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FCMB Group Plc FY 2025: From Capital Raise to Earnings Acceleration as Profit After Tax Grew by 141.72%.

The Analyst™ Note.

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FCMB Group Plc delivered its most consequential earnings result in recent history for FY 2025, with profit after tax rising by 141.71% to N177.27bn. Gross revenue crossed N1.13trn, driven by a 61.68% rise in interest income, the first time FCMB has exceeded the N1.00trn interest income threshold. The performance was underpinned by the group's N147.5bn public offer completed in 2024, whose proceeds were deployed into investment securities and earning assets, directly fuelling a more-than-doubling of net interest income to N505.91bn. The cost-to-income ratio also improved to 53.75% from 59.90%, confirming positive operating leverage.

Balance sheet and capital metrics reinforced the earnings story, though asset quality remains a watch point. Total assets grew to N7.63trn, shareholders' equity expanded to N836.41bn, and the CASA ratio strengthened to 65.41% in FY 2025 from 57.48% in FY 2024, reflecting a strategic repricing of the deposit base away from costly term funding. Return on average equity nearly doubled to 23.24%. However, the NPL ratio of 5.09%, while improved from 5.95% in FY 2024, remains marginally above the CBN's 5.0% prudential ceiling, and impairment charges rose 98.12% to N81.71bn, signalling that credit cycle management remains an active execution priority.

At a current share price of N12.00 as of June 9, 2026, FCMB trades at approximately 0.69x book value and a P/E of 3.01x, a valuation discount that may not fully reflect the structural improvements now evident in the financials. The dividend per share declined to N0.35 from N0.55 as a result of the increased number of shares following the 2025 public offer and non-payment of interim dividend from the banking subsidiary to the holding company. Looking into 2026, management's key priorities include returning the NPL ratio below 5.0%, growing the loan book by 10-15%, rebuilding non-interest income toward the N130-150bn range, and pushing the cost-to-income ratio below 50%, all of which will determine whether FY 2025's earnings inflection translates into sustained shareholder value.

1. Executive Summary

FCMB Group Plc's FY 2025 audited results represent the most consequential earnings outturn in the group's recent history. The performance confirms that the N147.5bn raised through its 2024 public offer, which was 33% oversubscribed and priced at N7.30 per share, has begun translating into measurable income and capital productivity gains. The group's gross revenue increased by 42.46% to N1.13trn in FY 2025, up from N794.43bn in FY 2024, driven by a 61.68% rise in interest income to N1.01trn. Net interest income more than doubled to N505.91bn from N225.30bn, reflecting a structural widening of spreads, with the benefit of asset repricing in a high-rate environment combined with the deployment of the capital injection into earning assets as well as paydown of expensive deposits.

Non-interest income declined to N105.20bn from N157.12bn in FY 2024, primarily due to a N12.12bn loss on other gains, compared with a N39.56bn gain in FY 2024, and lower trading income. This swing in non-interest income merits monitoring, but it did not derail overall profitability, given the scale of the expansion in net interest income. Operating expenses rose by 43.41% to N328.49bn, maintaining the cost-to-income ratio at 53.75% versus 59.90% in FY 2024, an improvement reflecting operating leverage at work. Impairment charges more than doubled to N81.71bn from N41.24bn, reflecting a more conservative provisioning posture and the application of rigorous credit cycle management.

Profit before tax reached N202.10bn, and after a reduced effective tax rate of 12.29% versus 34.46% in FY 2024 (reflecting the end of the windfall tax regime), profit after tax settled at N177.27bn. The balance sheet expanded moderately to N7.63trn from N7.05trn in FY 2024. The loan book remained flat in nominal terms at N2.37trn (net), reflecting prudent credit deployment amid elevated provisioning and client paydowns. Shareholders' equity grew to N836.41bn from N688.98bn, reinforcing the capital base for future growth (*see table 1*).

