



**UNAUDITED CONSOLIDATED AND SEPARATE FINANCIAL
STATEMENTS FOR THE SIX MONTH PERIOD ENDED
30 JUNE 2024**

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CORPORATE INFORMATION

DIRECTORS:

Olatunde Busari (SAN)	Chairman
Nonso Okpala	Group Managing Director
John Okonkwo	Executive Director
Morenike Ominike	Executive Director
Gbenga Omolokun	Non- Executive Director
Chuks Ozigbo	Non- Executive Director
Azubike Emodi	Non- Executive Director
Mobolaji Adewumi	Non- Executive Director
Kelvin Orogun	Non- Executive Director
Adeniyi Adenubi	Non- Executive Director
Hubert Asamoah	Non- Executive Director
Abe Ibraheem	Non- Executive Director
Adegboyega Fatoki	Independent Non- Executive Director
Omolola Bolusire	Independent Non- Executive Director
Rashida Saleh	Independent Non- Executive Director
Nneka Okekearu	Independent Non- Executive Director

RC No.

RC 829196

COMPANY SECRETARY:

Oluwagbeminiyi Shoda

REGISTERED OFFICE:

8 MacGregor Road
Ikoyi
Lagos

BANKERS:

United Bank for Africa Plc
Zenith Bank Plc
First Bank of Nigeria Limited
Access Bank Plc
Providus Bank Plc
VFD Microfinance Bank Limited

AUDITORS:

PricewaterhouseCoopers Nigeria
Landmark Towers, 5B, Water Corporation Road
Victoria Island
Lagos, Nigeria

REGISTRAR:

Africa Prudential Plc
220, Ikorodu Road
Palmgrove, Lagos

TAX IDENTIFICATION NUMBER:

11895754-0001

CERTIFICATION PURSUANT TO SECTION 60(2) OF INVESTMENT AND SECURITIES ACT No. 29 OF 2007

We, the undersigned, hereby certify the following with regards to our Unaudited Consolidated Financial Statements for the period ended 30 June 2024, that:

- a) We have reviewed the report;
- b) To the best of our knowledge, the report does not contain:
 - i) any untrue statement of a material fact, or
 - ii) omit to state a material fact, which would make statements misleading in the light of circumstances under which such statements were made;
- c) To the best of our knowledge, the financial statements and other financial information included fairly represent in all material respects the financial condition and result of the operation of the Company as of June 30, 2024 and for the period presented in the report
- d) We:
 - i) are responsible for establishing and maintaining internal controls
 - ii) have designed such internal controls to ensure that material information relating to the Company is made known to such officers by others within those entities particularly during the year in which those periodic reports are being prepared
 - iii) have evaluated the effectiveness of the Company's internal controls as of date within 90 days prior to the report
- e) We have disclosed to the auditors of the Company and audit committee
 - i) all significant deficiency in the design or operation of internal controls which would adversely affect the Company's ability to record, process, summarize and report financial data and have identified for the company's auditors, any material weakness in internal controls, and
 - ii) Any fraud, whether or not material, that involves management or other employees who have significant roles in the Company's internal controls
- f) We have identified in the report whether or not there were significant changes in internal controls or other factors that could significantly affect internal controls subsequent to the date of evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses



John Okonkwo
FRC/2013/ICAN/0000004692
Executive Director, Finance
29-Jul-24



Nonso Okpala
FRC/2013/ICAN/0000004697
Group Managing Director
29-Jul-24

**Consolidated and Seperate Statement of Profit or Loss and Other Comprehensive Income
 for the period ended 30 June 2024**

