Technology Development (NITD) levy

The Bank is required to remit 1% of its profit before tax (PBT) as the National Information Technology Development (NITD) levy. This applies to companies with an annual turnover of at least N100 million. The NITD levy for the year was N312million.

Nigerian Police Trust Fund Levy

This levy, introduced by the Nigeria Police Fund Trust Establishment Act 2019, is imposed at 0.005% of assessable profit for companies operating in Nigeria. The levy for the year was nil.

National Agency for Science and Engineering Infrastructure (NASENI) Levy

The NASENI levy, as mandated by the National Agency for Science and Engineering Infrastructure Act, is 0.25% of profit before tax for specified companies with a turnover exceeding N100 million. The levy charge for the year was N78million

Windfall Tax/Levy

The proposed windfall tax is a 70% levy on foreign exchange (FX) profits made by banks. This tax seeks to address the excess profits banks generated from government policies affecting the Naira, ensuring a fairer distribution of tax obligations across industries.

	2025 N'000	2024 N'000
At 1 January	2,927,243	2,442,970
Deferred tax expenses	(122,094)	484,273
At 31 December	2,805,149	2,927,243

At 31 December 2025, the Bank recognised a deferred tax asset of N2.81 billion (2024: N2.927 billion), arising primarily from deductible temporary differences and carried-forward tax losses. This movement in the deferred tax asset during the year can be seen above. The deferred tax asset recognised at the reporting date relates mainly to:

Tax losses carried forward arising from differences between accounting profit and taxable profit; and Other deductible temporary differences, including timing differences arising from provisions and accruals recognised for accounting purposes but deductible for tax purposes in future periods. In accordance with IAS 12.81(e), the Bank has assessed the recoverability of the deferred tax asset based on approved business plans, strategic forecasts, and projected taxable profits. This is considered after a review of the Bank's future taxable profit projections, management is satisfied that it is probable that sufficient taxable profits will be available to utilise the deductible temporary differences and tax losses. Accordingly, the deferred tax asset recognised as at 31 December 2025 is considered recoverable.

The amount of deferred tax asset computed during the year and recognised in the statement of financial position as at 31 December 2025 is N122 million, representing the net movement attributable to deductible temporary differences and tax losses expected to reverse in future periods. No deferred tax asset has been recognised in respect of deductible temporary differences or tax losses where recovery is not considered probable at the reporting date.

ii Deferred tax movement

The movement in the deferred tax account during the year by various components was as follows:

	Opening Balance N'000	Movement During the Year N'000	Closing Balance N'000
Property, plant & equipment	1,746,237	251,677	1,997,914
Unabsorbed capital allowance	(287,806)	(1,346,396)	(1,634,202)
Exchange loss	56,381	(75,266)	(18,885)
Provision for Impairment Charges	(4,442,056)	1,292,078	(3,149,977)
At 31 December	2,927,244	122,093	(2,805,150)

	Assets N'000	2025 Liability N'000	NET N'000	Assets N'000	2024 Liability N'000	NET N'000
Property, plant & equipment	-	1,997,914	1,997,914	-	1,746,237	1,746,237
Unabsorbed capital allowance	(1,634,202)	-	(1,634,202)	(287,806)	-	(287,806)
Exchange loss	(18,885)	-	(18,885)	-	56,381	56,381
Provision for Impairment Charges	(3,149,977)	-	(3,149,977)	(4,442,056)	-	(4,442,056)
At 31 December	(4,803,064)	1,997,914	(2,805,150)	4,729,862	1,802,618	(2,927,244)

** Contrary to the disclosure made in the prior year, the component of deferred tax assets has been made in the current year financial statement to present more meaningful information to the users of the financial statement in line with the requirement of the International Financial Reporting Standards.

14 Customers' current account

Analysis by type of account

Current account	724,052,808	493,599,402
At 31 December	724,052,808	493,599,402

The distribution of the depositors' accounts by industry sector, geographic region and currency was as follows:

14a Industry sector:

Government	4,058,361	6,042,630
Corporate	625,155,902	478,444,086
Individual	94,838,545	9,112,686
At 31 December	724,052,808	493,599,402

14b Geographic region (All deposit are within Nigeria)

Nigeria	724,052,808	493,599,402
At 31 December	724,052,808	493,599,402

14c Currency

Naira	375,727,230	273,200,955
US Dollar	344,147,354	219,982,054
Euro	166,730	261,878
Pound Sterling	4,011,494	154,515
At 31 December	724,052,808	493,599,402

14d Classifications (Current/Non-Current)

Current	724,052,808	493,599,402
Non- Current	-	-
Total	724,052,808	493,599,402

15 Unrestricted Investment account

Saving account	311,604,173	257,012,814
Jaiz term deposit (note 15e)	82,673,565	154,175,742
At 31 December	394,277,738	411,188,556

The Bank has different JTD tenored deposits which give customers the opportunity to choose from a basket of return available for different tenors.

15a Industry sector

Government	30,455	28,932
Corporate	12,978,417	213,183,443
Individual	381,268,866	197,976,181
	394,277,738	411,188,556

15b Geographic region (All deposit are within Nigeria)

Nigeria	394,277,738	411,188,555
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15c Classifications (Current/Non-Current)

Naira	394,277,738	411,188,555
	394,277,738	411,188,555

15d Classifications (Current/Non-Current)

Current	389,858,675	397,648,340
Non- Current	4,419,063	13,540,215
Total	394,277,738	411,188,555

15e Analysis of Jaiz Term Deposit maturity by product

JTD 30 days	55,433,877	113,953,501
JTD 60 days	3,837,489	3,893,556
JTD 90 days	14,432,086	19,141,751
JTD 180 days	4,551,049	3,646,718
JTD above 360 days	4,419,064	13,540,215
At 31 December	82,673,565	154,175,742

The Bank has different JTD tenored deposits which give customers the opportunity to choose from a basket of return available for different tenors.

The Bank invests all of its investment accounts, including savings accounts and their respective buckets, for financing and investment contracts. With regard to investment deposits, the Bank is liable only in cases of misconduct, negligence, or breach of contract. Otherwise, the responsibility lies with the fund's provider (Rab Al Mal)

The Equity of Investment Account Holders (UIAH) represents a quasi capital the amounts received from investors who authorize the Bank to invest their funds based on the principles of Mudarabah, without imposing restrictions on the specific projects or investments in which the funds are used.

The holders of these accounts and the Bank share the profits according to the terms and conditions outlined in the account opening agreement.

The holders of the accounts bear all losses in proportion to their respective share in the capital, except in cases where the losses arise due to transgression, negligence, or breach of contract by the Bank. In such cases, the Bank is held liable for the losses.

Total Deposit (Note 14 + Note 15)	1,118,330,547	904,787,957
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16 Other funding

i. Central Bank of Nigeria	22,183,589	26,720,153
ii. SMEDAN(Small and Medium Enterprises Development Agency of Nigeria) (Matching Fund Project & Conditional Grant Scheme)	141,600	145,200
iii. FMW (Federal Ministry of Works Vocational funds)	1,080	1,080
iv. FMBN (Federal Mortgage Bank of Nigeria)	6,137	2,133,123
v. Restricted Investment Funds	-	71
At 31 December	22,332,406	28,999,627
Movement in other financing during the year		
Opening balance	28,999,627	41,432,500
Additions	-	20,315,575
Profit payment	(2,221,342)	(2,552,672)
Accrued profit	1,847,320	5,346,504
Repayment	(6,293,199)	(35,542,280)
At 31 December	22,332,406	28,999,627
Current	148,817	2,133,123
Non- Current	22,183,589	26,866,504
Total	22,332,406	28,999,627

I. CBN Intervention Facilities (CACs and RSSF):

This represents the balance of on-lending intervention facilities obtained from the Central Bank of Nigeria (CBN) under the Commercial Agriculture Credit Scheme (CACs) and the Real Sector Support Facility (RSSF). The facilities are aimed at providing concessionary funding to eligible borrowers in the agricultural, manufacturing, and selected service sectors to support output growth, productivity, and employment.

Funds are received from the CBN at a concessional profit rate of 2% per annum and are on-lent to eligible beneficiaries at 9% per annum, inclusive of all applicable charges. The facilities are recognised as financial liabilities and measured at amortised cost, while the corresponding on-lending exposures are recognised as financing assets.

Profit generated from the facilities is shared between the CBN, as capital provider, and the Bank, as implementing financial institution, in accordance with the scheme guidelines. The tenors of the facilities are aligned with the underlying on-lending arrangements to beneficiaries.

As at the reporting date, the Bank was in full compliance with the terms and conditions of the intervention facilities, and no infractions or defaults were recorded during the year under review.

ii. SMEDAN Conditional Grant Scheme (CGS):

Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) has appointed Jaiz Bank as Fund Manager in the disbursement of funds in the Conditional Grant Scheme (CGS 2020) in Yobe, Kaduna & Delta States and (CGS 2021) in Adamawa, Kebbi, Borno, Plateau & Jigawa States to selected micro-entrepreneurs. Due to the success recorded; Jaiz Bank has been considered in CGS 2022 disbursements in Katsina, Zamfara, Kano, Niger and Rivers States.

This CGS initiative looks to promoting the activities of micro enterprises across the country in the areas of capacity building and the delivery of post-intervention support services such as access to finance (conditional grants), markets, workspace, technology, etc.

iii. SMEDAN Matching Fund Project:

Small and Medium Enterprises Development Agency of Nigeria (SMEDAN) was established by the Small and Medium Scale Industries Development Agency Act of 2003(as amended) and charged with the responsibility for promoting and facilitating development programmes in the small and medium enterprises sub sector.

SMEDAN has developed a programme called Matching Fund Programme a partnership-based fund with financial institutions for lending to Micro & Small Enterprises (MSEs) in specific sectors of the economy. This intervention is to deliver credit, to the sub-sector, as a promotional mechanism to enhance enterprise output, competitiveness and jobs creation.

iv. Federal Ministry of Works:

The Federal Ministry of Works program is geared towards the promotion of government policy on youth empowerment and job creation and to address the dearth of skilled personnel in various technical trades in Nigeria. Kindly note that Government has earmarked a monthly stipend of N30,000 for trainees' upkeep throughout the program.

v. Federal Mortgage Bank:

The Federal Mortgage Bank of Nigeria (FMBN) funds are vehicles providing mortgage support through collaborative scheme with Developers and Relators in the boosting access to affordable housing and strategic initiatives in address housing deficit.

**17 Other Liabilities
Financial liabilities**

	2025 N'000	2024 N'000
Managers' cheque (a)	893,207	1,517,239
Letter of credit deposits (b)	29,095,733	58,536,889
Accounts payable	8,571,549	1,602,709
Vendors payable	272,283	209,618
Other tax liabilities (c)	727,935	1,040,281
Sundry payables	4,009,784	3,467,822
Accrued allowance (e)	364,055	4,696,081
Accrued audit fee & other expenses	53,705	153,328
Accrued Expenses	1,285,194	2,171,429
Sundry deposit	5,425	7,702
Dividend Payable	260,896	105,085
Other payables	42,821	94,782
	45,582,586	73,602,965

Non-Financial liabilities

Unearned income	514,682	503,052
Profit payable in Suspense	544,782	1,459,677
	1,059,464	1,962,729
Total	46,642,050	73,565,696
Impairment allowance on Off Balance sheet items	386,161	335,063
At 31 December	47,028,212	73,900,759

a. Manager's Cheque:

This represents balances of cheques issued by the bank on behalf of a customer, often used for secure payments or services. The bank guarantees the payment, ensuring it is honored when presented to fulfil the intended obligations of the customers.

b. Letter of Credit (LC) Deposits

This represent funds that are held by a bank as collateral or security in relation to a Letter of Credit (LC) issued by the bank. A Letter of Credit is a financial instrument used in international trade to ensure that a seller will receive payment from a buyer, provided that the terms and conditions of the credit are met. It can be seen as a Collateral for LC, Security for Transaction or more. However, These deposits are generally held by the bank until the transaction is completed or the credit.

c. Other Tax liabilities:

This represents taxes deducted from clients and vendors due to the government in line with statutory obligations and other related obligations which is remitted within a stipulated time frame such as VAT, WHT and others.

d. Accrued Allowance:

These Liabilities represents the allowances that have been earned by employees but not yet paid as of the reporting date. Other related Balances in internal accounts, such as Sundry Payable, Account Payable, Vendor Payable and more, are utilized to settle obligations owed by the bank. These obligations may arise from bank expenses or customer transaction settlements, such as accruals or provisions for upcoming expenses,

e. Unearned income:

Refers to revenue that the bank has received but has not yet earned because the services or obligations associated with it. It is recorded as a liability on the bank's balance sheet because the bank still have an obligation to fulfil in terms of expected return to the customers.

f. Profit Payable in Suspense:

Refers to transactions whose underlying assets have not been delivered to the customer. This usually applies to assets being imported that are yet to be delivered. Upon receipt of shipping documents by the bank, the assets will then be sold to the customer, and suspended profit will be credited to income.

**18 Owners' equity
Share capital**

(i) Authorised 50,000,000,000 ordinary shares of N0.50 each	25,000,000	25,000,000
At 31 December	25,000,000	25,000,000

Ordinary shareholding:

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at meetings of the Bank. All ordinary shares rank pari-passu with the same rights and benefits at meetings of the Bank.

(ii) Issued and fully paid share capital

44,589,410,132 ordinary shares of N0.50 each at 1 January	22,294,705	17,270,586
Additions during the year	-	5,024,119
At 31 December	22,294,705	22,294,705

Holders of ordinary shares receive dividends, which are declared on an annual basis, and each shareholder has the right to vote at the Bank's meetings. All ordinary shareholdings are equally weighted in relation to the Bank's remaining assets. There was no movement on the value of issued and fully paid-up share capital (Non GDR and GDR) account during the year.

The Bank is in the process of issuing additional ordinary share capital to increase the outstanding number of shares issued to meet up with the 50 billion units of authorized shares. The Bank has obtained all the necessary regulatory approvals to proceed with the issuance process and expects to conclude the share issuance process within the 2026 financial year.

19 Share premium

At 1 January	6,372,565	1,348,446
Movement during the period	-	5,024,119
At 31 December	6,372,565	6,372,565

Share premium is the excess paid by shareholders over the nominal value for their shares. There was a movement withing the year (2024:N10.48billion)

	2025 N'000	2024 N'000
20 Retained earnings		
At 1 January	15,692,262	5,408,868
Profit for the year	30,156,803	23,484,251
Transfer to risk regulatory reserve	(3,368,616)	(3,599,722)
Transfer to statutory reserve	(9,047,041)	(7,045,275)
Transfer to AGSMEIS	(1,507,840)	(1,174,213)
Dividend Paid	(3,121,259)	(1,381,647)
At 31 December	28,804,309	15,592,262

Retained earnings are the carried forward recognised income net of expenses plus current year profit attributable to shareholders. This represents the cumulative undistributed profits of the Bank to date, which have not been reclassified to the other reserves

21 Risk regulatory risk reserve

At 1 January	8,607,256	5,007,534
Adjustment against retained earnings	3,368,616	3,599,722
At 31 December	11,975,872	8,607,256

The regulatory risk reserves warehouses the difference between the allowance for impairment losses on balance on financing and investment based on Central Bank of Nigeria prudential guidelines compared with the expected credit loss model used in calculating the impairment under IFRSs. (See note 39). The following adjustment is required.

- i) if the Prudential Provision is greater than IFRS impairment allowance; transfer the difference from the general reserve to a non-distributable regulatory reserve (statutory credit reserve).
 - ii) If the Prudential Provision is less than IFRS impairment allowance; the excess charges resulting should be transferred from the regulatory reserve account to the general reserve to the extent of the non-distributable reserve previously recognised.
- The key component of CBN Prudential Guidelines (PG) is the setting aside of additional 2% provision on all performing loans assessed under the PG. This 2% provision is not required under IFRS Accounting Standards. Therefore, it has been recognised in Regulatory Risk Reserve. The Bank's total balance in Regulatory Risk Reserve is **N11.98billion(2024:N8.61billion)**.