Table 1:

KEY FINANCIAL HIGHLIGHTS - FY 2025 VS FY 2024

Metric	FY 2024	FY 2025	Change (%)
Gross Revenue (N'bn)	794.43	1,131.77	**42.46%**
Interest Income (N'bn)	621.80	1,005.33	**61.68%**
Net Interest Income (N'bn)	225.30	505.91	**124.55%**
Non-Interest Income (N'bn)	157.12	105.20	**-33.04%**
Operating Income (N'bn)	382.42	611.11	**59.80%**
Impairment Charges (N'bn)	41.24	81.71	**98.12%**
Operating Expenses (N'bn)	229.06	328.49	**43.41%**
Profit Before Tax (N'bn)	111.90	202.10	**80.62%**
Profit After Tax (N'bn)	73.34	177.27	**141.72%**
Total Assets (N'bn)	7,054.17	7,630.99	**8.18%**
Customer Deposits (N'bn)	4,296.49	4,418.52	**2.84%**
Net Loans (N'bn)	2,357.30	2,365.69	**0.36%**
Shareholders' Equity (N'bn)	688.98	836.41	**21.40%**
EPS (N)	2.38	3.99	**67.96%**
DPS (N)	0.55	0.35	**-36.36%**

Sources: FCMB FY 2025 Audited Financial Statements; Proshare Research

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2. Financial Performance Review

2.1 Revenue Analysis

Gross revenue of N1.13trn in FY 2025 represents a 42.46% expansion over the N794.43bn reported in FY 2024. This growth was driven by interest income, which increased by 61.68% to N1.01trn (the first time FCMB has crossed the N1trn threshold in interest income). The composition of interest income is instructive: loans and advances contributed N611.63bn (up from N433.21bn), investment securities at amortised cost contributed N148.90bn (up from N109.75bn), investment securities at FVOCI contributed N99.46bn (up from N66.04bn), and cash and cash equivalents contributed N145.33bn (up from N12.80bn), reflecting the deployment of capital raise proceeds into short-term earning assets during the year.

Non-interest income declined to N105.20bn in FY 2025 from N157.12bn in FY 2024. Trading income fell to N37.79bn from N53.79bn, while other gains swung to a loss driven by currency revaluation losses. Net fees and commission income grew by 30.36% to N76.65bn from N58.80bn, demonstrating resilience in the fee franchise (*see table 2*).

Table 2:

INCOME STATEMENT SUMMARY

LINE ITEM	FY 2024 (N'bn)	FY 2025 (N'bn)	Change (%)
Interest Income	621.80	1,005.33	**61.68%**
Interest Expense	396.50	499.42	**25.96%**
Net Interest Income	225.30	505.91	**124.55%**
Fee & Commission Income	74.31	97.89	**31.74%**
Fee & Commission Expense	15.51	21.24	**36.95%**
Net Fee & Commission Income	58.80	76.65	**30.37%**
Trading Income	53.79	37.79	**-29.74%**
Total Non-Interest Income	157.12	105.20	**-33.04%**
Operating Income	382.42	611.11	**59.80%**
Impairment Charges	-41.24	-81.71	**98.12%**
Personnel Expenses	-79.30	-107.18	**35.16%**
Total Operating Expenses	-229.06	-328.49	**43.41%**
Operating Profit	112.12	200.91	**79.20%**
Profit Before Tax	111.90	202.10	**80.62%**
Total Tax	-38.56	-24.83	**-35.60%**
Profit After Tax	73.34	177.27	**141.72%**

Sources: *FCMB FY 2025 Audited Financial Statements; Proshare Research compilation.*

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2.2 Operating Expense Review

Total operating expenses rose by 43.41% to N328.49bn in FY 2025. Personnel expenses increased 35.16% to N107.18bn, reflecting the cost of a growing workforce and the inflationary pass-through inherent in a naira-denominated labour market experiencing real wage adjustments. General and administrative expenses grew by 54.60% to N135.34bn, driven by investments in technology, infrastructure, and regulatory compliance. Other operating expenses rose 42.04% to N68.65bn.

Despite the absolute increase in costs, the cost-to-income ratio improved to 53.75% from 59.90% in FY 2024. This improvement demonstrates positive operating leverage (revenue grew faster than costs) and represents a step toward the 50% CIR efficiency target that institutional investors typically associate with sustainable banking franchise value.

2.3 Profitability Review

Profit after tax of N177.27bn represents one of the most significant absolute earnings outturns in FCMB's corporate history. The PAT trajectory reflects both cyclical tailwinds (NIM expansion from the rate environment) and structural improvements (capital-raising impact, cost discipline, tax normalisation). The effective tax rate of 12.29% in FY 2025 compares to 34.46% in FY 2024, the latter elevated by the one-off windfall tax of N17.67bn and minimum tax of N3.29bn. The reduction in the effective tax rate contributed approximately N26bn in additional retained earnings relative to FY 2024 effective tax rates.