	Notes	Group		Company	
		Year-to-Date	Year-to-Date	Year-to-Date	Year-to-Date
		30 June	30 June	30 June	30 June
		2024	2023	2024	2023
		=N=' 000	=N=' 000	=N=' 000	=N=' 000
Gross earnings		28,594,632	18,795,760	10,620,905	7,191,930
Investment and similar income	2	25,137,690	9,512,306	9,344,692	4,093,943
Investment and similar expense	3	(15,648,059)	(10,147,441)	(7,776,847)	(4,841,840)
Net investment income		9,489,631	(635,135)	1,567,845	(747,896)
Other income	4	3,447,656	7,002,522	1,276,213	839,012
Impairment of financial assets	7	(1,087,760)	(395,796)	-	-
Share of profit from associate	4.1	9,286	172,443	-	150,486
Net gains on financial assets at fair value through profit or loss		-	2,108,489	-	2,108,489
Net revenue		11,858,813	8,252,522	2,844,058	2,350,090
Personnel expenses	5	(2,018,041)	(1,356,715)	(317,301)	(309,412)
Other operating expenses	6	(5,264,081)	(2,724,073)	(1,590,539)	(1,326,961)
Depreciation and amortisation	9	(1,221,794)	(403,263)	(116,375)	(73,020)
Total expenses		(8,503,916)	(4,484,051)	(2,024,215)	(1,709,394)
Profit before income tax		3,354,897	3,768,472	819,843	640,697
Income tax expense	8	(245,953)	-	-	-
Profit for the period		3,108,944	3,768,472	819,843	640,697
Other comprehensive income, net of income tax					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Net fair value gain on investments in equity instruments designated as FVTOCI		302,065	-	333,048	-
<i>Items that may be reclassified subsequently to profit or loss</i>					
Net fair value gain/(loss) on investments in financial instruments designated as FVTOCI			679,417		674,886
Other comprehensive income for the period, net of taxes		302,065	679,417	333,048	674,886
Total comprehensive income for the period		3,411,009	4,447,889	1,152,891	1,315,583
Profit/(Loss) for the period attributable to:					
Equity holders of the Company		2,356,780	3,188,198	819,843	640,697
Non Controlling Interest		752,164	580,274	-	-
		3,108,944	3,768,472	819,843	640,697
Other comprehensive income attributable to:					
Equity holders of the Company		228,985	453,627	333,048	674,886
Non Controlling Interest		73,080	225,789	-	-
	27	302,065	679,417	333,048	674,886
Earnings per share-basic (Kobo)		245	1,983	65	337

Consolidated & Separate Statement of Financial Position
As at 30th June 2024

Notes	Group		Company		
	30 June	31 December	30 June	31 December	
	2024	2023	2024	2023	
	Unaudited =N= 000	Audited =N= 000	Unaudited =N= 000	Audited =N= 000	
ASSETS					
Cash and cash equivalents	10	19,942,550	8,373,710	4,419,520	756,157
Funds under management		73,352,207	62,018,613	-	-
Investment in financial assets	11	101,116,568	52,035,503	78,727,081	53,886,066
Investment in subsidiaries	12	-	-	22,460,737	22,631,987
Loans and advances		15,430,684	19,533,384	-	-
Investment in associates		676,658	5,080,036	25,000	4,447,982
Property, plant and equipment	28	13,059,125	14,691,086	547,862	590,540
Intangible assets	29	222,860	379,512	27,191	22,380
Investment and development property	14	32,207,815	28,168,614	4,815,912	600,000
Receivables & prepayments	15	33,328,588	21,421,300	8,800,548	6,766,002
Deferred tax assets	16	2,035,035	2,041,790	1,550,440	1,550,440
Goodwill	13	5,492,130	5,533,579	-	-
TOTAL ASSETS		296,864,221	219,277,127	121,374,298	91,251,556
LIABILITIES					
Funds under management		72,378,735	61,788,494	-	-
Borrowings	17	101,568,325	81,599,925	84,174,299	67,047,548
Other liabilities	18	26,420,719	12,632,224	5,780,113	6,058,654
Deposit liabilities	19	41,169,236	26,999,662	-	-
Current tax liabilities	20	2,579,299	1,772,426	512,312	570,723
Deferred tax liabilities	16	1,878,258	1,953,826	908,594	908,594
TOTAL LIABILITIES		245,994,572	186,746,558	91,375,318	74,585,520
SHAREHOLDERS' FUND					
Share capital	21	633,425	95,014	633,425	95,014
Share premium	22	19,522,068	7,880,427	19,522,068	7,880,427
Retained earnings	23	8,602,900	4,964,372	2,285,542	936,115
Regulatory risk reserve	24	112,852	16,085	-	-
Statutory reserve	25	136,470	209,403	-	-
Other reserves	26	9,554,762	7,434,061	7,557,944	7,754,480
Attributable to equity holders of the parent		38,562,477	20,599,362	29,998,980	16,666,036
Non-controlling Interest		12,307,171	11,931,208	-	-
TOTAL SHAREHOLDERS' FUND		50,869,648	32,530,570	29,998,980	16,666,036
TOTAL LIABILITIES AND SHAREHOLDERS' FUND		296,864,221	219,277,127	121,374,298	91,251,556

These financial statements were approved by the Board of Directors on 29 July, 2024 and signed on its behalf by:



Olatunde Busari (SAN)
 (Chairman)
 FRC/2019/NBA/00000019449



Nonso Okpala
 (Group Managing Director)
 FRC/2013/ICAN/00000004697



John Okonkwo
 (Executive Director, Finance)
 FRC/2013/ICAN/00000004692

**Consolidated and Separate Statement of Changes in Equity
As at 30th June 2024**

(a)