22 Statutory reserve

At 1 January	15,757,285	8,712,010
Provision for the year	9,047,041	7,045,275
At 31 December	24,804,326	15,757,285

Nigerian banking regulations require the Bank to make an annual appropriation to a statutory reserve. As stipulated by S.16(1) of the Banks and Other Financial Institution Act of Nigeria, an appropriation of 30% of profit after tax is made if the statutory reserve is less than paid-up share capital and 15% of profit after tax if the statutory reserve is greater than the paid up share capital.

23 Other reserves

(a) Other comprehensive income

At 1 January	112,313	112,313
At 31 December	112,313	112,313

(b) Agricultural /small and medium enterprises investment scheme

At 1 January	2,629,381	1,455,169
Provision for the year	1,507,840	1,174,213
At 31 December	4,137,221	2,629,382
Total (a + b)	4,249,535	2,741,694

The Agri-Business/Small and Medium Enterprise Investment Scheme (AGSMEIS) was established to support the Federal Government's initiative to promote agricultural ventures and small and medium-scale enterprises. In accordance with the scheme's guidelines, and effective from 2017, all Deposit Money Banks (DMBs) are mandated to set aside 5% of their profit after tax (PAT) annually for equity investment in eligible activities. The fund is domiciled with the Central Bank of Nigeria (CBN). In compliance with this directive, the Bank contributes 5% of its annual PAT to the AGSMEIS fund. For the year ended 31 December 2025, a provision of N1.50 billion was made (2024: N1.174 billion), representing the Bank's contribution for the year

	2025 N'000	2024 N'000
24 Income from financing contracts		
Murabaha transactions		
Murabaha profit - corporate	23,926,243	15,636,145
Murabaha profit - retail	5,566,847	5,541,842
Murabaha income - LC	140,692	163,683
Total profit from murabaha transactions	29,633,782	21,341,670
Bai Mu'ajjal transactions		
Bai Mu'ajjal	409,500	467,836
Total profit from Bai Mu'ajjal transactions	409,500	467,836
Ijara transactions		
Ijara Wa Iqtina Profit- Corporate	5,352,477	3,721,267
Ijara Wa Iqtina Profit-Retail	3,317,656	3,100,993
Ijara Finance Lease Profit	495,042	581,809
Ijara wa Iqtina Profit-others	1,185,503	1,187,629
Total profit from Ijara transactions	10,350,678	8,591,698
Others		
Istisna	1,663,532	1,640,184
Musharaka	75	660
Total profit from other financing/investment contracts	1,663,607	1,640,844
Total income from financing contracts	42,057,567	32,042,048
25 Income from investment activities		
Trading assets	10,265,873	6,085,911
Sukuk	38,265,511	22,326,776
Interbank Mudarabah	8,165,281	15,953,328
Total income from investing activities	56,696,665	44,366,014
26 Impairment Charge		
Impairment Charges (Note 33c)	1,387,579	(166,333)
27 Net Financing & Investment Income		
Gross Financing & Investment Income net of impairment charges	97,366,652	76,574,396
	97,366,652	76,574,396
28(a) Return on equity investment account holders		
Profit from financing investments paid to mudarabah account holders	26,862,221	21,285,829
28(b) Mudarib fees/profit of joint investments		
Bank's Fees as Mudarib	39,875,076	30,660,445
Profit from Bank joint investments	30,629,356	24,628,122
Bank's fees as Mudarib/profit from Bank joint investments	97,366,653	76,574,396

The Bank operates the Unrestricted type of Mudaraba Investment, in which the Mudarib (the Bank) is authorized by the providers of Funds (Rabbul Mal) to invest their funds in the manner which the Mudarib deems appropriate. Profits are shared as a common Percentage Rate rather than a fixed amount. The amount of N26.9 billion was paid by the Bank to Financial institutions and other Mudaraba Investment Account Holders during the Year ended .

29 Fees and commission**29a Fees and commission Revenue**

	2025 N'000	2024 N'000
Banking services	2,319,721	1,152,420
E-Banking income	1,746,728	1,683,087
LC/ trade finance income	1,697,287	3,185,014
Total Fees and commission Revenue	5,763,736	6,020,521

29b Fees and commission Expense

E-Banking Expense	2,481,791	547,490
Total Fees and commission Expense	2,481,791	547,490

The fees and commissions expenses represent the costs incurred by the bank for providing services to customers using alternative banking platforms such as internet banking, mobile banking, and online purchasing services. These expenses also cover the costs associated with the issuance and maintenance of debit and credit cards used for transactions on these platforms.

These expenses include, but are not limited to:

1. The operational and infrastructure costs of internet banking, mobile banking, and online payment systems.
 2. The costs associated with the various debit and credit cards issued by the bank, which are used for payments and transactions on these platforms.
- In summary, the fees and commissions expense reflects the bank's costs in supporting and maintaining its alternative banking platforms and card services, while the associated income is derived from the transaction fees and services linked to these platforms.

30 Other operating income

Wakala income	1,000,000	-
Miscellaneous income	3,077	849,626
Total Other operating income	1,003,077	849,626

Other Operating income for the Bank includes commission on sales of FGN sukuk, agency fees on wakala arrangements and gains of sales of assets

31 Unrealized Exchange Gain/(Loss)

Foreign currency revaluation	(226,395)	144,099
Total Unrealized Exchange Gain/(Loss)	(226,395)	144,099

32 Staff costs

Salaries	16,294,061	11,791,361
Staff pension	564,312	434,299
Training and seminar expenses	731,991	624,881
Other staff expenses	596,671	908,477
Total Staff costs	18,187,035	13,759,018

The Other Staff Expense are costs related to employee recruitment expenses, welfare, relocation, severance, insurance, and associated work-related cost. These expenses support staff development, well-being, and operational efficiency.

33 Depreciation and amortisation

Depreciation of property, plant & equipment	2,131,382	1,689,728
Amortisation of leasehold improvement	50,926	25,053
Amortisation of intangible assets	120,992	120,118
Total Depreciation and amortisation	2,303,300	1,834,899

34(I) Other operating expenses

Advertising and marketing	655,545	871,860
Administrative - note 34 (iii)	8,419,335	5,930,326
Subscription and professional fees	2,242,550	794,109
Occupancy Cost- note 34 (ii)	829,320	602,789
Advisory Committee of Expert Expense	83,751	120,145
Licences (b)	2,213,699	4,860,023
Bank charges	162,141	160,612
Audit fee (a)	100,000	100,000
Donations (d)	192,355	112,547
Deposit insurance premium	4,264,782	2,053,930
Productivity & Benefits	-	3,871,449
Bandwith and connectivity	335,758	302,478
Directors expenses (c)	3,326,396	1,936,266
Total Operating expenses	22,825,632	21,716,534

- a. Auditor's remuneration represents fees paid for the full year audit of the Bank for the year ended 31 December 2025.
- b. Licenses: This relates to license renewal with OEM and other vendors for the Infrastructures and yearly maintenance.
- c. The Directors Expenses are Inclusive of fees, sitting allowances, and other board committee expenses due to the director for the basic strategic meetings for the Bank
- d. Donations, this relates to the Bank's contributions to the society as a form of support..

34(ii) Occupancy Cost

Rental Charges	829,320	602,789
Total Occupancy Cost	829,320	602,789

34(iii) Administrative Cost

Telephone expenses	198	1,445
SWIFT/NIBBS charges	270,481	107,252
Courier charges	37,051	37,351
Service contract (HR and Admin) (a)	3,761,477	2,447,062
Local and foreign travels	307,097	442,645
Printing & Stationaries	248,365	154,896
Repairs and maintenance	685,209	609,423
Security related expenses	282,357	104,652
Money and other Insurance	376,918	53,209
Fuel expense	751,575	731,400
Newspaper, magazine & periodicals	244	1,037
Entertainment	39,635	40,528
Communications & Support expenses	534,502	136,703
Sundry expenses	1,116,739	954,506
Cash shortage written off	-	767
Listing expenses	7,487	4,867
Windfall Tax/Levy	-	102,582
At 31 of December	8,419,335	5,930,325

- a .Service contract (HR and Admin) relates to salaries paid for outsourced services for contract staff with the Bank for the financial year.

35. RISK MANAGEMENT

The core business of a bank is to manage risk and provide returns to the shareholders in line with the accepted risk profile. Risk is inherent in all of the Bank’s activities and is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls in accordance with Regulatory and Board requirements. The Bank is exposed principally to credit risk, liquidity risk, market risk and operational risk but other risks such as reputational risk, legal risk and the various risks defined by the Basel accord are also monitored and managed.

Risk management governance structure

The primary goal of risk management approach is to ensure that the outcome of risk-taking activities is consistent with the Bank’s strategies and its risk appetite, and that there is an appropriate balance between risk and reward to maximize shareholder returns. The Bank’s Risk Governance Framework provides the foundation for achieving these goals and consists of four key elements: Risk Culture, Risk Appetite, Risk Governance, and Risk Management functions. It is a set of principles, processes and organization arrangement to ensure that risks are adequately managed throughout the Bank.

The Board of Directors (“Board”) continues to have overall responsibility for the establishment and oversight of the Bank’s risk management framework, as well as for approving the Bank’s overall risk appetite, and ensuring that business is conducted within this framework. The Board is the ultimate sanctioning authority. There is a charter for the Board Risk Committee in the Bank saddle with the responsibility of Risk management and governance. The duties and responsibilities of the committee are governed by formally approved charter.

RISK IDENTIFICATION	RISK MEASUREMENT	CONTROL MITIGATION	CONTROL MITIGATION
Risk Culture: Principles and Policies			
Risk Appetite: Statement and Limits			
Risk Governance: Roles and Responsibilities			
Risk Management: Risk Organization, Tools, and Processes			

The Framework is based on the ‘three lines of defence’ concept – risk taking business units, risk control units like Risk, Compliance and Internal Audit. The framework identifies the roles and responsibilities of key parties in the risk management process, the policies for how risks are managed, the tools and processes used and the reporting outputs that are generated.

The comprehensive Governance structure is divided into following two levels, which provide adequate opportunity to communicate the risk culture:

1. Management-level committees
2. Board-level committees

Risk measurement and reporting systems

In order to effectively monitor and control risks, the Risk Management of the Bank maintains a capability that allows it to:

- Prepare portfolio reports across a range of indicators such as portfolio concentrations by geography, industry type, product and risk rating, which are used to analyse and monitor overall portfolio quality;
- Monitor the integrity and consistency of data, including risk ratings, risk migrations, exposures and losses, including the maintenance of a central loss database for the monitoring and analysis of losses;
- Set parameters to be used for the calculation of expected loss and risk capital requirements;
- Consolidate portfolio management data and reports for use by Executive Management and the Board; and
- Establish and maintain a set of early warning indicators to identify emerging risks.

Detailed reporting of industry, customer and geographic risks acquired takes place frequently. These reports are examined and discussed closely in a series of quarterly portfolio reviews held with risk managers. Decisions on risk appetite, adjustments to financing criteria and other initiatives are taken as a result of these meetings. Risk reports are presented to the Bank Chief Executive Officer, the Board Risk Committee and the Board regularly. Senior management assesses the adequacy of the provision for credit losses on a monthly basis.

The Bank actively uses collateral to reduce its credit risks.

Risk concentration)

The Bank seeks to manage its credit risk exposure through diversification of financing activities to avoid undue concentrations of risks with individuals or Banks of customers or in specific locations or businesses. It also obtains security when appropriate.

Basel II / Internal Capital Adequacy Assessment Process (“ICAAP”)

The Central Bank of Nigeria (CBN), as part of the international Basel II regulatory regime, has required each bank in Nigeria to submit a report on its internal capital adequacy assessment process – this is known as the “ICAAP”. The Bank has prepared and submitted its ICAAP report annually. The process aligns the Bank’s risk appetite with its risk capacity which, in turn, produces an enterprise-wide set of risk limits within and relevant to the Bank’s overall strategy.

CREDIT RISK MANAGEMENT

At Jaiz Bank, everyone is involved in Risk Management with ultimate responsibility residing with the Board. We operate the three (3) lines of defense model which enhances the understanding of risk management and control by clarifying roles and responsibilities.

The risk management process of the bank is well fortified to mitigate and/or eliminate any risk event on the bank’s business.

The Risk Management Division has continued to take advantage of advancement and innovation in the technology space to automate the management of risk. Credit and analytics tools are in use to enhance the credit decision-making and monitoring processes in the bank.

The Risk Dashboard has been enhanced to present the Bank’s measurable risk metrics for ease of decision-making.

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

The Bank controls credit risk by the use of a focused target market discipline which defines who the Bank is prepared to deal with from a risk profile perspective and the use of risk acceptance criteria, which define what type and volume of risk the Bank is prepared to undertake with each counterparty.

These critical tools are used in conjunction with close monitoring of credit exposures, limiting transactions with specific counterparties, and continually assessing the creditworthiness of all counterparties. In addition to monitoring credit limits, the Bank manages the credit exposure relating to its trading activities by entering into master netting agreements and collateral arrangements with counter-parties in appropriate circumstances, and limiting the duration of exposure. In certain cases, the Bank may also close out transactions or assign them to other counter-parties to mitigate credit risk.

The Bank has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. The credit quality review process allows the Bank to assess the potential loss as a result of the risks to which it is exposed and take corrective action.

All commercial credit risk exposures are risk rated using International Risk Rating and Local risk rating system, recognized as an industry wide standard. This platform supports a number of different rating models for various businesses which are now well embedded. Facility Risk Ratings are also applied. Consumer exposures are rated using application and behavioral scorecards.

RESPONSIBILITIES OF BUSINESS UNITS AND INDEPENDENT CREDIT RISK MANAGEMENT

In the Bank, Business Units and independent credit risk management have joint responsibility for the overall accuracy of risk ratings assigned to obligors. Business relationship managers are responsible for deriving the Obligor Risk Rating (‘ORR’) using approved methodologies.

However, independent credit risk management officers validate such ratings

Notwithstanding who derives the risk rating, Credit Risk Management is responsible for reviewing and ensuring the correctness of the obligor risk rating assigned to borrowers. This review includes ensuring the ongoing consistency of the business’ risk rating process with the Bank’s risk rating policy; ongoing appropriate application of the risk rating process and tools; review of judgmental and qualitative inputs into the risk rating process; ensuring the timeliness and thoroughness of risk rating reviews; and ensuring that the documentation of the risk rating process is complete and current

The risk rating scale and the external rating equivalent is detailed below:

S/N	RISK GRADING	SHORT NAME	SCORE
1	Superior	SUP	- 100% cash covered - Government guarantee - International Bank guarantee
2	Good	GD	85+
3	Acceptable	ACCPT	75-84
4	Marginal/Watch list	MG/WL	65-74
5	Special Mention	SM	55-64
6	Sub-standard	SS	45-54
7	Doubful	DF	35-44
8	Bad & Loss	BL	<35

RISK RATING/ GRADE	DESCRIPTION	CLASSIFICATION
1/AAA	Exceptional	Extremely Low
2/AAA	Superior	Very Low Risk
3/A	Good	Low Risk
4/BBB	Acceptable	Acceptable Risk

RESPONSIBILITIES OF BUSINESS UNITS AND INDEPENDENT CREDIT RISK MANAGEMENT

Business Units and the independent Credit Risk Management function share responsibility for ensuring the accuracy of risk ratings assigned to obligors. Business relationship managers determine the Obligor Risk Rating (ORR) using approved methodologies, while Credit Risk Management validates these ratings.

Credit Risk Management is responsible for reviewing obligor risk ratings to ensure alignment with the Bank's risk rating policies and methodologies. This process includes:

- * Ensuring consistent application of risk rating policies and tools
- * Reviewing qualitative and judgmental inputs in the rating process
- * Ensuring timely and thorough risk rating reviews
- * Maintaining up-to-date risk rating documentation

Credit risk measurement

Bank credit risk is measured in terms of expected credit loss (ECL), which is calculated by multiplying three main components, being the probability of default (PD), loss given default (LGD) and the exposure at default (EAD), and discounting at the initial effective profit rate.