Return on average equity improved to 23.24% in FY 2025 from 12.74% in FY 2024 and return on average assets improved to 2.41% from 1.28%, both confirming that capital is being deployed at improving rates of return (*See Table 3*).

Table 3:

PROFITABILITY METRICS

Metric	FY 2024	FY 2025
Return on Average Equity (%)	12.74%	23.24%
Return on Average Assets (%)	1.28%	2.41%
Net Interest Margin (%)	6.30%	9.50%
Net Profit Margin (%)	9.23%	15.66%
Cost-to-Income Ratio (%)	59.90%	53.75%
Effective Tax Rate (%)	34.46%	12.29%
Cost of Fund (%)	8.30%	8.00%
Earnings Per Share (N)	2.38	3.99

Sources: *FCMB FY 2025 Audited Financial Statements; Proshare Research compilation.* **Proshare.**

3. Balance Sheet Assessment

3.1 Asset Growth Analysis

Total assets grew by 8.18% to N7.63trn from N7.05trn in FY 2024. Growth was concentrated in higher-yielding asset categories. Cash and cash equivalents increased by 63.31% to N1.30trn, consistent with a growing deposit base, and the liquidity management strategy post-capital raise. Investment securities grew 71.15% to N2.04trn, indicating redeployment of liquidity into government instruments and fixed-income assets, which contributed to the step-change in interest income from the securities portfolio. Assets pledged as collateral fell from N401.70bn to N104.90bn, and restricted reserve deposits declined from N1.44trn to N1.20trn, suggesting some normalisation of collateral positions.

The loan book (gross) remained relatively flat at N2.48trn, compared with N2.49trn in FY 2024, reflecting selective and prudent credit deployment as provisions were strengthened as well as client paydowns. This intentional restraint in loan growth, combined with the expansion of the securities portfolio, signals a deliberate asset allocation strategy prioritising balance sheet quality and liquid, risk-adjusted returns.

3.2 Deposit Franchise Analysis

Customers' deposits grew by 2.84% to N4.42trn from N4.30trn in FY 2024. The composition shift is strategically significant: the CASA ratio (current accounts + savings) improved to 65.41% from 57.48% in FY 2024, driven by an increase in savings deposits from N1.04trn in FY 2024 to N1.32trn in FY 2025, and current deposits expanded from N1.43trn in FY 2024 to N1.57trn in FY 2025. Term deposits declined from N1.83trn to N1.53trn, indicating success in repricing liabilities away from high-cost term funding.

The retail deposit franchise remains larger than the corporate franchise, with retail deposits of N2.87trn versus N1.55trn in corporate deposits. The growth in corporate current accounts to N1.05trn from N730bn is notable and may reflect deepening relationships with transactional corporates, a segment with positive fee-income implications (*see table 4*)

Table 4:

BALANCE SHEET SUMMARY

Item	FY 2024 (N'bn)	FY 2025 (N'bn)	Change (%)
Cash & CBN Balances	795.39	1,298.92	**63.31%**
Trading Assets	319.11	439.72	**37.80%**
Investment Securities	1,189.41	2,035.65	**71.15%**
Net Loans & Advances	2,357.30	2,365.69	**0.36%**
Restricted Reserve Deposits	1,441.47	1,198.15	**-16.88%**
Other Assets	446.07	68.58	**-84.63%**
Total Assets	7,054.17	7,630.99	**8.18%**
Deposits from Banks	834.89	1,010.36	**21.02%**
Deposits from Customers	4,296.49	4,418.52	**2.84%**
Borrowings	359.86	365.57	**1.59%**
Debt Securities Issued	199.08	121.58	**-38.93%**
Other Liabilities	411.41	509.24	**23.78%**
Total Liabilities	6,365.18	6,794.58	**6.75%**
Reetained Earnings	188.44	223.51	**18.61%**
Shareholders' Equity	688.98	836.41	**21.40%**

Sources: *FCMB FY 2025 Audited Financial Statements; Proshare Research* **Proshare.**

3.3 Liquidity Position

The group's liquidity position strengthened in FY 2025. Net cash from operating activities increased dramatically to N1.68trn from N420.37bn in FY 2024, a fourfold expansion, driven primarily by working capital improvements, notably an increase in the reversal of restricted reserve deposits and higher interest receipts of N972.90bn, up from N710.30bn in FY 2024. The loan-to-deposit ratio declined to 53.54% in FY 2025 from 54.87% in FY 2024, indicating ample lending headroom relative to the deposit base. The loan-to-asset ratio also declined to 31.0% from 33.4%, underscoring the shift toward securities-led growth in earning assets.