Group	Share Capital =N=' 000	Retained Earnings =N=' 000	Share Premium =N=' 000	Regulatory risk reserve =N=' 000	Statutory reserve =N=' 000	Other Reserves =N=' 000	Non-controlling interest =N=' 000	Total =N=' 000
At 1 January 2024	95,014	4,964,372	7,880,427	16,085	209,403	7,434,061	11,931,208	32,530,570
Right Issue	31,671	-	12,148,381	-	-	-	-	12,180,052
Bonus issue	506,740	-	(506,740)	-	-	-	-	-
Transfer from profit or loss account	-	3,108,944	-	-	23,834	(23,834)	-	3,108,944
Dividend paid	-	-	-	-	-	-	-	-
Unrealised foreign currency translation difference	-	-	-	-	-	2,674,119	375,961	3,050,080
Merger reserves	-	529,584	-	-	-	(529,584)	-	-
Transfer to/(from) regulatory reserve	-	-	-	96,767	(96,767)	-	-	-
At 30 June 2024	633,425	8,602,900	19,522,068	112,852	136,470	9,554,762	12,307,170	50,869,648
Company								
At 1 January 2024	95,014	936,115	7,880,427	-	-	7,754,480	-	16,666,035
Rights issue	31,671	-	12,148,381	-	-	-	-	12,180,052
Bonus issue	506,740	-	(506,740)	-	-	-	-	-
Transfer from profit or loss account	-	819,843	-	-	-	-	-	819,843
Dividend paid	-	-	-	-	-	-	-	-
Merger reserves	-	529,584	-	-	-	(529,584)	-	-
Reclassification	-	-	-	-	-	-	-	-
Fair value reserve	-	-	-	-	-	333,048	-	333,048
At 30 June 2024	633,425	2,285,542	19,522,068	-	-	7,557,944	-	29,998,980

(b)

Group	Share Capital =N=' 000	Retained Earnings =N=' 000	Share Premium =N=' 000	Regulatory risk reserve =N=' 000	Statutory reserve =N=' 000	Other Reserves =N=' 000	Non-controlling interest =N=' 000	Total =N=' 000
At 1 January 2023	95,014	9,725,803	7,880,427	1,044	139,731	6,689,647	6,787,335	31,319,001
Opening balance adjustment	-	1,281,748	-	(177)	(587)	-	-	1,280,984
Share of newly consolidated subsidiary	-	(1,892,337)	-	-	-	-	3,409,001	1,516,664
Impact of IAS 29 Adoption	-	(103,256)	-	-	-	-	1,712,352	1,609,096
Transfer from profit or loss account	-	(2,462,793)	-	-	-	-	-	(2,462,793)
Dividend paid	-	(1,499,316)	-	-	-	-	(486,475)	(1,985,791)
Unrealised foreign currency translation difference	-	-	-	-	-	1,109,395	255,255	1,364,650
Transfer between reserves	-	(85,477)	-	15,218	70,259	-	-	-
Fair value reserves	-	-	-	-	-	(364,981)	253,741	(111,240)
At 31 December 2023	95,014	4,964,372	7,880,427	16,085	209,403	7,434,061	11,931,208	32,530,570
Company								
At 1 January 2023	95,014	6,269,983	7,880,427	-	-	7,396,387	-	21,641,810
Transfer from profit or loss account	-	(3,834,552)	-	-	-	-	-	(3,834,552)
Dividend paid	-	(1,499,316)	-	-	-	-	-	(1,499,316)
Reclassification	-	-	-	-	-	-	-	-
Fair value reserve	-	-	-	-	-	358,092	-	358,092
At 31 December 2023	95,014	936,115	7,880,427	-	-	7,754,480	-	16,666,036