Credit risk grading

The Bank has designed a master rating scale, which has 22 risk grades reflecting assessment of default probability of the customer. The master rating scale comprises 19 performing grades and 3 non-performing grades. For the Retail portfolios, the Bank uses behavior scorecards, which includes recent payment behavior and other relevant relationship information available with the bank, to calculate credit score which is calibrated to PiT (Point-in-Time) PD. Non Retail customers are rated using segment specific customer risk rating models, which uses financial and non-financial information related to the customer to arrive at a risk rating. The risk ratings are calibrated to PiT (Point-in-Time) PD for IFRS 9 based calculations.

ECL measurement

The assessment of credit risk and the estimation of ECL are unbiased, probability-weighted and incorporate all available information relevant to the assessment, including information about past events, current conditions and reasonable and supportable forecasts of economic conditions at the reporting date. In addition, the estimation of ECL takes into account the time value of money.

As per the IFRS 9 requirements, Bank calculates Expected credit loss (ECL) for a facility as a forward looking probability weighted present value of the expected losses over the next 12 months or effective remaining life of the facility.

Expected Loss at any point in time of the life of the facility is calculated using the following formula:

Expected Credit Loss (ECL) = PD x EAD x LGD

For each facility the Bank calculates ECL over two forecast periods:

12 Month: ECL is calculated using 12-month forward looking PD, LGD and EAD.

Lifetime: ECL is calculated using Lifetime forward looking PD, LGD and EAD.

12 Month or Lifetime ECL for each facility is used depending on the stage of the facility, as explained below:

Stage 1: where no significant increase in credit risk is observed, 12 month Expected Credit Loss (ECL) is recorded as impairment provision;

Stage 2: where significant increase in credit risk has been observed, Life-time ECL is recorded as impairment provision; and

Stage 3: where the exposure is defaulted or impaired, Life-time ECL is recorded as impairment provision.

Significant increase in credit risk ("SICR")

The stage allocation is determined by identifying a significant increase in credit risk since initial origination. The Bank assesses when significant increase in credit risk has occurred based on the quantitative and qualitative assessments. The facilities are classified as stage 2 when they meet following criteria:

Quantitative criteria: Thresholds based on absolute PD or relative PD increase compared to origination have been defined for various portfolios, in order to determine the significant increase in credit risk. In addition to this the bank also uses rating migration since origination for non-retail customers.

Qualitative criteria: Independent of PD, the Bank also uses qualitative information to assess the significant increase in credit risk.

This includes information such as watch list classification and indicators of historic delinquency.

Backstop criteria: For all customer accounts, a backstop is applied and the facility is considered to have experienced a significant increase in credit risk if the finance customer is more than 30 days past due on its contractual payments.

For the cases where Bank has experienced limitation on the information available at origination, certain proxy assumptions were made to estimate the rating at origination.

MANAGEMENT OVERLAYS

The Bank derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when the Bank transfers the right to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial assets are transferred, or has assumed an obligation to pay those cash flows to one or more recipients.

The Bank derecognises a financial liability when its contractual obligations are discharged or cancelled or expired

Rebuttal Grounds

When backstop is used and an account that has breached the 30 days past due criteria for SICR and 90 days past due criteria for default is transferred to stage 2 or stage 3 respectively, the presumption can be rebutted only on the basis of the following:

I. The relationship manager and divisional head must provide reasonable and supportable evidence for the rebuttal. In doing this, evidence must be provided to the CRO and credit risk management team within 10 working days failure of which the transfer will be made.

For accounts that are moved to stage 2, the CRO and credit risk management team will review the evidence provided by the relationship manager and provide feedback to the relationship manager as regards the acceptability of the evidence.

- II. For accounts that are moved to stage 3, the CRO and credit risk management team will review the evidence provided by the relationship manager. The account is then scheduled to be presented to the Criticised Asset Committee (CAC)
- III. CAC takes decision with respect to the acceptability of the evidence presented.
- IV. Where the evidence is deemed acceptable as stated in (ii) and (iii) above, the account is immediately transferred back to the previous stage. Where the evidence is not acceptable, the account is left in the new stage except the relationship manager is able to provide fresh evidence which will follow the same step above.

Measuring ECL - Explanations of input, assumptions and estimation techniques

As per IFRS 9, the ECL calculated for a facility should incorporate both current and forward-looking economic outlook over 12 months and over the remaining life of the facility.

The Bank calculates Expected credit loss (ECL) for a facility as a forward looking probability weighted present value of the expected losses over forecast period (next 12 months or effective remaining life of the facility).

At the reporting date, a monthly ECL is estimated for each individual exposure for each month until the end of the forecast period.

This is calculated as a simple multiplication of PD, LGD and EAD at each month. These monthly ECLs are discounted to the reporting date using the effective profit rate and the summation of these discounted monthly ECLs gives the ECL estimate. The lifetime ECL is the sum of the monthly ECLs over the remaining life, while the 12-month ECL is limited to the first 12 Month.

Probability of Default (PD): Retail: The 12 month PD for each facility is based on behaviour scores which are calibrated to recent portfolio performance in order to reflect the Point in Time PDs. In cases where sufficient performance history is not available to calculate the behaviour score, the Bank has used pool level PDs. Based on historical data, the Bank has developed lifetime default rate evolution curves for various portfolios and segments. To get the macro-economic adjusted lifetime PD term structure, the lifetime curves are multiplied by the macro-economic scalars, derived using the macro-economic overlay models developed by the Bank. Non-Retail: PDs for corporate customers are driven by the risk rating generated from respective rating models. Historical default rates of different segments have been used to develop PD macroeconomic overlay models. The PDs forecasted from the models are then converted to cumulative PD using survival analysis concept and a marginal PD is derived.

Loss Given Default (LGD): Retail: The LGD models are based on the cash recovery estimates. For secured products recoveries from collateral are also considered. For unsecured products and segments within, the Bank has developed recovery curves over the workout period based on the historical recovery experience. For each facility the LGD is calculated using those recovery curves with an adjustment for macro-economic outlook.

For secured products, the LGD is based on the current/future collateral value adjusted for depreciation or House Price Index (HPI). Non-Retail: ADIB uses an off-the-shelf model, calibrated on the Bank 's portfolio, to calculate unsecured LGD. Secured LGD is then calculated after taking the benefit of the assigned collaterals. The LGDs are adjusted for macroeconomic outlook.

Exposure at Default (EAD):

The EAD is the amount which the Bank expects a customer to owe in the event of default.

The EAD depends on the product type:

For amortizing products, this is based on the contractual payments over the forecast period; and

For revolving/off-balance products, this is estimated as a combination of current exposure and credit conversion factor applied on the undrawn portion of the limit. The Bank applies a management overlay for cases where models are unable to capture customer's idiosyncrasies.

These overlays are discussed and approved appropriate management committee of the Bank .

Credit risk monitoring

For IFRS 9 ECL computation, credit exposures are monitored and reported as per IFRS 9 requirements. Stage migrations, any exceptions to SICR criteria, other credit and impairment related matters are reviewed and approved by an appropriate management committee.

Risks of the Bank 's credit portfolio are continuously assessed and monitored on the basis of exceptions, management information reports and returns generated by the business and credit units. Credit risk is also monitored on an ongoing basis with formal monthly and quarterly reporting to ensure that senior management is aware of shifts in the credit quality of the portfolio along with changing external factors.

Credit risk mitigation strategy

The Bank operates within prudential exposure ceilings set by the Board in line with Central Bank of Nigeria guidelines.

There are well laid out processes for exception management and escalation.

The Bank has adopted measures to diversify the exposures to various sectors. Diversification is achieved by limiting concentration through setting customer, industry and geographical limit

Collateral management

Collaterals and guarantees are effectively used as mitigating tools by the Bank . The quality of collateral is continuously monitored and assessed and the Bank seeks to ensure enforce ability of the collateral. Major categories of collaterals include cash/ fixed deposits, inventories, shares, guarantees (corporate, bank and personal guarantees), immovable properties, receivables and vehicles.

Collaterals are revalued regularly as per the bank's credit policy. In addition, ad hoc valuations are also carried out depending on the nature of collateral and general economic condition.

This enables the Bank to assess the fair market value of the collateral and ensure that risks are appropriately covered. Security structures and legal covenants are also subject to regular review.

Credit-related commitments risks

The Bank makes available to its customers guarantees which may require that the Bank makes payments on their behalf. Such payments are collected from customers based on the terms of the letters of guarantee.

They expose the Bank to similar risks as financing and these are mitigated by the same control processes and policies.

Impairment assessment

With the adoption of IFRS 9 the incurred loss approach for impairment has been replaced by a forward looking expected credit loss (ECL) approach. The Bank recognizes an allowance for ECL for all financial instruments other than those held at fair value through profit or loss.

Financial instruments are classified into three categories as follows:

Stage 1 (performing): where no Significant Increase in Credit Risk (SICR) since origination has been observed. ECL from default events that are possible within the next 12 months is booked as impairment provision.

Stage 2 (underperforming): where a SICR since origination is observed however a default has not occurred. ECL from default events that are possible over the lifetime of the financial instrument is booked as impairment provision.

Stage 3 (non-performing): where a default has occurred, ECL based on the loss expected over the remaining life of the financial instrument is recognized as an impairment provision.

The criteria for SICR have been defined for both the wholesale and retail book. The primary driver of SICR for the wholesale book is the customer risk rating migration since origination. The customer risk rating in turn is determined by the probability of default.

The primary driver of the SICR for the retail book is the past due status and the lifetime probability of default.

The ECL is calculated as a product of the Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD) which is present valued using the effective profit rate of each facility. The PDs and LGDs are adjusted based on weighted average of three macroeconomic scenarios sourced from an external industry expert. These scenarios are updated quarterly.

Write-off of financing assets

Board approved policies are in place covering the write offs for all the financing portfolios of the Bank. These reflect Central Bank of Nigeria rules, accepted international accounting standards, and market and industry best practice and are stringently adhered to.

Collateral and Other Credit enhancements

Investments are secured by acceptable collateral with first charge over assets. Adequate collaterals against the exposure are ensured by considering the forced sale value (FSV) of the property pledged against the investment amount. The bank ensured enforceability of collaterals by perfecting documentations and other legal areas of documentations.

Appropriate insurance policies are maintained (renewed periodically) on assets pledged and the documents of insurance are preserved and recorded.

The table below shows the collateral value reported against the customers and individually as at the reporting date

2025				
Collateral Type	Against customer financing not impaired	Against individually impaired	Grand Total	Difference
	(N'000)	(N'000)	(N'000)	
Assets - Others	36,763,650	4,355,649	41,119,299	-
Cash and Deposits	18,423,945	1,415,415	19,839,361	0.16
Domiciliation	1,965,653	-	1,965,653	-
Equitable Mortgage	4,966,739	448,854	5,415,593	0.26
Financial Guarantee	381,554	-	381,554	0.34
Legal Mortgage	171,251,438	5,549,718	176,801,157	0.24
Stock Warehousing	11,586,356	614	11,586,971	0.02
Assets Debenture	72,177,639	187,958	72,365,598	-
Total	317,516,977	11,958,210	329,475,188	

2024

Collateral Type	Against customer financing not impaired	Against individually impaired	Grand Total
	(N'000)	(N'000)	(N'000)
Legal Mortgage	101,456,976	4,005,090	105,462,066
Equitable Mortgage	25,555,025	1,087,921	26,642,946
Total Asset Debenture	20,705,504	979,148	21,684,652
Cash and Deposits	21,685,129	1,190,423	22,875,552
Assets - Other	107,605,341	5,027,408	112,632,749
Equity	13,490	475	13,965
Total	277,021,465	12,290,465	289,311,930

Investment facilities advanced to customers bear many risks. The Bank identifies those risks and takes necessary measures to mitigate them and to keep the overall risks as minimal as possible. The risk so identified through rating/grading is quantified for better understanding and taking appropriate techniques to mitigate the risks. As a bank we measure the risks in a systematic process to grade the risks as accurately as possible

December 2025

Gross Exposures by rating

Financial instruments carried at amortized cost

	Stage 1 (N'000)	Stage 2 (N'000)	Stage 3 (N'000)	Grand Total (N'000)
A	218,094,369	2,875,001	569	220,969,940
AA	45,139,803	50,671	-	45,187,475
AAA	321,928	-	-	321,928
B	5,636,231	1,762,584	-	7,398,815
BB	1,468,073	2,226,009	-	3,694,082
BBB	38,423,536	1,240,151	-	39,663,688
C	-	105,379	-	105,379
CCC	-	176,236	-	176,236
D	-	-	11,957,641	11,957,641
Total	309,080,943	8,436,034	11,958,210	329,475,188

Contingent Liabilities and Commitments

	Stage 1 (N'000)	Stage 2 (N'000)	Stage 3 (N'000)	Grand Total (N'000)
A	58,899,415	-	-	58,899,415
AA	22,894,844	-	-	22,894,844
Total	81,794,259	-	-	81,794,259

December 2024

Gross Exposures by rating

Financial instruments carried at amortized cost

	Stage 1 (N'000)	Stage 2 (N'000)	Stage 3 (N'000)	Grand Total (N'000)
AA	139,955,313	119,761	25,258	140,100,332
A	13,624,608	-	-	13,624,608
BBB	25,658	-	-	25,658
BB	1,174,613	768,242	-	1,942,855
B	41,636,531	329,001	-	41,965,532
C	13,818,989	435,902	-	14,254,891
D	1,088,529	6,072	-	1,094,601
	862,761	-	-	862,761
	-	-	75,440,692	75,440,692
Total	212,187,003	1,658,977	75,465,950	289,311,930

Contingent Liabilities and Commitments

	Stage 1 (N'000)	Stage 2 (N'000)	Stage 3 (N'000)	Grand Total (N'000)
AA	133,028,750	-	249,315	133,278,065

December 2025

Expected Credit Losses (ECL) by rating is as follows:

Financial instruments carried at amortized cost - ECL

	Stage 1 (N'000)	Stage 2 (N'000)	Stage 3 (N'000)	Grand Total (N'000)
A	3,213,732	137,483	-	3,251,215
AA	289,966	218	-	290,184
AAA	588	-	-	588
B	38,035	67,578	-	105,613
BB	12,108	90,745	-	102,853
BBB	703,171	78,034	-	781,205
C	-	8,340	-	8,340
CCC	-	4,975	-	4,975
D	-	-	4,307,555	4,307,555
Total	4,257,600	387,373	4,307,555	8,952,528

Contingent Liabilities and Commitments

	Stage 1 (N'000)	Stage 2 (N'000)	Stage 3 (N'000)	Grand Total (N'000)
A	128,966	-	-	128,966
AA	257,196	-	-	257,195
Total	386,161	-	-	386,161

December 2024

Expected Credit Losses (ECL) by rating is as follows:

Financial instruments carried at amortized cost - ECL

	Stage 1 (N'000)	Stage 2 (N'000)	Stage 3 (N'000)	Grand Total (N'000)
A	4,854,562	16,947	27,947	4,899,462
AA	235,757	-	-	235,757
AAA	3,384	-	-	3,384
B	11,118	68,756	-	79,874
BBB	352,328	175,125	-	527,453
C	38,325	139,681	-	178,006
CCC	3,996	88,481	-	92,477
D	4,920	-	-	4,920
	-	-	2,905,922	2,905,922
Total	5,504,390	488,996	2,933,870	8,927,255

Contingent Liabilities and Commitments - ECL

	Stage 1 (N'000)	Stage 2 (N'000)	Stage 3 (N'000)	Grand Total (N'000)
AA	335,063	-	-	353,063

The Bank maintains accurate and consistent risk ratings across the credit portfolio, This facilitates focused management of the applicable risks and the comparison of credit exposures across all lines of business, geographic regions and products. The rating system is supported by a variety of financial and qualitative analysis, combined with processed market information to provide the main inputs for the measurement of counterparty risk. All internal risk ratings are tailored to the various categories and are derived in accordance with the Bank's rating . The risk ratings models are assessed and updated regularly. The ratings equivalent grades are relevant only for certain of the exposures in each risk rating class. The rating models are constantly aligned to specific business segments during the course of the year.

MACROECONOMIC INFORMATION USED IN ECL MEASUREMENT

The Expected Credit Loss (ECL) models incorporate forward-looking macroeconomic information to reflect the impact of current and forecast economic conditions on the credit quality of the Bank's financial assets.