4. Asset Quality Review

4.1 NPL Analysis

The NPL ratio improved to 5.09% in FY 2025 from 5.95% in FY 2024. In absolute terms, Stage 3 loans (non-performing) declined from N147.98bn to N125.95bn, a reduction of N22.03bn, against a gross loan book of N2.48trn. This improvement is encouraging, but the NPL ratio remains above the CBN's 5.0% prudential maximum, which requires continued management attention.

4.2 Cost of Risk and Coverage

Impairment charges on financial assets increased 98.13% to N81.71bn in FY 2025 from N41.24bn in FY 2024. The cost of risk rose to 3.29% in FY 2025 from 1.66% in FY 2024, reflecting both stronger provisioning discipline and the credit-cycle implications of a challenging macroeconomic environment. NPL coverage improved to 87.16% in FY 2025 from 86.35% in FY 2024, a constructive development that strengthens the balance sheet against deterioration. The elevated provisioning also partly explains the divergence between operating profit growth (79.19%) and PAT growth (141.71%), the latter additionally assisted by tax normalisation (*See Table 5*).

Table 5:

ASSET QUALITY METRICS

Metric	FY 2024	FY 2025	CBN Benchmark
Gross Loans (N'bn)	2,485.08	2,475.47	N/A
Stage 3 Loans / NPLs (N'bn)	147.98	125.95	N/A
NPL Ratio (%)	5.95%	5.09%	≤5.00%
NPL Coverage Ratio (%)	86.35%	87.16%	N/A
Cost of Risk (%)	1.66%	3.29%	N/A
Loan-to-Deposit Ratio (%)	54.87%	53.54%	≥50.00%
Loan-to-Asset Ratio (%)	33.42%	31.00%	N/A

Sources: *FCMB FY 2025 Audited Financial Statements; CBN Prudential Guidelines. Proshare Research Computation* **Proshare.**

5. Capital Position Review

5.1 Capital Adequacy

FCMB's Capital Adequacy Ratio (CAR) remained at 18.01% in FY 2025, up from 17.99% in FY 2024, comfortably above the CBN's minimum requirement (post the additional capital raised in 2025, CAR grew to 26.95% as at March 2026). This near-stasis in CAR, despite strong earnings growth, reflects the concurrent expansion of risk-weighted assets (RWAs), which increased from N3.47trn in FY 2024 to N3.78trn in FY 2025. The structure of RWA growth is notable: credit risk RWAs grew modestly from N3.05trn to N3.11trn, while market risk RWAs increased from N386.70bn to N581.96bn and operational risk RWAs rose from N36.39bn to N96.34bn, reflecting the expanding scale and complexity of operations.

Tier 1 capital grew to N542.78bn in FY 2025 from N468.70bn in FY 2024, and Total Regulatory Capital reached N681.45bn in FY 2025 from N624.93bn in FY 2024. The Additional Tier 1 (AT1) capital of N46.69bn provides further cushion under the Basel III framework requirements. The AT1 coupon outflow was N7.47bn in FY 2025.

5.2 Capital Raise Impact Assessment

The N147.5bn public offer, completed in 2024 at N7.30 per share and 33% oversubscribed, has materially reoriented FCMB's earnings profile. This share count increase includes the 2025 public offer. The N147.5bn public offer, completed in 2024 saw share count grow from 19.80 billion to 39.61 billion, increased the equity base for deployment. The accretive deployment of offer proceeds into investment securities and earning assets is directly visible in the FY 2025 interest income contribution from cash and equivalents (N145.33bn vs N12.80bn in FY 2024), representing the yield earned on proceeds held in short-duration instruments during the deployment phase.

The reduction in DPS from N0.55 in FY 2024 to N0.35 in FY 2025 is contextually rational: the expanded share count, combined with the board's decision to prioritise retained earnings for capital deployment as well as the non-payment of 2025 interim dividend from the banking subsidiary to the holding company resulted in a total dividend payment of N23.08bn, compared with N21.78bn in FY 2024. The dividend payout ratio fell from approximately 29.70% to 13.02% as earnings growth outpaced the dividend. Investors focused on income should note this trajectory; growth-oriented investors will view the higher retention ratio (87.0%) as consistent with the board's reinvestment posture.