The Bank uses a range of macroeconomic variables that are considered to have a significant influence on default risk and recovery patterns. These variables are sourced from credible external data providers, internal economic research, and management overlays, and include, but are not limited to:

- Real Gross Domestic Product (GDP) growth
- Inflation rate
- Foreign exchange rate (NGN/USD and other relevant currencies)
- Monetary Policy Rate (MPR) / benchmark interest rates
- Unemployment rate
- Oil price (where relevant to sectoral exposure)

The macroeconomic forecasts are reviewed periodically to ensure they remain consistent with prevailing economic conditions and regulatory guidance.

ECL SCENARIOS AND WEIGHTINGS

In estimating ECL, the Bank applies a probability-weighted approach using multiple forward-looking economic scenarios.

The scenarios reflect different potential economic outcomes and are designed to capture non-linearities in credit risk.

The following scenarios were considered in the ECL computation:

SCENARIO	DESCRIPTION	AMOUNT
Base Case	Management's best estimate of the expected economic outlook	40.00%
Upside	Represents an improved economic environment relative to the base case	30.00%
Downside	Represents an improved economic environment relative to the base case	30.00%

The scenario weightings are determined using management judgment, supported by historical trends, forecast uncertainty, and external economic outlooks. The Bank reassesses the scenarios and their probabilities at each reporting date.

The macroeconomic scenarios affect the estimation of:

- Probability of Default (PD)
- Loss Given Default (LGD)
- Exposure at Default (EAD)

This includes Mur ba ah, Ij rah, Istisn and Salam, the ECL methodology is applied consistently with IFRS 9 principles, while ensuring Shari'ah compliance, particularly in the treatment.

ECL COVERAGE RATIO

The ECL coverage ratio provides an indication of the level of impairment allowances held relative to the Bank's credit exposure.

ECL Coverage Ratio is calculated as:

ECL Allowance ÷ Gross Financing

DESCRIPTION	AMOUNT
Total ECL Allowance	8,952,603
Gross Financing (Financing & Inventory Financing)	329,475,189
ECL Coverage Ratio	2.72%

The coverage ratio reflects management's assessment of the adequacy of impairment provisions, taking into account portfolio composition, asset quality trends, macroeconomic conditions, and regulatory expectations.

December 2025

Credit quality per stage for financial assets

Movement in gross exposures stages is as follows:

Financial instruments carried at amortized cost	Stage 1 (N'000)	Stage 2 (N'000)	Stage 3 (N'000)	Grand Total (N'000)
Balance as at 1st January 2025	264,713,494	12,308,000	12,290,478	289,311,972
Settlement during the year	(210,816,409)	(5,220,206)	(6,271,910)	(222,308,526)
Transfer from stage 1 to stage 2	(5,155,195)	5,155,195	-	-
Transfer from stage 1 to stage 3	(5,777,624)	-	5,777,624	-
Transfer from stage 2 to stage 1	6,103,538	(6,103,538)	-	-
Transfer from stage 2 to stage 3	-	(815,671)	815,671	-
Transfer from stage 3 to stage 1	28,801	-	(28,801)	-
Transfer from stage 3 to stage 2	-	1,511,380	(1,511,380)	-
Other movements within the same stage	-	-	-	-
New financial assets originated	258,632,160	2,713,568	1,126,014	262,471,743
Balance as at 31 December, 2025	307,733,765	9,548,728	12,197,696	329,475,189

December 2025

Contingent Liabilities and Commitments	Stage 1 (N'000)	Stage 2 (N'000)	Stage 3 (N'000)	Grand Total (N'000)
Balance as at 1st January 2025	133,028,750	-	249,315	133,278,065
Liquidated during the year	(129,332,526)	-	(249,315)	(129,581,841)
Transfer from stage 1 to stage 2	-	-	-	-
Transfer from stage 1 to stage 3	-	-	-	-
Transfer from stage 2 to stage 1	-	-	-	-
Transfer from stage 2 to stage 3	-	-	-	-
Transfer from stage 3 to stage 1	-	-	-	-
Transfer from stage 3 to stage 2	-	-	-	-
Other movements within the same stage	-	-	-	-
New financial assets originated	78,098,035	-	-	78,098,035
Balance as at 31 December, 2025	81,794,259	-	-	81,794,259

December 2024

Credit quality per stage for financial assets

Movement in gross exposures stages is as follows:

Financial instruments carried at amortized cost	Stage 1 (N'000)	Stage 2 (N'000)	Stage 3 (N'000)	Grand Total (N'000)
Balance as at 1st January 2024	189,939,242	9,477,024	23,658,884	223,075,150
Settlement during the year	(100,330,047)	(2,238,710)	(10,907,799)	(113,476,556)
Transfer from stage 1 to stage 2	(5,355,263)	5,355,263	-	-
Transfer from stage 1 to stage 3	(6,444,251)	-	6,444,251	-
Transfer from stage 2 to stage 1	9,522,556	(9,522,556)	-	-
Transfer from stage 2 to stage 3	-	(506,183)	506,183	-
Transfer from stage 3 to stage 1	7,608,879	-	(7,608,879)	-
Transfer from stage 3 to stage 2	-	1,550,302	(1,550,302)	-
Other movements within the same stage	(24,418,390)	4,834,875	559,679	(19,023,836)
New financial assets originated	198,737,214	-	-	198,737,214
Balance as at 31 December, 2024	269,259,940	8,950,015	11,102,017	289,311,972

December 2024

Contingent Liabilities and Commitments	Stage 1 (N'000)	Stage 2 (N'000)	Stage 3 (N'000)	Grand Total (N'000)
Balance as at 1st January 2024	53,739,318	-	-	53,739,318
Liquidated during the year	(31,988,064)	-	-	(31,988,064)
Transfer from stage 1 to stage 2	-	-	-	-
Transfer from stage 1 to stage 3	(249,315)	-	249,315	-
Transfer from stage 2 to stage 1	-	-	-	-
Transfer from stage 2 to stage 3	-	-	-	-
Transfer from stage 3 to stage 1	-	-	-	-
Transfer from stage 3 to stage 2	-	-	-	-
Other movements within the same stage	7,862,945	-	-	7,862,945
New financial assets originated	103,633,866	-	-	103,663,866
Balance as at 31 December, 2024	133,028,750	-	249,315	133,278,065

Market Risk

Market risk management is designed to limit the amount of potential losses on open positions which may arise due to unforeseen changes in profit rates, foreign exchange rates or equity prices that the Bank can be exposed to due to the nature of services and product offering.

Over the years, the Nigerian financial market has witnessed a dramatic expansion in the array of financial services and products. This tremendous growth in scale and scope has also generated new risks with global consequences, especially market risk, necessitating an assessment of exposures to the volatility of the underlying risk drivers.

This has prompted the upgrading of the Market Risk Policy; Asset and Liability Management Policy; Liquidity Policy; Stress Testing Policy, and so on, to ensure the risks faced across business activities and on an aggregate basis are within the stipulated risk appetite of the Bank. These policies have been benchmarked with industry-leading practices and CBN regulations.

Market risk arises from changes in market rates such as volatility of inflationary pressure, economic index, profit rates, foreign exchange rates and prices, as well as in their correlation and implied volatilities.

The Bank pays considerable attention to market risk. The Bank uses appropriate models, as per standard market practice, for the valuation of its positions and receives regular market information in order to regulate market risk.

The trading market risk framework comprises of the following elements:

- Limits to ensure that risk-takers do not exceed aggregate risk and concentration parameters ; and
- Independent mark-to-market valuation, reconciliation of positions and tracking of stop-losses for trading positions on timely basis.

The policies and procedures and the trading limits are set to ensure the implementation of the Bank's market risk policy in day-to-day operations. These are viewed periodically to ensure they remain in line with the Bank's general market risk policy. The CRO ensure that the market risk management process is always adequately and appropriately staffed.

In addition to its internal procedures and systems, the Bank is required to comply with the guidelines and regulations of the Central Bank Nigeria where applicable. The Bank's capital and earnings are exposed to risk due to adverse changes in market prices. Consequently, the Bank has put in place a comprehensive market risk management framework to manage exposure to adverse changes in interest rates, foreign exchange, and equity prices.

The objective is not to completely avoid these risks but to ensure exposure to these risks through our trading and banking book positions are kept within the Bank's defined risk appetite and tolerance.

FOREIGN EXCHANGE RISK

Currency risk is the risk that the value of a financial instrument will fluctuate as a result of changes in foreign exchange rates.

The Bank is exposed to foreign exchange risk arising from fluctuations in exchange rates on financial assets and liabilities denominated in foreign currencies. The primary currencies to which the Bank is exposed are the United States Dollar (USD), British Pound Sterling (GBP), and Euro (EUR).

In line with the Bank's risk management practices and Shari'ah governance framework (where applicable), foreign currency positions are monitored to ensure compliance with regulatory guidelines. Currency risk is the risk that the value of a financial instrument will fluctuate as a result of changes in foreign exchange rates.

The sensitivity analysis has been prepared to illustrate the impact of a reasonably possible movement in foreign exchange rates against the Nigerian Naira (NGN), with all other variables held constant. A sensitivity analysis has been performed to assess the impact of a reasonably possible change of $\pm 5\%$ in foreign exchange rates against the Nigerian Naira, with all other variables held constant. The analysis indicates that a 5% strengthening of foreign currencies would increase the Bank's profit after tax and equity by approximately , while a 5% weakening would result in a corresponding decrease. The sensitivity analysis is based on foreign currency exposures outstanding as at the reporting date and does not consider future transactions.

36 Foreign exchange sensitivity analysis

As at 31 December 2025

	Naira N'000	Dollar N'000	Pound N'000	Euro N'000	SAR N'000	Total N'000
Financial assets:						
Cash and balances with Central Bank of Nigeria	210,431,292	3,700,109	101,996	306,512	-	214,539,910
Due from banks and other financial institutions	-	169,035,641	124,644	4,087,386	1,320,752	174,568,423
Investment in sukuk	290,340,223	200,225,222	-	-	-	490,565,445
Interbank Mudaraba	50,117,123	-	-	-	-	50,117,123
Financing Assets(net)	240,732,853	6,035,948	-	-	-	246,768,800
Inventory Financing(net)	61,780,790	-	-	-	-	61,780,790
Other assets	17,732,188	115,208	-	-	-	17,847,396
Total assets	871,134,469	379,112,127	226,640	4,393,898	1,320,752	1,256,187,887
Financial liabilities:						
Customer current deposits	769,949,892	344,202,031	166,934	4,011,681	-	1,118,330,546
Onward financing	22,332,405	-	-	-	-	22,332,405
Other reserve	74,942,602	40,213,343	1,750	367,239	-	115,524,935
Total financial liabilities	867,224,899	384,415,374	168,693	4,378,921	-	1,256,187,887
Net open currency position	3,909,570	(5,303,246)	57,947	14,977	1,320,752	-

36 Foreign exchange sensitivity analysis

As at 31 December 2024

	Noira N'000	Dollar N'000	Pound N'000	Euro N'000	Others N'000	Total N'000
Financial assets:						
Cash and balances with Central Bank of Nigeria	235,224,260	3,191,876	78,395	270,449	-	238,764,980
Due from banks and other financial institutions	30,998	140,804,951	135,938	9,205	1,420,044	142,401,137
Investment in sukuk	234,371,499	114,626,000	-	-	-	348,997,499
Interbank Mudaraba	48,130,103	-	-	-	-	48,130,103
Financing Assets(net)	206,074,647	8,700,195	-	-	-	214,774,842
Inventory Financing(net)	50,408,853	7,931,276	-	-	-	58,340,129
Other assets	4,241,617	2,189,026	-	-	-	6,430,643
Total assets	778,481,977	277,443,324	214,333	279,655	1,420,044	1,057,839,333
Financial liabilities:						
Customer current deposits	684,376,551	219,995,014	154,515	261,878	-	904,787,958
Onward financing	28,999,627	-	-	-	-	28,999,627
Other liability	65,105,799	57,448,310	59,818	17,778	1,420,044	124,051,749
Total financial liabilities	778,481,977	277,443,324	214,333	279,655	1,420,044	1,057,839,333
Net open currency position	-	-	-	-	-	-

The Bank's exposure to foreign currency risk is low. Movement in exchange rate between the US Dollar and the Euro affects reported earnings through revaluation gain or loss and the statement of financial position size through increase or decrease in the revalued amounts of assets and liabilities denominated in foreign currency.

** In contrast to the disclosures made in the prior year regarding foreign exchange sensitivity analysis, the presentation, which previously included non-financial assets and liabilities, has been corrected to reflect only actual financial assets and liabilities, in accordance with International Financial Reporting Standards (IFRS).

Foreign exchange sensitivity analysis

The Foreign exchange sensitivity analysis of the Bank is presented below.

The Bank operates internationally and is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the US dollar, UK pound and Euro. Foreign exchange risk represents exposures to changes in the values of current holdings and future cash flows denominated in other currencies. The types of instruments exposed to this risk include investments foreign currency denominated securities, future cash flows in foreign currencies arising from foreign exchange transactions, foreign currency denominated debt amongst others. The value of these instruments fluctuates with changes in the level or volatility of currency exchange rates or foreign interest rates. The Bank arrange foreign instruments whose values hedges currency debts to foreign currency securities to eliminate exchange exposures on such deposits.

Foreign exchange profit or loss (Dollars) The Bank carried out the following in determining sensitivity of the Bank's profit to fluctuations in exchange rate of dollars:

- Daily dollar exchange rates were obtained for Twelve-month period and trended
- A reasonably possible change from -13.13 to +203.40 (Dec 2024 -43.99 to + 711.61) was determined based on the distribution of 12-month daily change in exchange rates.
- The change in exchange rates was then applied to the bank's dollar position at the end of the period

Foreign exchange profit or loss (Pounds) The Bank carried out the following in determining sensitivity of the Bank's profit to fluctuations in exchange rate of pounds:

- Daily pound exchange rates were obtained and trended
- A reasonably possible change from -88.15.13to + 218.95(Dec 2024: -66.40 to +896.18) was determined based on the distribution of 12-month daily change in exchange rates.
- The chosen reasonable change in exchange rates was then applied to the bank's position as at end of the period.

Foreign exchange profit or loss (Euros) The Bank carried out the following in determining sensitivity of the Bank's profit to fluctuations in exchange rate of Euro:

- Daily Euro exchange rates were obtained and trended
- A reasonably possible change from -154.65 to + 152.85 (Dec 2024: --59.25 to +702.04) was determined based on the distribution of 12-month daily change in exchange rates.
- The chosen reasonable change in exchange rates was then applied to the bank's position as at end of the period.

As at 31 Dec 2025, if the Naira had strengthened/weakened by-13.13 to +203.40 against the Dollar, strengthened/weakened by -88.15.13to + 218.95 against the Pounds ,strengthened/weakened by -154.65 to + 152.85 against the Euro and if Naira had strengthened/weakened by -158.90 to + 65.90) against the other currencies with all other variables held constant at the end of the year would have increased/(decreased) translation of the Balance sheet..

	Dollar	Pound	Euro	SAR
As at 31 December 2025				
Net foreign currency exposures	(5,303,246)	57,947	14,977	13,320,752
As at 31 December 2024				
Net foreign currency exposures	-	-	-	-

The Bank is exposed to the US Dollar and Euro currencies.

The following table details the sensitivity to a 5% increase and decrease in Naira against the US Dollar and Euro. Management believe that a 15% movement in either direction is reasonably possible at the reporting date. The sensitivity analyses below include outstanding US Dollar and Euro denominated assets and liabilities. A positive number indicates an increase in profit where Naira strengthens by 15% against the US Dollar and Euro. For a 5% weakening of Naira against the US Dollar and Euro, there would be an equal and opposite impact on profit, and the balance below would be negative.

Sensitivity analysis on currency balance sheet

As at 31 December 2025

	YEN N'000	SAR N'000	GBP N'000	DOLLARS N'000	Euro N'000
CURRENCY					
Net on Balance Sheet Position	-	1,320,752	57,947	(5,303,246)	14,977
Closing Exchange Rate (Naira/Currency)	206	383	1,937	1,440	1,691
5% Currency Appreciation (-)	-	1,254,714	55,050	(5,038,084)	14,229
5% Currency Depreciation (-)	-	1,386,790	60,844	(5,568,409)	15,726
Effect of 50% Appreciation on Profit	-	66,038	2,897	(265,162)	749
Effect of 5% Depreciation on Profit	-	(66,038)	(2,897)	265,162	(749)

CURRENCY

Net on Balance Sheet Position
Closing Exchange Rate (Naira/Currency)
5% Currency Appreciation (-)
5% Currency Depreciation (-)
Effect of 50% Appreciation on Profit
Effect of 5% Depreciation on Profit

As at 31 December 2024

	YEN N'000	SAR N'000	GBP N'000	DOLLARS N'000	Euro N'000
CURRENCY					
Net on Balance Sheet Position	-	-	-	-	-
Closing Exchange Rate (Naira/Currency)	212	412	1,941	1,549	1,609
5% Currency Appreciation (-)	-	-	-	-	-
5% Currency Depreciation (-)	-	-	-	-	-
Effect of 50% Appreciation on Profit	-	-	-	-	-
Effect of 5% Depreciation on Profit	-	-	-	-	-

CURRENCY

Net on Balance Sheet Position
Closing Exchange Rate (Naira/Currency)
5% Currency Appreciation (-)
5% Currency Depreciation (-)
Effect of 50% Appreciation on Profit
Effect of 5% Depreciation on Profit

CLIMATE RELATED RISK

The Bank and its customers may face significant climate related risks in the future. These risks include the threat of financial loss and adverse non financial impacts that encompass the political, economic and environmental responses to climate change. The key sources of climate risks have been identified as physical and transition risks. Physical risks arise as the result of acute weather events such as hurricanes, floods and wildfires, and longer term shifts in climate patterns, such as sustained higher temperatures, heat waves, droughts and rising sea levels and risks. Transition risks may arise from the adjustments to a net zero economy, e.g., changes to laws and regulations, litigation due to failure to mitigate or adapt, and shifts in supply and demand for certain commodities, products and services due to changes in consumer behaviour and investor demand

These risks are receiving increasing regulatory, political and societal scrutiny, both within the country and internationally. While certain physical risks may be predictable, there are significant uncertainties as to the extent and timing of their manifestation. For transition risks, uncertainties remain as to the impacts of the impending regulatory and policy shifts, changes in customer demands and supply chains. Despite the progress, the Bank acknowledges the need for further efforts to fully integrate climate in the Bank's risk assessments and management protocols

MANAGEMENT AND CONTROL

Asset and Liability Management Policy; Liquidity Policy; Stress Testing Policy, and so on, to ensure the risks faced across business activities and on an aggregate basis are within the stipulated risk appetite of the Bank. These policies have been benchmarked with industry-leading practices and CBN regulations.

The Bank runs an integrated and straight-through processing treasury system to enable efficient monitoring and management of interest rate and foreign exchange risks.

Liquidity, Exchange Rate, and Interest Rate risks are managed through various approaches, viz. Liquidity Gap Analysis, Dynamic Cash Flow Analysis, Liquidity Ratios, and Sensitivity Analysis. The primary aim of these processes is risk forecasting and impact mitigation through management action and portfolio rebalancing.

The Bank regularly conducts stress testing to monitor its vulnerability to unfavourable shocks. It monitors and controls its risk, using various internal and regulatory risk limits for the trading book and banking book which are set according to several criteria including economic scenario, business strategy, management experience, peer analysis, and the Bank's risk appetite.

Market risk management actively manages the Banking book to optimize its income potential. This risk arises from the mismatch between the future yield on assets and their funding cost, due to interest rate changes.

The Bank uses a variety of tools to track and manage this risk:

- Maturity analysis: Asset and Liabilities structures
- Liquidity analysis: This is used in relation to CBN circular to ensure that the Bank is liquid
- Sensitivity Analysis: The Bank employs the use of scenario and sensitivity analysis in evaluating its exposures per time. Scenario analysis is the process of predicting the possible balance sheet impact to changes that may occur to existing variables whilst sensitivity analysis is the study of how the outcome of a decision changes due to variations in input.

LIQUIDITY RISK MANAGEMENT

Liquidity risk is the risk that the Bank will be unable to meet its payment obligations when they fall due under normal and stress circumstances. To limit this risk, management has arranged diversified funding sources in addition to its core deposit base, manages assets with liquidity in mind, and monitors future cash flows and liquidity on a daily basis.

This incorporates an assessment of expected cash flows, the maintenance and monitoring of the inventory of high-grade collateral which could be used to secure additional funding if required. The Bank maintains a portfolio of highly quality and diverse securities that can be easily liquidated and/or used as collateral in the event of an unforeseen stress on of cash flow.

The Bank also has committed lines of credit that it can access to meet liquidity needs. In addition, the Bank maintains statutory deposits with the Central Bank. The liquidity position is assessed and managed under a variety of stress scenarios, given due consideration to severe yet plausible stress conditions relating to both the market in general and specifically to the Bank.

The high quality of the investment portfolio ensures its liquidity and/or eligibility as acceptable collateral and coupled with the Bank's own funds and "evergreen" customer deposits help these forms a stable funding source. Even under adverse conditions, the Bank has access to the funds necessary to cover customer needs and meet its funding requirements.

The primary tool for monitoring liquidity is the maturity mismatch analysis, which is monitored over successive time bands and across functional currencies. Guidelines are established for the cumulative negative cash flow over successive time bands. In addition, the Bank monitors various liquidity risk ratios and maintains an up-to-date contingency funding plan.

Liquidity risk management strategies include:

- * Maintaining high-quality, liquid assets
- * Establishing committed lines of credit
- * Complying with regulatory liquidity requirements
- * Conducting stress testing to assess liquidity under adverse conditions

Asset & Liability Committee ("ALCO")

Asset & Liability Committee ("ALCO") The Asset & Liability Management ("ALM") process focusses on planning, acquiring, and directing the flow of funds through the organization. The ultimate objective of this process is to generate adequate stable earnings and to steadily build equity over time, while taking measured business risk aligned to the overall risk appetite of the Bank. The Bank ALM is well defined which describes the objective, role and function of the ALCO. This process revolves around ALCO, the body within the Bank that holds the responsibility to make strategic decisions relating to the management of financial position related risks. The ALCO consists of the Bank's senior management including the CEO and Executive Director and normally meets monthly.

CAPITAL RISK MANAGEMENT

Capital risk refers to the potential erosion of the Bank's capital base due to inadequate capital management.

Capital Management Objectives: The Bank's capital management objectives include:

- * Ensuring compliance with capital ratios required by regulators and the Bank's Board.
- * Maintaining sufficient capital resources to meet economic capital (EC) requirements.
- * Generating adequate capital to support asset growth.

Capital Management Strategy: The Bank's strategy revolves around maximizing shareholder value through the optimization of capital resources. Decisions regarding capital allocation are influenced by factors such as return on economic capital (EC), regulatory capital (RC), and the internal capital adequacy assessment process (ICAAP). This ensures that capital is effectively deployed for both short-term needs and long-term stability

IMPORTANCE OF CAPITAL MANAGEMENT

Capital management is essential to the Bank's sustainability. As such, it is prioritized at the board level, with the Board responsible for overseeing the capital management policy, target levels, and strategy. A structured capital management framework ensures efficient capital planning, issuance, alignment with the Basel Accords, economic capital utilization, and the evaluation of economic profit (EP). The integrated approach aligns the Bank's strategy, risk management, and financial processes with its capital management practices, ensuring that capital usage is planned, measured, and aligned with performance, pricing, and risk appetite.

COMPLIANCE RISK MANAGEMENT

The Bank's compliance function is responsible for managing compliance risk, ensuring alignment with the overall risk management strategy. Working closely with Internal Audit and Risk Management, the compliance function plays a crucial role in promoting an integrated approach to risk assurance and enhancing visibility of controls across the Bank.

The compliance function continually refines its approach, focusing on regulatory intelligence, compliance monitoring, testing, and strengthening collaboration with business units. Real-time monitoring has been enhanced, enabling the Bank to identify high-risk transactions and detect non-compliance early.

Measurement, Monitoring, and Management of Compliance Risk: Compliance risk is managed through:

- * Metrics, incident assessments, regulatory feedback, compliance testing, and external assessments related to Anti-Money Laundering/Countering the Financing of Terrorism (AML/CFT) and other compliance vulnerabilities.
- * Ongoing monitoring and reporting by the compliance function and the results of audits and regulatory inspections.
- * Establishing and communicating policies and procedures, training employees, and monitoring adherence.

The Bank remains committed to high standards of integrity and compliance with all legal and regulatory obligations.

This is supported by the 'Three Lines of Defense' model, which ensures integrated risk management across the organization.

Compliance Risk Management Approach:

- * Business units are required to comply with applicable regulations, with the compliance function supporting them in maintaining systems of internal control and reporting
- * In the absence of regulatory requirements, business units implement minimum standards in line with best compliance practices.

INFORMATION AND CYBERSECURITY RISK MANAGEMENT

The evolving global cybersecurity landscape, coupled with the growing sophistication of cyber threats, requires the Bank to maintain a proactive approach to cybersecurity. This includes robust defense mechanisms, threat intelligence, and resilience capabilities.

The Bank's cybersecurity framework employs a defense-in-depth strategy, protecting information assets, human capital, and operations. Key initiatives include improving incident detection, response, and resilience across all levels of the organization. The Bank has also established a 24/7 Security Operations Center (SOC) to enhance visibility and mitigate risks.

Strategic Cybersecurity Measures:

- * Strengthened defenses through global best-practice security frameworks and regular compliance reassessments.
- * Investment in human capital via continuous training to improve employee awareness and reduce the risk of social engineering attacks.
- * A commitment to maintaining a moderate overall cyber risk appetite while ensuring compliance and resilience in the face of emerging threats.

ENVIRONMENTAL AND SOCIAL RISK MANAGEMENT

The Bank's Environmental and Social (E&S) risk management strategy focuses on reducing the negative impact of climate change while leveraging the transition toward a low-carbon economy as an opportunity. We recognize that our customers' activities may impact the environment and surrounding communities.

The Bank has implemented a robust governance framework to ensure resilience in managing E&S risks. We aim to create partnerships with our customers to align on sustainable practices and mitigate environmental risks. This includes automating E&S lending reviews and pioneering green bonds.

Climate Change and Risk Mitigation: The Bank is committed to addressing climate change, contributing to global carbon reduction goals, and managing climate-related risks within its portfolio. We are actively participating in internationally recognized climate risk initiatives to further mitigate these risks.

REPUTATIONAL RISK MANAGEMENT

Reputational risk arises when the Bank's public image is tarnished due to negative events concerning its business practices, conduct, or financial health. The Bank's Reputational Risk Management team works proactively to minimize reputational threats and avoid crises that could endanger the Bank's survival.

Framework for Managing Reputational Risk: The Bank has established a comprehensive framework to assess and mitigate reputational risks, particularly in the following contexts:

- * Operating in a highly regulated financial industry with significant vulnerability to regulatory actions.
- * Competitive markets where differentiation is minimal, leading to reputational exposure.
- * The Bank's reputation is intertwined with that of its clients.
- * The fast-spreading nature of negative news via social media.

Impact of Reputational Risk Events: Reputational risks can lead to:

- * Loss of customers or business partners.
- * Erosion of public confidence and employee morale.
- * Increased costs for financing or regulatory compliance.
- * Potential regulatory sanctions or loss of business licenses

The Bank's policy prioritizes the protection of its reputation above all else, ensuring that reputational risk is mitigated through effective management of other risk types.

37. Maturity analysis

The table below analyses financial assets and liabilities of the Bank into relevant maturity based on the remaining period at reporting date to the contractual maturity date. The table includes both principal and profit earned as at year end..

As at 31 December 2025

	Carrying Amount N'000	Gross nominal inflow/outflow N'000	Up to 1 Month N'000	Up 1 to 3 Month N'000	3 to 6 Month N'000	6 to 12 Month N'000	1 to 3 Month N'000	Over 3 Month N'000
Financial assets:								
Cash and balances with Central Bank of Nigeria	214,539,910	214,539,910	214,539,910	-	-	-	-	-
Due from banks and other financial institutions	174,568,423	174,568,423	174,568,423	-	-	-	-	-
Investment in sukuk	490,565,445	494,028,001	-	198,710,340	-	-	43,704,311	251,613,349
Interbank Mudaraba	50,117,123	50,000,000	50,000,000	-	-	-	-	-
Financing Assets(net)	246,768,800	252,282,304	43,968,257	61,512,396	-	-	50,139,404	13,020,657
Inventory Financing(net)	61,780,790	65,219,889	12,806,472	26,382,089	54,321,489	41,296,096	2,872,721	3,222,190
Other assets	17,847,396	19,665,279	-	-	15,137,410	4,799,007	-	19,665,279
Total assets	1,256,187,887	1,270,303,805	495,883,062	286,504,825	69,458,899	45,989,458	96,713,436	287,521,476
Financial liabilities:								
Customer current deposits	724,052,808	724,052,808	724,052,808	-	-	-	-	-
Customers' investment accounts	394,277,738	394,277,738	367,038,051	3,837,489	14,432,086	4,551,049	4,419,064	-
Other Funding	22,332,405	23,490,324	148,817	-	-	-	23,341,507	-
Other liabilities	48,126,420	48,126,420	-	-	-	-	-	48,126,420
Total financial liabilities	1,188,789,372	1,89,947,290	1,091,239,676	3,837,489	14,432,086	4,551,049	27,760,571	48,126,420
Gap (asset - liabilities)	67,398,515	80,356,515	(595,356,614)	282,767,337	55,026,813	41,544,054	68,952,864	239,395,056
Cumulative liquidity gap								

Pledged Sukuk: A Sukuk investment with a carrying value of N14.17 billion as at the reporting date has been pledged as collateral to secure specific funding arrangements. The asset has not been derecognised, as the Bank continues to retain control and substantially all the associated risks and rewards. The pledge creates a security interest in favour of the counterparty and limits the Bank's rights over the pledged Sukuk until the underlying obligation is discharged.

As at 31 December 2024

37. Maturity analysis

The table below analyses financial assets and liabilities of the Bank into relevant maturity based on the remaining period at reporting date to the contractual maturity date. The table includes both principal and profit earned as at year end..

	Carrying Amount N'000	Gross nominal inflow/outflow N'000	Up to 1 Month N'000	Up to 3 Month N'000	3 to 6 Month N'000	6 to 12 Month N'000	1 to 3 Month N'000	Over 3 Month N'000
Financial assets:								
Cash and balances with Central Bank of Nigeria	238,764,980	238,764,980	238,764,980	-	-	-	-	-
Due from banks and other financial institutions	142,401,137	142,401,137	142,401,137	-	-	-	-	-
Investment in sukuk	349,556,203	364,343,749	-	115,155,540	-	14,202,963	-	234,985,245
Interbank Mudaraba	48,130,103	48,000,000	48,000,000	-	-	-	-	-
Financing Assets(net)	215,254,217	222,165,243	28,035,249	67,266,282	-	31,724,459	65,402,735	13,367,319
Inventory Financing(net)	58,340,129	60,356,358	9,739,588	16,200,000	22,860,708	4,461,783	10,156,125	1,648,639
Other assets	4,425,638	6,835,418	-	-	18,449,044	-	-	6,835,418
Total assets	1,056,872,408	1,082,866,885	466,940,954	198,621,822	41,309,751	50,389,205	75,558,860	256,836,622
Financial liabilities:								
Customer current deposits	493,599,402	493,599,402	493,599,402	-	-	-	-	-
Customers' investment accounts	411,188,555	411,188,555	370,966,315	3,893,556	19,141,751	3,646,718	13,540,215	-
Other Funding	28,999,627	29,499,627	279,474	-	-	-	29,220,153	-
Other liabilities	75,493,630	75,493,631	-	-	-	-	-	75,493,631
Total financial liabilities	1,009,281,215	1,009,781,215	864,845,191	3,893,556	19,141,751	3,646,718	42,760,368	75,493,631
Gap (asset - liabilities)	47,591,193	73,085,670	(397,904,237)	194,728,266	22,168,000	46,742,486	32,798,492	181,342,991
Cumulative liquidity gap								

** In the prior year, the gross nominal amount on other funding was presented as equal to the carrying amount. This presentation has been corrected in the current year to reflect the actual contractual amount expected at maturity of the funding, in accordance with the requirements of International Financial Reporting Standards (IFRS). This change ensures that the gross nominal amount now represents the total contractual cash flows due at maturity, rather than the carrying amount, thereby providing users of the financial statements with more relevant and reliable information.