6. Share Price Trajectory and Valuation

FCMB's share price traced a volatile but ultimately upward trajectory over the review period, opening around N10.00 in early June 2025, sliding to a 52-week low of N9.10 on July 8, 2025, before staging a sustained recovery that peaked at N13.90 on March 2, 2026 and subsequently retracing to a current price of N12.00 as of June 9, 2026, reflecting mild profit-taking and consolidation. The rally was punctuated by episodic volume increases, notably the 1,309.70 million shares traded on July 18, 2025, and 2,940.90 million shares on February 19, 2026, signalling periodic institutional interest that catalysed price breakouts.

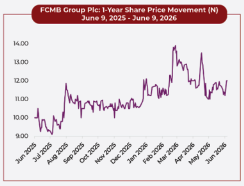
On valuation, FCMB trades at a compelling discount: its P/E of 3.01x and earnings yield of 33.25% compare favourably against broader market multiples, while the P/B ratio of 0.95x, up from 0.57x in FY 2024, driven by a near-doubling of market capitalisation to N791.46bn on the back of a public offer that expanded outstanding shares from 39.61 billion to 65.95 billion, indicates the stock is approaching but still below book value, suggesting residual upside for value-oriented investors even as dividend yield of 2.92% (down from 5.50% in FY 2024) and a negative YTD return of -0.41% point to near-term price fatigue at current levels (*see table 6*)

Table 6

FCMB GROUP PLC

Stock Snapshot as of June 09, 2026

Market Capitalisation (N'bn)	791.46
Current Price (N)	12.00
52-Week Range (N)	9.10 - 13.90
EPS - FY 2025 (N)	3.99
YTD Performance	-0.41%
Trading Volume (3 months)	2.38 billion shares, N28.60bn Value
Average Daily Volume	50.84 million shares
P/E Ratio	3.01x
Earnings Yield	33.25%
Dividend Yield	2.92%



Source: **NGX, Proshare Research**

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7. Governance and Sustainability Assessment

7.1 Board Structure

FCMB Group Plc's board comprises ten directors, seven non-executive and three executives, in compliance with CBN Corporate Governance Guidelines, which require non-executive directors to outnumber executive directors. The Chairman is a non-executive director, consistent with international governance standards. Board meetings in FY 2025 were held five times during the year, with near-perfect attendance from all directors. An independent board appraisal conducted by KPMG Advisory Services concluded that the group's corporate governance practices are largely in compliance with key provisions of the CBN Code and the Nigerian Code of Corporate Governance (NCCG) 2018. Specific improvement recommendations were included in the confidential board report.

Board committees include a Board Audit Committee, a Board Investment Committee (BIC), a Board Governance and Remuneration Committee, and a Board Risk management Committee, consistent with regulatory requirements. The appointment framework is transparent, requiring candidates to meet a comprehensive fit-and-proper test, including analytical strength, financial literacy, regulatory standing, and gender diversity criteria.

7.2 ESG and Sustainability

FCMB's sustainability posture encompasses social and community impact, financial inclusion, and responsible lending. The FCMB and Tulsi Chanrai Foundation initiative restored vision for 150,000 individuals in Kebbi State, demonstrating a commitment to healthcare access in underserved communities. FCMB was recognised at the Development Bank of Nigeria (DBN) Awards for its support of MSMEs and sustainability commitments - recognition that reinforces its development finance partner credentials. The group's Agritech Hackathon, in which an AI-powered solution took top prize, signals an intention to bridge technology and agricultural finance. These ESG initiatives matter to a growing cohort of institutional investors, particularly development finance institutions (DFIs) and ESG-screened pension mandates.

8. Peer Comparison - Tier-2 Banking

FCMB occupies second position in the Tier-2 peer group by total assets, behind Stanbic IBTC (N8.62trn) and ahead of Wema Bank (N5.07trn) and Sterling Bank (N3.91trn). Its market capitalisation of N791.46bn as of June 9, 2026, is the smallest in the peer group on an absolute basis, trailing Stanbic IBTC (N2.61trn) and Wema Bank (N1.24trn), an anomaly that partly reflects FCMB's larger share count post-capital raise and the market's embedded discount to earnings recovery trajectory.

Table 8

TIER 2 PEER COMPARISON - FY 2025

Item	Stanbic IBTC	FCMB	Wema Bank	Sterling Bank
Total Assets (N'bn)	8,620.11	7,630.99	5,073.31	3,911.64
Market Cap as of June 09, 2026 (N'bn)	2,608.66	791.46	1,243.69	406.51
Cost to Income Ratio	36.80%	53.75%	47.25%	63.00%
NPL Ratio	3.40%	5.09%	4.90%	4.72%
Return on Average Equity	42.44%	23.24%	44.36%	20.80%
Capital Adequacy Ratio	15.80%	18.01%	28.05%	15.60%
Loan to Deposit Ratio	54.35%	53.54%	52.83%	47.35%
Share Price as of June 09, 2026 (N)	164.05	12.00	31.00	7.80

***Ranked by Total Assets**

Sources: **Peers Audited FY 2025 financial statements, NGX prices as of June 09, 2026, Proshare Research**

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9. Strategic Outlook

FCMB Group enters 2026 with an improved balance sheet, a strengthened capital base, and a demonstrated capacity to grow earnings ahead of costs. Several strategic dynamics will define performance over the medium term.

On the macro side, the MPC's rate decisions, inflationary trajectory, and the pace of CBN monetary policy normalisation will determine whether the high NIM environment of FY 2025 is sustained or compressed. Proshare's macroeconomic commentary for early 2026 notes that inflation remains elevated but is moderating, and that the monetary policy committee continues to balance growth support with price stability. A rate-reduction cycle, if it materialises, would compress NIM and require management to offset it through volume growth and fee-income expansion.Financial Markets News

The group's investment in technology (intangible asset additions of N39.22bn in FY 2025, a fivefold increase from N7.48bn in FY 2024) signals active digital infrastructure build-out. FCMB's digital banking capabilities, MSME orientation, and agritech initiatives position it to participate in government-aligned development finance channels and growth in underserved segments. The elevated cost of risk (3.29%) and the NPL ratio marginally above the CBN 5% threshold remain execution priorities. Loan book growth must resume in FY 2026 to sustain the earnings trajectory once the capital deployment benefit moderates.

10. Investment Case for 2026

Key Strengths

FCMB's investment case for 2026 rests on several confirmed structural improvements. The N147.5bn capital raise has been demonstrably accretive, driving a step-change in earning asset capacity and NII. The CASA ratio of 65.41% is solid by peer standards and provides a structural cost-of-funding advantage. The group's CAR of 18.01% provides a buffer above regulatory minimums and capacity to support moderate loan growth. The digital and MSME investment programme positions FCMB for diversification of non-interest income over the medium term.

Key Risks

The NPL ratio at 5.09% remains slightly above the CBN's 5% guideline, and warrants continued monitoring, particularly given the increase in cost of risk to 3.29%. The decline in non-interest income, driven by other losses and reduced FX trading income, introduces revenue concentration risk if interest rate compression materialises. The cost-to-income ratio, while improving, remains above the 50% threshold that marks best-in-class efficiency. DPS reduction may disappoint income-oriented retail investors. The ROE of 23.24% lags Stanbic IBTC (42.44%) and Wema Bank (44.36%), suggesting productivity gaps in capital allocation that management must address.

Key Execution Priorities

The critical 2026 execution priorities for FCMB management are:

- Return the NPL ratio sustainably below 5.0% through active loan restructuring and write-off management;
- Grow the loan book by 10–15% to sustain interest income as capital deployment benefits moderate;
- Rebuild non-interest income, particularly trading and fee income, toward the N130-150bn range;
- Achieve a cost-to-income ratio below 50% through digitalisation-driven efficiency; and
- Deliver clarity on the next phase of the capital allocation strategy, whether through higher dividends, buybacks, or further growth investment.

Key Investor Considerations

Institutional investors should note that FCMB trades at approximately 0.95x book value at N12.00 per share, representing a P/BV discount relative to Stanbic IBTC and Wema Bank, despite materially improved earnings and capital quality. The P/E multiple at N12.00 per share and N3.99 EPS is approximately 3.0x, low even by Nigerian banking standards. This valuation profile may reflect the market's incorporation of execution risk, the dilutive impact of the capital raises on per-share metrics, and the NPL overhang. The gap between intrinsic

11. Closing Thoughts

FCMB Group Plc's FY 2025 results confirm that the institutional investment thesis built around its 2024 capital raise was not misplaced. The group has delivered material earnings growth, improved its deposit franchise, strengthened capital metrics, and demonstrated disciplined cost management relative to revenue expansion. The strategic priorities heading into 2026 are clear, and the balance sheet is positioned to support the next phase of growth without an immediate need for further capital-market intervention.