38 Financing analysis**(i) By Security**

	2025 N'000	2024 N'000
Legal mortgage	176,801,157	105,462,065
Asset debenture	72,365,598	21,684,652
Cash and deposits	19,839,361	22,875,552
Domiciliation	1,965,653	-
Equitable mortgage	5,415,594	26,642,946
Equity	-	13,966
Financial Gurantee	381,555	-
Assets - Other	41,119,300	112,632,749
Stock Warehousing	11,586,971	-
Total	329,475,189	289,311,930

Management regularly monitors the market value of collateral, requests additional collateral in accordance with the underlying agreement, and assesses the market value of collateral obtained during its review of the adequacy of the provision for impairment losses

(ii) By product

Bai Muajjal	1,817,324	1,986,233
Murabaha finance	196,734,022	147,672,111
Salam	-	1,263,548
Ijara finance	52,204,351	61,271,389
Istisna	13,498,762	16,454,805
Qard hassan	841	8,665
Inventory Financing	65,219,889	60,655,178
Total	329,475,189	289,311,930

(iii) By sector

General	27,102,198	41,800,820
Oil & Gas	64,886,542	45,135,547
Real estate activities	26,787,688	24,152,288
General commerce	55,837,346	37,873,740
Agriculture	57,147,511	56,049,623
Construction	19,656,475	11,629,619
Manufacturing	42,880,728	54,245,745
Education	5,950,659	2,086,083
Information and Communication	1,142,231	2,760,473
Recreation	412,611	15,848
Human health and social work activities	703,506	748,655
Transportation and storage	26,646,759	10,568,282
Mining and Quarrying	320,934	2,245,208
Total	329,475,189	289,311,930

(iii) By Business Unit

Corporate	291,683,415	256,530,249
Retail	37,791,774	32,781,681
Total	329,475,189	289,311,930

(v) By tenor

0- 60 days	53,177,311	56,442,960
61 - 90 days	91,491,904	64,798,160
91 - 180 days	69,458,899	36,186,241
180 - 360 days	46,095,103	41,309,751
Over 360 days	69,251,972	90,574,818
Total	329,475,189	289,311,930

39 Credit quality

39 (a) Statement of prudential adjustment

In compliance with the provisions under the revised Prudential Guidelines issued by the Central Bank of Nigeria, which became effective 1 July, 2010, addresses the variance between the impairment allowance under prudential guidelines and the expected credit loss model required by IFRS 9.

Paragraph 12.4 of the revised Prudential Guidelines for Deposit Money Banks in Nigeria stipulates that Banks would be required to make provisions for loans as prescribed in the relevant IFRS Standards when IFRS is adopted. However, Banks would be required to comply with the following:

"Provisions for loans recognized in the profit and loss account should be determined based on the requirements of IFRS. However, the IFRS provision should be compared with provisions determined under prudential guidelines and the expected impact/changes in general reserves should be treated as follows:

- Prudential Provisions is greater than IFRS provisions; the excess provision resulting therefrom should be transferred from the general reserve account to a "Regulatory Risk Reserve"
- Prudential Provisions is less than IFRS provisions; IFRS determined provision is charged to the statement of comprehensive income. The cumulative balance in the regulatory risk reserve is thereafter reversed to the general reserve account.

"As at 31 December 2025, the difference between the Prudential provision and IFRS impairment was N3,369Billion for the Bank (December 2024: N3.60Billion). This requires transfer of N3,369million from retained earnings to regulatory risk reserves for Bank as disclosed in the statement of changes in equity. These amounts represent the difference between provisions for credit and other known losses as determined under the prudential guidelines issued by the Central Bank of Nigeria (CBN) and impairment reserve as determined in line with IFRS 9 as at the year end."

Statement of prudential adjustments

	2025 N'000	2024 N'000	Movement N'000
Total impairment allowance per IFRS 9	11,327,696	12,123,115	(795,419)
Total impairment per Prudential Guidelines	23,303,568	20,730,371	2,573,197
Risk regulatory reserves balance as at 31 Decemember	11,975,872	8,607,256	3,368,616

39(b) Carrying value of financing and investment

Carrying value of financing and investment

Risk assets summary - 31 Dec 2025

	Stage 1 N' 000	Stage 2 N' 000	Stage 3 N' 000	Deferred/ Accruals N' 000	Total N' 000
Bai-Muajjal	1,743,738	26,298	47,288	(330,632)	1,486,692
Murabaha Finance	185,616,412	6,526,407	4,527,107	(17,523,033)	179,146,893
Salam	-	-	-	-	-
Musharaka	-	-	-	-	-
Ijara Finance	45,466,572	2,729,202	4,072,624	9,771,535	62,039,936
Istisna	12,790,932	421	707,410	(3,890,817)	9,607,946
Qard Hassan	810	-	31	-	841
	245,618,464	9,282,328	9,354,460	(11,972,947)	252,282,305
Inventory financing	62,110,251	266,400	2,843,228	-	65,219,889
Off balance sheet	81,794,259	-	-	-	81,794,259
TOTAL	389,522,974	9,548,728	12,197,698	(11,972,947)	399,296,453

Impairment Summary - 31-Dec 2025

Carrying Amount

	Stage 1 N' 000	Stage 2 N' 000	Stage 3 N' 000	Total N' 000	Total N' 000
Bai-Muajjal	14,183	1,380	4,891	20,453	1,466,239
Murabaha Finance	1,830,163	282,353	764,697	2,877,212	176,269,681
Salam	-	-	-	-	-
Musharaka	-	-	-	-	-
Ijara Finance	903,415	95,773	1,220,731	2,219,919	59,820,014
Istisna	99,446	22	296,444	395,912	9,212,034
Qard Hassan	4	-	3	7	833
	2,847,211	379,528	2,286,765	5,513,503	246,768,801
Inventory financing	1,410,478	7,843	2,020,778	3,439,099	61,780,790
Off balance sheet	386,161	-	-	386,161	81,408,097
TOTAL	4,643,849	387,372	4,307,543	9,338,764	389,957,688

Carrying value of financing and investment

Risk assets summary - 31 Dec 2024

	Stage 1 N' 000	Stage 2 N' 000	Stage 3 N' 000	Deferred/ Accruals N' 000	Total N' 000
Bai-Muajjal	1,936,687	13,774	35,772	(328,179)	1,658,054
Murabaha Finance	141,213,833	2,501,960	3,956,318	(10,200,541)	137,471,570
Salam	-	-	1,263,548	-	1,263,548
Musharaka	-	-	-	-	-
Ijara Finance	54,257,138	2,563,535	4,450,716	8,288,374	69,559,763
Istisna	8,841,270	7,061,796	551,739	(4,250,948)	12,203,858
Qard Hassan	4,420	91	4,155	-	8,665
	206,253,348	12,141,156	10,262,248	(6,491,294)	222,165,458
Inventory financing	58,460,121	166,840	2,028,217	(298,820)	60,356,358
Off balance sheet	133,278,065	-	-	-	133,278,065
TOTAL	397,991,534	12,307,996	12,290,465	(6,790,114)	415,799,881

Impairment Summary - 31-Dec 2024

Carrying Amount

	Stage 1 N' 000	Stage 2 N' 000	Stage 3 N' 000	Total N' 000	Total N' 000
Bai-Muajjal	17,685	53	12,235	29,972	1,628,081
Murabaha Finance	2,901,141	246,666	1,756,618	4,904,425	132,567,145
Salam	-	-	137,443	137,443	1,126,106
Musharaka	-	-	-	-	-
Ijara Finance	966,603	100,774	547,067	1,614,444	67,945,319
Istisna	55,496	88,798	79,134	223,428	11,980,430
Qard Hassan	20	1	1,292	1,314	7,351
	3,940,945	436,292	2,533,789	6,911,026	215,254,432
Inventory financing	1,563,444	52,704	400,081	2,016,229	58,340,129
Off balance sheet	335,063	-	-	335,063	132,943,001
TOTAL	5,839,452	488,996	2,933,870	9,262,318	406,537,562

39 Impairment allowance

31 December 2025

	Stage 1 N' 000	Stage 2 N' 000	Stage 3 N' 000	Trading assets N' 000	Total financing & investment N' 000	Off Balance Sheet N' 000	Other assets N' 000	Financial Instrument N' 000	Total N' 000
Balance as at 1 January	3,940,945	436,292	2,533,789	2,016,229	8,927,255	335,063	2,409,780	451,017	12,123,115
Impairment charged/(write back) during the year	(1,093,735)	(56,764)	1,344,078	1,422,870	1,616,449	51,098	-	(279,968)	1,387,579
Write back/recoveries during the year	-	-	-	-	-	-	-	-	-
Write off	-	-	(1,591,102)	-	(1,591,102)	-	(591,897)	-	(2,182,999)
Balance as at 31 December	2,847,210	379,528	2,286,765	3,439,099	8,952,603	386,161	1,817,883	171,049	11,327,696

31 December 2024

	Stage 1 N' 000	Stage 2 N' 000	Stage 3 N' 000	Trading assets N' 000	Total financing & investment N' 000	Off Balance Sheet N' 000	Other assets N' 000	Financial Instrument N' 000	Total N' 000
Balance as at 1 January	3,276,323	244,145	6,016,750	4,982,487	14,519,705	118,180	2,298,780	103,510	17,040,175
Impairment charged/(write back) during the year	664,622	192,147	1,263,933	(2,962,424)	(841,722)	216,884	111,000	347,506	(166,333)
Write off	-	-	(4,746,894)	(3,834)	(4,750,728)	-	-	-	(4,750,728)
Balance as at 31 December	3,940,945	436,292	2,533,789	2,016,229	8,927,255	335,063	2,409,780	451,017	12,123,115

39 Impairment allowance

39(d) Impairment allowance

PRODUCT MOVEMENT AND CLASSIFICATIONS

Impairment Summary - 31-Dec 2025

	Stage 1 N' 000	Stage 2 N' 000	Stage 3 N' 000	Total N' 000
Bai-Muajjal	14,183	1,380	4,891	20,453
Murabaha Finance	1,830,163	282,353	764,697	2,877,212
Salam	-	-	-	-
Musharaka	-	-	-	-
Ijara Finance	903,415	95,773	1,220,731	2,219,919
Istisna	99,446	22	296,444	395,912
Qard Hassan	4	-	3	7
	2,847,210	379,528	2,286,765	5,513,503
Inventory financing	1,410,478	7,843	2,020,778	3,439,099
Off Balance sheet	386,161	-	-	386,161
TOTAL	4,643,849	387,372	4,307,543	9,338,764

Impairment Summary - 31-Dec 2024

	Stage 1 N' 000	Stage 2 N' 000	Stage 3 N' 000	Total N' 000
Bai-Muajjal	17,685	53	12,235	29,972
Murabaha Finance	2,901,141	246,666	1,756,618	4,904,425
Salam	-	-	137,443	137,443
Musharaka	-	-	-	-
Ijara Finance	966,603	100,774	547,067	1,614,444
Istisna	55,496	88,798	79,134	223,428
Qard Hassan	20	1	1,292	1,314
	3,940,945	436,292	2,533,789	6,911,025
Inventory financing	1,563,444	52,704	400,081	2,016,229
Off Balance Sheet	355,063	-	-	355,063
TOTAL	5,839,452	488,996	2,933,870	9,262,318

CLOSING MOVEMENT FOR THE YEAR

	Stage 1 N' 000	Stage 2 N' 000	Stage 3 N' 000	Total N' 000
Bai-Muajjal	(3,502)	1,327	(7,344)	(9,519)
Murabaha Finance	(1,070,978)	35,686	(991,921)	(2,027,213)
Salam	-	-	(137,443)	(137,443)
Musharaka	-	-	-	-
Ijara Finance	(63,188)	(5,001)	673,664	605,475
Istisna	43,950	(88,775)	217,310	172,484
Qard Hassan	(16)	(1)	(1,289)	(1,307)
	(1,093,735)	(56,764)	(247,023)	(1,397,522)
Inventory financing	(152,966)	(44,861)	(1,620,697)	1,422,870
Off Balance Sheet	51,098	-	-	51,098
TOTAL	(1,195,603)	(101,625)	1,373,674	76,446

PRODUCT CLASSIFICATION ON IMPAIRMENT CHARGE 2024

	Stage 1 N' 000	Stage 2 N' 000	Stage 3 N' 000	Total N' 000
Bai-Muajjal	(46,171)	(1,714)	(149,761)	(197,646)
Murabaha Finance	268,610	55,439	919,820	1,243,870
Salam	-	-	3,287	3,287
Musharaka	-	-	-	-
Ijara Finance	428,627	49,846	135,316	613,789
Istisna	13,649	88,574	36,244	138,467
Qard Hassan	(93)	1	(3,656)	(3,747)
	664,622	192,147	941,251	1,798,020
Inventory financing	1,221,674	52,704	(3,914,120)	(2,639,742)
Off Balance Sheet	216,684	-	-	216,884
Total Impairment on Financing & Investment Asset	3,292,579	193,731	643,411	(624,838)
Other Asset	111,000	-	-	111,000
Financial Instrument	347,506	-	-	347,506
Charge at December 2024	3,751,085	193,731	643,411	(166,332)

PRODUCT CLASSIFICATION ON IMPAIRMENT CHARGE

31st December 2025

	Stage 1 N' 000	Stage 2 N' 000	Stage 3 N' 000	Total N' 000
Bai-Muajjal	(3,502)	1,327	(7,344)	(9,519)
Murabaha Finance	(1,070,978)	35,686	(991,921)	(2,027,213)
Salam	-	-	(137,443)	(137,443)
Musharaka	-	-	-	-
Ijara Finance	(63,188)	(5,001)	673,664	605,475
Istisna	43,950	(88,775)	217,310	172,484
Qard Hassan	(16)	(1)	(1,289)	(1,307)
	(1,093,735)	(56,764)	(247,023)	(1,397,522)
Inventory financing	(152,966)	(44,861)	1,620,697	1,422,870
Off Balance Sheet	51,098	-	-	51,098
Total Impairment on Financing & Investment Asset	(1,195,603)	(101,625)	1,373,674	76,446
Other Asset	-	-	(591,897)	(591,897)
Financial Instrument	(279,968)	-	-	(279,968)
Charge for the year	(1,475,571)	(101,625)	781,777	(795,419)

IMPAIRMENT CHARGE FOR THE YEAR

31st December 2025

	Stage 1 N' 000	Stage 2 N' 000	Stage 3 N' 000	Total N' 000
Bai-Muajjal	(3,502)	1,327	(7,344)	(9,519)
Murabaha Finance	(567,011)	19,193	(533,491)	(1,090,308)
Salam	-	-	-	-
Musharaka	-	-	-	-
Ijara Finance	(117,012)	(9,260)	1,247,502	1,121,229
Istisna	43,950	(88,775)	217,310	172,484
Qard Hassan	(16)	(1)	(289)	(307)
	(652,592)	(77,516)	923,688	193,579
Inventory financing	(152,966)	(44,861)	1,620,697	1,422,870
Off Balance Sheet	51,098	-	-	51,098
Total Impairment on Financing & Investment Asset	(754,460)	(122,377)	2,544,385	1,667,547
Other Asset	-	-	-	-
Financial Instrument	(279,968)	-	-	(279,968)
Charge for the year	(1,034,428)	(122,377)	2,544,385	1,387,579

40. Related parties

Jaiz Bank Plc has some exposures that are related to its Directors. The Bank however follows a strict process before granting such credits to its Directors. The requirements for creating and managing this category of risk assets include the following amongst others:

Related parties: Parties are considered to be related if one party has the ability to control the other party or exercise influence over the other party in making financial and operational decisions, or one other party controls both. The definition includes investment as well as key management personnel. Transaction with key management personnel: The Bank's key management personnel, and persons connected with them, are also considered related parties. The definition of key management includes the close family members of key personnel and any entity over which key management exercise control. Close family members are those who may be expected to influence, or be influenced by that individual in their dealings with Jaiz Bank plc and its related entities/parties.