The principal uncertainties, NPL trajectory, NIM sustainability in a changing rate environment, and non-interest income rebuilding, are execution variables that management has demonstrated awareness of and capacity to manage. The valuation discount at which FCMB trades relative to earnings growth and book value growth signals that institutional investors should conduct a deliberate, evidence-based assessment of risk-adjusted return potential.

Proshare's institutional assessment is that FY 2025 represents a credible inflection point in FCMB's earnings trajectory. Whether this translates into sustained shareholder value creation through 2026 and beyond will depend on the discipline of capital deployment, the quality of loan book expansion, and the group's ability to build a more balanced revenue base between interest and non-interest income.

For further updates on FCMB Group Plc, follow the company's Proshare Investor Relations (IR) Portal.

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1. CardinalStone: FCMB Group Plc: Robust Core Performance Drives Triple-Digit Earnings Growth
2. FCMB Group Declares N76.53bn Q1'2026 Profit, N177.27bn PAT in FY 2025 Audited Results; (SP: N11.2)
3. FCMB Group Appoints Adepeju Adebajo as Independent Non-Executive Director
4. ODU'A Investment Company Limited Announces Strategic Minority Stake Acquisition in FCMB Pensions
5. FCMB Group Completes Capital Raise to Meet N500bn Banking Licence Requirement
6. FCMB Asset Management Launches FCMB-TLG Private Debt Fund Series II, Offer of up to ₦20bn
7. CardinalStone: FCMB Group Plc: Margin Expansion to Fuel 2.5x Growth in PAT
8. FCMB-TLG Private Debt Fund Secures Regulatory Approval for its Series II Issuance
9. CardinalStone: FCMB Group PLC: Elevated Yields Spur Stronger PAT Print
10. FCMB Group Plc Declares N125bn PAT in 9M 2025 Unaudited Results; (SP: N10.3k)
11. FCMB Group Plc Q3 2025 Unaudited Financial Statement for the Period Ended 30th September 2025
12. FCMB Group Presents Facts Behind ₦160bn Public Offer
13. FCMB Group Opens N160bn Public Offer to Retain International Licence
14. FCMB Group Plc H1 2025 Unaudited Financial Statements for the Period Ended June 30th, 2025
15. FCMB Group Set to Raise Equity Capital for Expansion Plans
16. Series 1 of Nigeria's First Private Debt Fund Fully Deployed; FCMB Asset Management and TLG Capital Set to Launch Series 2
17. FCMB Group Reports N79.3bn Profit Before Tax for H1 2025
18. FCMB Backs TotalEnergies Staff Housing Cooperative for Louisville Phase 1 Project with US$40m Loan Facility in Eko Atlantic
19. FCMB Group Reaffirms Stability Amid CBN's New Directive on Forbearance Loans
20. FCMB Group Plc Q1 2025 Unaudited Financial Statements for the Period Ended March 31st, 2025
21. FCMB Group Plc Audited Financial Statements for the Period Ended December 31st, 2024
22. FCMB Group Plc Declares N73.34bn PAT in FY 2024 Audited Results, (SP: N9.10k)