31st DECEMBER, 2025					
Name	Related Party	Relationship With The Bank	Limit Receivable N'000	Amount N'000	Classification
ALHASSAN ABDULKARIM	ALHASSAN ABDULKARIM	EXECUTIVE DIRECTOR	207,956	175,567	PERFORMING
BELLO MUHAMMAD SANI	HRH ENGR. SANI BELLO	NON-EXECUTIVE DIRECTOR	80,250	49,701	LOST
At 31 December 2025			288,206	225,268	
Off Balance Sheet					
Name	Related Party	Relationship With The Bank	Receivable N'000	Amount N'000	Classification
EQUATORIAL MARINE OIL AND GAS COMPANY LTD	ABDULMUTALLAB MUHAMMAD HADI	NON-EXECUTIVE DIRECTOR	90,000	90,000	PERFORMING
DANTATA FOOD & ALLIED PRODUCTS COY LTD	ALH. (DR.) AMINU ALHASSAN DANTATA	SIGNIFICANT SHAREHOLDER	600,000	600,000	PERFORMING
31st December 2024					
Name	Related Party	Relationship With The Bank	Limit Receivable N'000	Amount N'000	Classification
ABDULFATTAH OLANREWAJU AMOO	ABDULFATTAH OLANREWAJU AMOO	EXECUTIVE DIRECTOR	40,000	1,026	PERFORMING
ALHASSAN ABDULKARIM	ALHASSAN ABDULKARIM	EXECUTIVE DIRECTOR	40,102	25,650	PERFORMING
BELLMARI ENERGY LIMITED	DANGOTE INDUSTRIES LTD	SIGNIFICANT SHAREHOLDER	500,000	533,699	PERFORMING
BELLO MUHAMMAD SANI	HRH ENGR. SANI BELLO	NON-EXECUTIVE DIRECTOR	80,250	49,701	PERFORMING
DANTATA FOOD & ALLIED PRODUCTS COY LTD	ALH. (DR.) AMINU ALHASSAN DANTATA	NON-EXECUTIVE DIRECTOR	304,000	200,000	PERFORMING
MOHAMMED MUSTAPHA BINTUBE	MOHAMMED MUSTAPHA BINTUBE	CHAIRMAN	99,710	13,282	PERFORMING
NOBLE HALL LIMITED	ABDULMUTALLAB MUHAMMAD HADI	NON-EXECUTIVE DIRECTOR	279,995	78,973	SUBSTANDARD
As at 31st December 2023			1,344,057	902,331	
Off Balance Sheet					
Name	Related Party	Relationship With The Bank	Receivable N'000	Amount N'000	Classification
EQUATORIAL MARINE OIL AND GAS COMPANY LTD	ABDULMUTALLAB MUHAMMAD HADI	NON-EXECUTIVE DIRECTOR	100,350	100,350	PERFORMING

41 SIGNIFICANT SHAREHOLDING (5% & ABOVE)

	2025 Holdings	%	2024 Holding	%
Alhaji (Dr.) Muhammadu Indimi	13,093,099,656	29.36	13,093,099,656	29.34
Dantata Aminu Alhassan	8,606,126,811	19.30	5,102,981,843	11.44
Dantata Inv. & Sec Ltd	-	-	3,554,663,358	7.97
Alh. (Dr.) Umaru Abdul Mutallab	4,461,382,06	10.01	4,461,382,06	10.01
Althani Investment Ltd	4,096,154,493	9.19	4,096,154,493	9.19
Dangote Industries Ltd	3,053,458,570	6.85	3,053,458,570	6.85
Islamic Development Bank	2,506,666,588	5.62	2,506,666,588	5.62
Balance as at 31 December	35,816,888,184	80.33	35,868,406,574	80.44

42 Insider Trading & Market Abuse Prohibition

The Bank has in place a policy which in general terms prohibits the unauthorized disclosure of any price-sensitive non-public information (Insider Information) acquired in the Bank by its Directors, employees and members of their immediate family and household and the misuse of such information with regard to securities trading. The policy sets standard terms and conditions similar to the standards set out by the Nigerian Stock Exchange on Insider Trading. The Bank ensures that all Directors and Staff are kept informed about the policy as it is periodically circulated to Directors and Staff to serve as a reminder of their obligations under it. Directors, insiders and related parties are therefore prohibited from disposing, selling, buying or transferring their shares in the Bank during a "lock up" period commencing from the date of receipt of such insider information until such a period when the information is released to the public or any other period as defined by the Bank from time to time.

In addition to the above, the Bank commits itself to making necessary disclosures in compliance with Rule 111 of the Securities and Exchange Commission ("SEC") Rules and Regulations which stipulates that Directors and top Management employees and other insiders of public companies shall notify the SEC of any sale or purchase of shares in the Bank, not later than forty-eight (48) hours after such activity.

43 Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to the company's equity holders by the weighted average number of ordinary shares outstanding during the year, excluding any shares repurchased by the company and held as treasury shares..

The calculation of Basic Earnings Per Share (EPS) for the reporting period was based on the profit attributable to ordinary shareholders. Basic earnings per share of 67.63 kobo (2024: 66.38kobo) is based on the profit of N30.16billion (31 December 2024: N23.48billion) attributable to shareholders with ordinary shares of 44,589,410 (2024:44,589,410)

	2025 N'000	2024 N'000
Profit attributable to ordinary shareholders		
Profit for the year	30,156,803	23,484,251
Profit attributable to ordinary shareholders	30,156,803	23,484,251
	2025 In Thousand	2024 In Thousand
Weighted average number of ordinary shares		
Issued ordinary shares at 1 January	44,589,410	44,589,410
Weighted average number of ordinary shares	44,589,410	35,378,525
Basic and diluted earnings per share (Kobo)	67.63 kobo	66.38 kobo

There have been no transactions during the year which caused dilution of the earnings per share.

44 Compensation to Directors and Employees

a Emoluments

Fees:

	2025 N'000	2024 N'000
Chairman	36,000	24,000
Other directors	284,166	146,848
Emolument as executives	448,424	364,717
Highest paid director	245,270	175,018

No. of Directors excluding the Chairman with gross emoluments within the following ranges were:

N	N	Number	Number
5000000 -	10000000	-	-
10000001 -	15000000	10	9
150000001 -	Above	3	3

In line with the provision of S.238 of CAMA 2020, the Remuneration of the managers of the bank for the year ended December 2025.

N	N	Number	Number
Below	2,990,000	4	-
2,990,000	3,990,000	17	9
3,990,000	4,990,000	20	196
4,990,000	5,990,000	137	124
5,990,000	6,990,000	8	82
6,990,000	7,990,000	-	-
7,990,000	8,990,000	-	-
8,990,000	9,990,000	263	69
9,990,000	10,990,000	-	91
10,990,000	15,990,000	46	168
15,990,000	20,990,000	196	12
20,990,000	30,990,000	155	101
30,990,000	40,990,000	45	20
Above	40,990,000	96	6
		987	878

The average number of persons other than directors, in employment at the Bank during the year comprise;

	Number	Number
Managerial	11	7
Senior	135	132
Junior	841	739
	987	878

45 Card issuance and usage in Nigeria

In line with Sec. 11 of the CBN' Circular on the Guidance for issuance and usage of cards in Nigeria, below is the Bank's information on its Card.

31 DECEMBER 2025

S/N	Card Type	Transaction Volume Number	Transaction value N'000
1.	Verve Debit card	13,971,978	276,958,146,948
2.	Visa Dollar	969	147,972
3.	Mastercard Naira	1,715	22,980,691
4.	Mastercard Dollar	285	8,911
5.	AFRIGO Naira	7,467	96,238,388
	Total	13,982,414	276,981,284,522

31 DECEMBER 2024

S/N	Card Type	Transaction Volume Number	Transaction value N'000
1.	Verve Debit card	38,456,123	553,632,484,882
	Total	38,456,123	553,632,484,882

46 Disclosure of customer complaints

In line with CBN circular Ref FPR/DIR/CIR/GEN/01/020, below are the customer complaints data for the year:

Report as at 31st December 2025

S/N	Description	Number		Amount Claimed (Naira) (N'000)		Amount Refunded (Naira) (N'000)		Amount Claimed (Dollar)		Amount Refunded (Dollar)	
		2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
1.	Pending Complaints B/F	207	62	57,735	1,642	-	-	20,000	2,479	-	-
2.	Received Complaints	113,014	116,114	4,978,789	12,767,496	-	-	-	-	-	-
3.	Resolved Complaints	113,159	116,164	4,960,651	12,730,277	4,960,651	12,730,277	(20,000)	(2,479)	-	-
4.	Unresolved Complaints Escalated to CBN for Intervention	-	-	-	-	-	-	-	-	-	-
5.	Unresolved Complaints Pending with the Bank C/F	62	12	1,642	1,667	-	-	-	-	-	-

47 Segment Reporting

The Bank has six reportable segments, as described below, which are the Bank's strategic business units. The strategic business units offer varied products and services and are managed separately based on the Bank's current management and internal reporting structure. For each of the strategic directorates, the Management Committee reviews internal management reports on a monthly basis.

The following summary describes the operations in each of the Bank's reportable segments:

Corporate banking – The operations of the directorate incorporates Customers' current accounts, Customers' unrestricted investment accounts, Risk Assets and facilities, and foreign currency products offered various customers types offered to very large corporate customers and blue chips.

Commercial banking – The operations of the directorate incorporates Customers' current accounts, Customers' unrestricted investment accounts, Risk Assets and facilities, and foreign currency products offered various customers types offered mid-size and fledgling corporate customers.

Retail banking – The operations of the directorate incorporates Customers' current accounts, Customers' unrestricted investment accounts, Risk Assets and facilities, and foreign currency products offered various customers types offered.

Private banking – The Personal segment is responsible for the end-to-end lifecycle of clients. This segmen services individual clients across Nigeria. We enable our clients' daily lives by providing relevant solutions throughout their life journeys. It also incorporates Customers' current accounts, Customers' unrestricted investment accounts, Risk Assets and facilities, and foreign currency products.

SME banking – The operations of the directorate incorporates Customers' current accounts, Customers' unrestricted investment accounts, Risk Assets and facilities, and foreign currency products offered products for small and medium-size enterprises and ventures.

Public Sector – The operations of the directorate incorporates Customers' current accounts, Customers' unrestricted investment accounts, Risk Assets and facilities, and foreign currency products offered products for Government Ministries, Departments and Agencies.

We have ensure that our customers benefit from our in-depth sector and regional expertise, specialized capabilities, and access to global markets with our wide range of corresponding Banking relationship. This allows us to provide comprehensive support in areas such as advisory services, transactional assistance, trading, and funding. We leverage our deep understanding of various industries and markets to offer tailored solutions that meet the unique needs of each client, helping them navigate complex financial landscapes and achieve their business objectives.

The results of each segment that needs to be reported are detailed below. Segment profit before income tax, as reported in internal management reports that are examined by the Management Committee, is the basis for measuring performance.

Since segment profit is considered the most pertinent data when comparing the performance of individual segments to other businesses operating in the same industries, management uses it as a means of gauging performance. Arm's length analysis is used to determine inter-segment pricing. Not a single external client makes up more than 10% of the Bank's total income.

Management monitors the operating results of the operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects is measured differently from operating profit or loss in the financial statements .There have been no changes from prior periods in the measurement methods used to determine reported segment profit or loss

31st December 2025

	Bank N'000	HeadOffice N'000	Retail Banking N'000	Small and Medium Enterprises N'000	Commerical Banking N'000	Private Banking N'000	Corporate banking N'000	Public Sector N'000
Net Income derived from external customers	97,366,652	13,576,233	30,298,555	14,035,774	21,336,597	1,289,756	7,214,998	9,614,739
Total	97,366,652	13,576,233	30,298,555	14,035,774	21,336,597	1,289,756	7,214,998	9,614,739
Return to equity investment accountholder	(26,862,221)	(7,257,667)	(10,721,507)	(3,722,162)	(3,260,213)	(937,145)	(514,967)	(448,558)
Bank's share as equity investor/ mudarib	70,504,431	6,318,566	19,577,048	10,313,612	18,076,384	352,610	6,700,031	9,166,181
Fees and commission	4,058,626	2,436,713	803,837	333,112	353,943	127,053	3,593	375
Total Expense	(43,315,967)	(9,708,723)	(17,056,794)	(8,070,811)	(5,899,849)	(375,351)	(1,306,183)	(899,257)
Profit before Tax	31,247,090	(953,444)	3,324,091	2,575,913	12,530,478	105,313	5,397,441	8,267,299
Income tax credit/expense	(1,090,287)	(1,090,287)	-	-	-	-	-	-
Profit for the year	30,156,803	(2,043,731)	3,324,091	2,575,912	12,530,478	105,313	5,397,441	8,267,299
Reportable Segment Assets	799,115,035	536,514,486	43,961,322	31,466,736	127,404,949	318,026	56,105,755	3,343,761
Reportable Segment Liabilities	724,052,808	-	126,631,966	97,607,821	153,360,133	10,812,975	28,009,976	307,629,936
Reportable Segment customers' investment account	394,277,738	-	235,422,133	80,069,747	70,554,714	7,501,195	185,545	544,405

31st DECEMBER 2024

	Bank N'000	HeadOffice N'000	Retail Banking N'000	Small and Medium Enterprises N'000	Commerical Banking N'000	Private Banking N'000	Corporate banking N'000	Public Sector N'000
Net Income derived from external customers	76,574,396	13,864,580	24,921,820	10,345,447	14,144,307	722,428	10,765,354	1,810,460
Total	76,574,396	13,864,580	24,921,820	10,345,447	14,144,307	722,428	10,765,354	1,810,460
Return to equity investment accountholder	(21,285,829)	(1,930,354)	(9,513,544)	(3,348,588)	(3,136,876)	(346,529)	(2,451,638)	(558,298)
Bank's share as equity investor/ mudarib	55,288,567	11,934,225	15,408,276	6,996,859	11,007,431	375,899	8,313,716	1,252,161
Fees and commission	6,466,757	5,425,666	537,045	200,407	83,954	63,895	155,595	194
Total Expense	(37,310,450)	(19,394,643)	(9,363,849)	(3,828,288)	(2,689,957)	(183,107)	(1,678,759)	(171,846)
Profit Before Tax	24,444,875	(2,034,751)	6,581,472	3,368,978	8,401,428	256,687	6,790,552	1,080,510
Income tax credit/expense	(960,624)	(960,624)	-	-	-	-	-	-
Profit for the year	23,484,251	(2,995,375)	6,581,472	3,368,978	8,401,428	256,687	6,790,552	1,080,510
Reportable Segment Assets	671,280,652	387,102,261	43,699,321	30,376,894	109,316,089	533,699	100,744,877	94,984
Reportable Segment Liabilities	493,599,402	-	103,363,287	96,210,691	117,681,593	11,693,748	40,406,708	124,243,376
Reportable Segment customers' investment account	411,188,555	-	193,165,446	45,516,071	56,597,953	8,572,435	41,777,445	65,466,164

48 Capital Adequacy Ratio

The Central Bank of Nigeria (CBN) specifies the regulations for Capital Adequacy Ratio where Banks are required to maintain a minimum regulatory capital adequacy ratio (CAR) of 10%/15% on an on-going basis.

The Banks with national/regional authorisation are required to maintain minimum CAR of 10% at all times while those with international authorisation are required to maintain minimum CAR of 15 per cent at all times. Jaiz Bank PLC is a national bank where the 10% rule is applicable.

The Central Bank of Nigeria (CBN) will take into account the relevant risk factors and the internal capital adequacy assessments of each bank to ensure that the capital held by a bank is commensurate with the bank's overall risk profile. This would include, among others, the effectiveness of the bank's risk management systems in identifying, assessing / measuring, monitoring and managing various risks including interest rate risk in the banking book, liquidity risk, concentration risk and residual risk.

Accordingly, CBN will consider prescribing a higher level of minimum capital ratio for each bank under the Pillar 2 framework on the basis of their respective risk profiles and their risk management systems.

Furthermore, in terms of the Pillar 2 requirements of the capital adequacy framework, banks are expected to operate at a level well above the minimum requirement.