23. FCMB Group Plc Raises N147.5bn with 33% Oversubscribed Public Offer
24. FCMB: Rising Funding Costs Weigh on NIM Expansion
25. FCMB Group Plc Declares N82.40bn PAT in 9M 2024 Results; (SP: N9.00k)
26. 9M 2024 Unaudited Financial Statements for the Period Ended September 30th, 2024 - FCMB Group Plc
27. FCMB Agritech Hackathon: AI-Powered Solution Takes Top Prize
28. FCMB Leadership Takes Customer Service to the Frontlines
29. FCMB, Tulsi Chanrai Restore Vision for 150,000 in Kebbi State
30. FCMB Recognized for Supporting MSMEs and Sustainability at DBN Awards
31. H1 2024 Unaudited Financial Statements for the Period Ended June 30th, 2024 - FCMB Group Plc
32. FCMB H1 2024 Result: Net Profit Rose 67.99% as Bank Focuses on N110bn Public Offer
33. Report: FCMB H1 2024 Result: Net Profit Rose 67.99% as Bank Focuses on N110bn Public Offer
34. Report: FCMB Capital Raise: Making Equity Choices to be National or International
35. FCMB Group Plc Public Offering Offer for Subscription of 15,197,289,219 Ordinary Shares of ₦0.50K Each
36. FCMB Capital Raise: Making Equity Choices to be National or International
37. FCMB Group Plc Commences Offer for Subscription at N7.30k Per Share
38. FCMB Group Plc Declares N59.48bn PAT in H1 2024 Unaudited Results, (SP: N8.00)
39. Resolutions Passed at the FCMB Group Plc 11th Annual General Meeting (AGM) on May 24, 2024
40. FCMB Group Plc releases Audited FY 2023 and Q1 2024 Unaudited Results,(SP:N7.1)
41. FCMB Group Plc to Hold Board Meeting on April 25, 2024 to Consider the 2024 Q1 Performance Report of the Group
42. GCR Places FCMB Group Plc's National Scale Long and Short-term Issuer Ratings of BBB+(NG)/A2(NG) on Review Extension
43. FCMB Capital Markets Wins NGX Award for Most Listed Debt Issuances in Nigeria
44. Fitch Maintains FCMB's 'B-' Long-Term IDR on Rating Watch Negative
45. FCMB Group Plc Reports 108% YoY Growth in PBT in 9M 2023
46. FCMB Group Plc Declares N49.15bn PAT in Q3 2023 Results,(SP:N6.95)
47. FCMB Group Plc Announces Issuance of N26bn Series 2 Perpetual 16.00% Fixed Rate Resettable NC5.25 Additional Tier 1 Subordinated Bonds Under the N300bn Debt Issuance Programme
48. Terra Academy for the Arts (TAFTA) Partners with FCMB Bank to Offer Soft Loans Supporting the Creative Industry
49. FCMB Group Plc Declares N34.41bn PAT in Q2 2023 Results,(SP:N6.28k)
50. Fitch Places FCMB on Rating Watch Negative on Naira Devaluation; Affirms 7 Other Nigerian Banks
51. FCMB Group Plc Declares N9.29bn PAT in Q1 2023 Results,(SP:N4.08k)
52. GCR Assigns a Final Rating of BBB-(NG) to FCMB Group Plc's NGN20.7Bn Additional Tier 1 Bonds; Outlook Stable
53. FCMB Group Plc Declares N31.13bn PAT in 2022 Audited Results; Proposes 25k Final Dividend,(SP:N4.15k)
54. FCMB Group Plc Approves 2022 Audited Financial Statement
55. FCMB plc Declares N32.59bn PAT in 2022 Unaudited Results; (SP:N4.40k)
56. FCMB Group Plc Plans to Issue up to N30bn Series I Additional Tier 1 Bond Under its N300bn Debt Issuance Programme
57. GCR Assigns FCMB Group Plc National Scale Issuer Ratings of BBB+(NG)/A2(NG); Outlook Stable
58. FCMB Group Plc Declares N26.51bn PAT in Q3 2022 Results, (SP: N3.21k)
59. FCMB Group Plc to Hold Board Meeting on December 2, 2022
60. FCMB Group Plc Notifies on Board Meeting Resolutions
61. FCMB Group Plc Unable to File Q3 Result by Due Date
62. FCMB Group Plc to File Q3 2022 Financial Statements on or before November 29, 2022
63. Analysts Assess FCMB Renewable Strategy, NGX Dividend Policy, and MTN 5G Launch
64. GCR Upgrades FCMB Financing SPV Plc's Series 3 Bonds Ratings to BBB+(NG); Outlook Stable.
65. FCMB Group Plc Notifies on Outcome of Board Meeting
66. FCMB Group Plc Reports N13.66bn PAT in Q2 2022 Results; (SP:N3.00k)
67. FCMB Group Plc to Hold Board Meeting on July 22, 2022; Declares Closed Period
68. ALERT: 0.90% of FCMB's Outstanding Shares Traded on NGX on 200622
69. FCMB Group Plc Notifies of Dealings in 3m Volume of Shares by Edun Oluyemisi

Advice To Users of This Report.

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