A bank shall compute its regulatory capital adequacy ratio in the following manner:

$$\text{Regulatory CAR} = \frac{\text{Qualifying Capital}}{(\text{Credit Risk Weighted Assets} + \text{Market Risk Weighted Assets} + \text{Operational Risk Weighted Assets})}$$

The Bank throughout the year, operated above its targeted CAR range, over the CBN mandated regulatory minimum of 10% for Domestic National Institution. As at Dec 31, 2025, the Bank's capital adequacy ratio was 26.89% (December 31, 2024- 23.87%).

The following table shows the composition of regulatory capital and risk weighted assets for the Bank :

The Bank presents details of its regulatory capital resources in line with the Central Bank of Nigeria's guidance on Pillar I capital requirements.

	2025 N'000	2024 N'000
Tier 1 capital		
Share capital	22,294,705	22,294,705
Share premium	6,372,565	6,372,565
Retained earnings	28,804,309	15,692,261
Statutory reserves	24,804,326	15,757,285
Other reserves	4,137,222	2,629,382
Total	86,413,126	62,746,198
Less: Deferred tax assets	2,805,150	2,927,243
Intangible assets	615,191	673,262
Total qualifying Tier 1 capital	82,992,785	59,145,693
Tier 2 capital		
Qualifying other reserves		
Other comprehensive income	112,313	112,313
Total qualifying Tier 2 capital (100% of qualifying Tier 1 capital)	112,313	112,313
Total qualifying capital	83,105,098	59,258,006
Risk - weighted assets:		
Credit risk	121,768,216	119,407,197
Operational risk	105,084,704	72,540,319
Market risk	82,240,170	56,316,482
Total risk- weighted assets	309,093,090	248,263,998
Risk-weighted capital adequacy ratio	26.89%	23.87%

49 Contingencies and commitments

(i) Litigation and claims

In the ordinary course of business, the Bank is involved in a number of legal proceedings. As at 31 December 2025, the Bank was a defendant in 40 cases (31 December 2024: 36 cases) and a plaintiff in 16 cases (31 December 2024: 16 cases). The total amount claimed against the Bank in the defendant cases is estimated at N10.591 billion (31 December 2024: N3.995 billion) while the total amount claimed in cases instituted by the Bank amounts to N2.405 billion (31 December 2024: N3.406 billion). Based on legal advice received, management is of the opinion that the probable liability arising from the pending cases against the Bank is not likely to exceed N100 million (31 December 2024: N80 million).

(ii) Other contingent liabilities

In the course of business, the Bank enters into various types of transactions that involves several undertakings acceptances, performance bonds and indemnities. The majority of these facilities are offset by corresponding obligations of third parties.

Contingent liabilities and commitments comprise letter of credit, guarantees and undrawn financial commitments.

	2025 N'000	2024 N'000
Advanced payment guarantees	11,537,608	16,516,750
Letter of credit	58,899,415	101,082,488
Bonds and guarantees	9,907,237	13,509,553
Wakala guarantees	1,450,000	2,169,274
Balance as at 31 December	81,794,260	133,278,065
Current	81,794,260	26,814,969
Non - Current	-	106,463,096
Total	81,794,260	133,278,065

(iii) Capital commitments

There were no capital commitments at the end of the reporting period of 31 December 2025

(iv) Guarantees and other financial commitments

The Directors are of the opinion that all known liabilities and commitments which are relevant in assessing the company's financial position, financial performance and cash flows have been taken into account in the preparation of these financial statements

50 Contraventions

Contraventions of the Banks and Other Financial Institutions Act of Nigeria and CBN circulars

31 December 2025

In 2025 financial year, Below are the penalties paid by the Bank;

S/N	Regulatory Body	Description	Amount
1.	Central Bank of Nigeria	Contravention of Regulation 8(h) of the CBN AML/CFT/CPF Regulation 2022	75,000,000
2.	Central Bank of Nigeria	Contravention of Regulation 29(3) of the CBN AML/CFT/CPF Regulations 2022	81,000,000
3.	Central Bank of Nigeria	Contravention of Regulation 17(2)(e) of the CBN CDD Regulations 2023	131,000,000
4.	Central Bank of Nigeria	Contravention of Section 4.2 of the CBN Guildlines on Targeted Financial Sanctions (TFS) for Terrorism and Terrorisim Financing 2022	75,000,000
5.	Central Bank of Nigeria	Contravention of Regulation 34 (4) (c) of the CBN CDD Regulations 2023	131,000,000
6.	Central Bank of Nigeria	Contravention of Regulation for delayed payment - Section 50 of BOFIA, 2020	2,000,000
7.	Central Bank of Nigeria	Contravention of Section 19(5) of Bank and Other Financial Institution Act 2020	20,000,000
8.	NIGERIA EXCHANGE GROUP	Contravention of the Provisions of rule 1.1.5 : rules of filing of accounts and treatment of Default Filing of Nigeria exchange ltd;(93 days after regulatory due date)	9,600,000
9.	NIGERIA EXCHANGE GROUP	Penalty sum for late filing of the 2025 , Q1 UFS Sixty-Three Days after regulatory due date	6,300,000

31st December 2024

In 2024 financial year, Below are the penalties paid by the Bank;

S/N	Regulatory Body	Description	Amount
1.	Central Bank of Nigeria	Memorandum 8 (1) of the FX Manual and CBN circular referenced FMD/DIR/CIR/GEN/08/003	4,000,000
2.	Central Bank of Nigeria	Memorandum 5, section 3(a) (i & ii) of the CBN FX Manual and CBN circular referenced FMD/DIR/CIR/GEN/08/008	2,000,000
3.	Central Bank of Nigeria	CBN circular with reference number BSD/LDIRE/GEN/LAB/06/025	2,000,000
4.	Central Bank of Nigeria	Section 95(g) of the Bank and Other Financial Institutions Act (BOFIA) 2020	10,000,000
5.	Central Bank of Nigeria	Section 8(l) of CBN Guidelines on Governance of Advisory Committees of Expert for NIFI in Nigeria	2,000,000
6.	Central Bank of Nigeria	Contravention of Section 1.5(g) of the CBN Guidelines on Operations of Electronic Payment Channels in Nigeria	5,000,000
7.	Central Bank of Nigeria	Contravention of Section 29(5) of BOFIA 2020	20,000,000

51. Proposed Dividends

The Board of Directors proposed Final Dividend of 11 kobo (Eleven kobo only) per ordinary share of 50 Kobo (2024: 7Kobo) on the 44,589,410,331 issued ordinary shares of 50k each payable to shareholders on the register of shareholding at the closure date. Withholding Tax will be deducted at the time of payment.

52. Employee benefit plans

	2025 N'000	2024 N'000
Opening defined contribution obligation	20,377	84,046
Charge for the year	1,027,171	803,017
Payment to fund administrator	1,047,548	866,686
Balance as at 31 December	-	20,377

A defined contribution plan is a pension plan under which the Bank pays contributions at a fixed rate. The Bank does not have any legal obligation to pay further contributions over and above the fixed rate as determined by the Pension Act, 2004 as amended. The total expense charged to income for the year was **N1.03 billion (2024: N803 million)**.

53. Restatements

There were no significant events requiring restatements during the reporting period which could have had a material effect on the financial position of the Bank as at 31 December 2025 and on the profit or loss and other comprehensive income for the year then ended.

54. Provision of non-audit services

There was no services conducted during this year.

55. Whistle Blowing

The Bank complied with the provisions of CBN circular FPR/DIR/CIR/GEN/01/004, Code of Corporate Governance for Banks and Discount Houses in Nigeria and Guidelines for Whistle Blowing in Nigeria Banking Industry, for the year ended 31 December 2025.

56. Gender Diversity

Our commitment to gender diversity and inclusion is constantly upheld. We recognises the importance of maintaining and increasing the diversity of our workforce. Our people and culture are crucial to the success of our business.

31 December 2025

	Men	Women	Total
Board Members	10	3	13
Management staff (AGM & Above)	9	2	11
Total	19	5	24

31 December 2024

	Men	Women	Total
Board Members	7	2	9
Management staff (AGM & Above)	6	1	7
Total	13	3	16

57. Professional valuers

The professional valuers engaged for the preparation of the valuation reports are;

S/N	Valuers	FRC No.
1.	DIYA FATIMILEHIN & CO.	FRC/2023/COY/098756
2.	KNIGHT FRANK.	FRC/2013/000000000584
3.	UBOSI ELAH & CO.	FRC/2024/00000003997
4.	JIDE TAIWO & CO..	FRC/2012/00000000254
5.	TUNJI ADENIYI & CO.	FRC/2014/NIESV/00000007786
6.	OYENTUNJI & OYETUNJI PARTNERSHIP	FRC/2013/NIESV/00000003658
7.	ADEMOLA LAWAL & PARTNERS	FRC/20214/NIESV/00000008752
8.	ROTIMI OLU & CO	FRC/2014/NIESV/00000010437
9.	AMINU & PARTNERS	FRC/2014/NIESV/00000006763
10.	OLADEIDE OLAJIDE ASSOCIATE	FRC/2022/PRO/DIR/003/812817
11.	AUDU & PARTNERS	FRC/2016/00000007226
12.	BELLO & CO	FRC/2022/003/00000020429
13.	MOHAMMED & CO	FRC/2015/00000005966
14.	MUHTARI MADOBI PARTNERSHIP	FRC/2022/002/00000021063
15.	GARBA KIBIYA & CO	FRC/2013/NIESV/00000004267

58. Events after the reporting date

There were no events after the reporting date that could have material effect on the financial condition of the Bank as at 31 December 2025 and the profit and other comprehensive income for the year ended which have not been adjusted or disclosed.



Other National Disclosures

VALUE ADDED STATEMENT

	31 December 2025		31 December 2024	
	N'000	%	N'000	%
Gross Earnings	102,812,858		82,874,821	-
Return on Equity of Investment Account Holders	(26,862,221)	-	(21,285,829)	-
	75,950,637		61,588,992	
Impairment Charges against non-performing Financing and Investment	(1,387,580)	-	166,333	-
	74,563,058		61,755,324	
Bought in goods and services	(22,825,632)	-	(21,716,533)	-
Value Added	51,737,425	100	40,038,791	100
Distribution				
Employees				
Salaries and other benefits	18,187,035	35	13,759,018	51
Government				
Taxation	1,090,287	2	960,624	2
Retained in the Bank				
Re-invested in non-current asset & development of operation	2,303,300	4	1,834,898	7
To pay proposed dividend	-	-	-	-
Profit for the year (inclusive of all Statutory reserves)	30,156,803	58	23,484,251	43
Total Value Added	51,737,425	100	40,038,791	100

Value added statement reports shows the activities of stakeholders in the Bank. This shows the total wealth which the Bank has created by its own and employees efforts. It takes into account the distributions and reinvestment in the Bank for the replacement of assets and development of operations

5 YEAR FINANCIAL SUMMARY

	NOTE	2025 N'000	2024 N'000	2023 N'000	2022 N'000	2021 N'000
Assets						
Cash and balances with Central Bank of Nigeria	3	214,539,910	238,764,980	173,369,051	92,983,775	48,113,817
Due from banks and other financial institutions	4b	174,568,423	142,401,137	31,048,883	24,098,813	21,680,400
Investment in Sukuk	5a	490,565,445	349,556,203	152,204,830	75,654,990	63,473,239
Interbank Mudarabah Placement	6	50,117,123	48,130,103	5,010,788	-	-
Financing Assets(net)	7	246,768,800	215,254,217	172,634,716	136,976,580	113,287,760
Inventory Financing(net)	8	61,780,790	58,340,129	27,479,555	36,602,296	20,767,542
Other assets	12	17,847,396	4,425,640	3,293,998	2,281,815	3,445,684
Property and Equipment (net)	9	27,674,625	20,165,312	11,987,164	8,803,174	6,642,247
Leasehold improvement (net)	10	57,830	108,756	59,139	45,878	41,462
Intangible assets (net)	11	615,191	673,262	599,963	624,673	574,840
Deferred tax asset	13c	2,805,150	2,927,243	2,442,970	1,747,460	1,248,588
Total assets		1,287,340,682	1,080,746,982	580,131,057	379,819,454	279,275,579
Liabilities						
Customer current deposits	14	724,052,808	493,599,402	224,463,962	140,814,965	111,559,434
Customers' unrestricted investment accounts	15	394,277,738	411,188,555	242,107,237	150,642,667	97,529,175
Onward financing	16	22,332,405	28,999,627	41,432,500	32,784,097	31,536,491
Other liabilities	17	47,028,212	73,900,759	32,207,117	25,374,270	13,724,373
Tax payable	13d	1,148,207	1,592,872	605,315	398,656	620,938
Total liabilities		1,188,839,372	1,009,281,215	540,816,131	350,014,655	254,970,411
Total Deposits		1,118,330,547	904,787,957	466,571,199	291,457,632	209,088,609
Owners' equity						
Share capital	18	22,294,705	22,294,705	17,270,586	17,270,586	17,270,586
Share premium	19	6,372,565	6,372,565	1,348,446	1,348,447	1,348,447
Retained earnings	20	28,804,309	15,692,261	5,408,868	2,284,961	2,284,961
Risk regulatory reserve	21	11,975,872	8,607,256	5,007,534	2,554,328	2,554,328
Statutory reserve	22	24,804,326	15,757,285	8,712,010	5,340,854	5,340,854
Other reserves	23	4,249,534	2,741,694	1,567,482	1,005,623	1,005,623
Total Equity		98,501,311	71,465,767	39,314,925	29,804,799	24,305,168
Total Equity and Liabilities		1,287,340,682	1,080,746,982	580,131,057	379,819,454	279,275,579

5 YEAR FINANCIAL SUMMARY

		2025 N'000	2024 N'000	2023 N'000	2022 N'000	2021 N'000
Income						
income from Financial Contracts	24	42,057,567	32,042,048	27,356,767	21,588,665	15,205,240
Income from Investment Activities	25	56,696,664	44,366,015	17,158,663	9,861,802	8,972,187
Gross Income from financing transactions		98,754,231	76,408,063	44,515,430	31,450,467	24,177,427
Impairment charged	39 (c)	(1,387,579)	166,333	(4,320,033)	(3,888,913)	(3,720,926)
Bank's share as a Mudarib/Equity investor		97,366,652	76,574,396	40,195,397	27,561,554	20,556,501
Return on Equity of Investment Account Holders	28 (a)	(26,862,221)	(21,285,829)	(11,100,025)	(6,905,436)	(4,939,957)
Net Spread after Provision		70,504,432	55,288,567	29,095,372	20,656,119	15,516,544
Fee and commission(Net)	29b	3,281,945	5,473,032	2,335,047	1,638,830	1,108,774
		73,786,376	60,761,599	31,430,419	22,294,949	16,625,318
Other Income						
Other Operating Income	30	1,003,077	849,626	327,738	340,086	557,162
Unrealised exchange loss		(226,395)	144,099	58,992	(142,998)	(214,728)
Total Income		74,563,058	61,755,324	31,817,150	22,492,036	16,967,752
Expenses:						
Staff costs	32	18,187,035	13,759,018	9,258,140	8,100,245	7,238,222
Depreciation and Amortisation	33	2,303,300	1,834,898	1,389,296	1,631,594	781,980
Other Operating Expenses	34 (i)	22,825,632	21,716,533	10,116,118	6,127,463	4,789,475
Total Expenses		43,315,967	37,310,450	20,763,554	15,859,302	12,809,677
Operating profit/(loss) before tax		31,247,090	24,444,875	11,053,596	6,632,734	4,158,075
Income tax expenses	13a	(1,040,287)	(960,624)	183,592	248,542	(73,575)
Windfall Levy		(50,000)	-	-	-	-
Profit/(loss) for the year after tax		30,156,803	23,484,251	11,237,188	6,881,276	4,084,500
Other Comprehensive Income						
Item that may be reclassified to profit or loss		-	-	-	-	-
Net gain on gifted property		-	-	-	-	-
Foreign currency translation difference		-	-	-	-	-
Total comprehensive income for the year		30,156,803	23,484,251	11,237,188	6,881,276	4,084,500
Basic and diluted Earning per share (Kobo)		67.63 kobo	66.38 kobo	32.53 kobo	19.92 kobo	13.8 kobo