**Consolidated and Separate Statement of Cashflows
for the period ended 30 June 2024**

Notes	Group		Company	
	30 June	30 June	30 June	30 June
	2024	2023	2024	2023
	N' 000	N' 000	N' 000	N' 000
Profit/(loss) for the period	3,108,944	3,768,472	819,843	640,697
Adjustments for;				
Income tax recognised in profit or loss	8 245,953	-	-	-
Gain on disposal of property plant and equipment	-	9,000	-	(974)
Share of profit from associate	(9,286)	(172,443)	-	(150,486)
Gain on disposal of investment property	(124,177)	-	(124,177)	-
Gain on fair value of investment property	-	(1,571)	-	-
Impairment of financial assets	1,087,760	395,796	-	-
Depreciation & amortization	9 1,221,794	403,263	116,375	73,020
Dividend income	(501,596)	(1,396,181)	(991,874)	(1,356,643)
Operating profit before working capital changes	5,029,392	3,006,336	(179,833)	(794,386)
Movement in working capital				
Decrease/(increase) in receivables & prepayments	(11,907,288)	5,946,444	(2,034,546)	8,042,353
(Increase)/decrease in managed funds	(11,333,594)	28,709,355	-	-
(Increase)/ decrease in financial assets	(49,081,065)	(3,626,175)	(24,841,015)	10,244,006
Increase/(decrease) in fund liabilities	10,590,241	-	-	-
Increase/(decrease) in deposit liabilities	14,169,574	6,782,453	-	-
Increase/ (decrease) in other liabilities	13,788,495	2,336,867	(278,541)	696,033
Increase/(decrease) in loans and advances	10,590,241	12,283,108	-	-
Increase/(decrease) in borrowings	19,968,400	(40,838,281)	17,126,751	(18,423,190)
Cash generated from operations	1,814,396	14,600,107	(10,207,184)	(235,184)
Income taxes paid	(175,568)	(644,942)	(58,411)	(63,586)
Net cash generated by/(used in) operating activities	1,638,828	13,955,165	(10,265,595)	(298,770)
Cash flows from investing activities				
Purchase of investment property	(4,815,912)	(3,553,532)	(4,815,912)	(59,813)
Proceeds on disposal of investment property	724,177	1,528,300	724,177	1,344,789
Purchase of property and equipment	(501,364)	(357,869)	(151,467)	(242,707)
Proceeds on disposal of property and equipment	83,948	26,750	83,948	26,750
(Purchase of)/proceeds from intangible assets	(32,080)	(20,737)	(32,080)	-
Investment in associates	4,403,378	(15,453)	4,422,982	-
Investment in subsidiary	-	-	171,250	(104,322)
Net cash (used in) investing activities	(137,853)	(2,392,541)	402,898	964,697
Cash flows from financing activities				
Dividend received	501,596	1,396,181	991,874	1,356,643
Dividend paid to owners of equity capital	-	(1,499,316)	-	(1,499,316)
Proceeds from share issue	12,180,052	-	12,180,052	-
Net cash (used in)/generated by financing activities	12,681,648	(103,135)	13,171,926	(142,673)
Net increase/(decrease) in cash and cash equivalents	14,182,622	11,459,489	3,309,229	523,254
Cash and cash equivalents at beginning of period	8,373,710	2,896,563	756,157	232,540
Effect of exchange rate movement on cash balances	(2,613,782)	(1,256,504)	354,134	(210,827)
Cash and cash equivalents at end of period	19,942,550	13,099,549	4,419,520	544,966

NOTES TO THE UNAUDITED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2024

1. Significant accounting policies

Accounting policies are the specific principles, bases, conventions, rules and practices applied by an entity in preparing and presenting financial statements.

The significant accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all periods presented in these financial statements.

Basis of Preparation

The consolidated financial statements have been prepared on a historical cost basis, except for financial assets held at Fair Value through Profit or Loss (FVTPL) or Fair Value through Other Comprehensive Income (FVOCI) which are measured at fair value, and financial assets held at amortised cost, which are measured at amortised costs.

Functional and Presentation Currency

The consolidated financial statements are presented in Nigerian Naira (N) and all values are rounded up to the nearest thousand (N'000), except when otherwise indicated.

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 30 June 2024. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Company controls an investee if and only if it:

- has power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- is exposed, or has rights, to variable returns from its involvement with the investee, and
- has the ability to use its power over the investee to affect its returns.

When the Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Company's voting rights and potential voting rights.

The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the statement of comprehensive income from the date the Company gains control until the date the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Company loses control over a subsidiary, it:

**NOTES TO THE UNAUDITED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024 (CONTINUED)**

- ✓ Derecognises the assets (including any goodwill) and liabilities of the subsidiary
- ✓ Derecognises the carrying amount of any non-controlling interests
- ✓ Derecognises the cumulative translation differences recorded in equity
- ✓ Recognises the fair value of the consideration received
- ✓ Recognises the fair value of any investment retained
- ✓ Recognises any surplus or deficit in profit or loss
- ✓ Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Company had directly disposed of the related assets or liabilities.

Transactions eliminated on consolidation

Intra-group balances, and income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

Investment in joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investment in joint venture is accounted for using the equity method.

Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

The statement of profit or loss reflects the Group's share of the results of operations of the joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the associate or joint venture.

The aggregate of the Group's share of profit or loss of a joint venture is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the joint venture. The financial statements of the joint venture are prepared for the same reporting period as the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, and then recognises the loss as 'Share of profit of a joint venture' in the statement of profit or loss.

NOTES TO THE UNAUDITED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2024 (CONTINUED)

Upon loss of significant influence over the joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Separate financial statements

In line with Nigerian company regulations, the Company prepares separate financial statements. In the separate financial statements, investments in subsidiaries and joint ventures are accounted for at cost.

Foreign currency transactions

Foreign currency transactions are translated and recorded in Naira using the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Cash and cash equivalents

For the purposes of the consolidated statement of cash flows, Cash and cash equivalents include cash in hand, unrestricted demand, call deposits with banks, and short term highly liquid financial assets (including money market funds), with original maturities of three months or less from the acquisition date, which are subject to insignificant risk of changes in their value and used by the Group in the management of its short-term commitments.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. A financial asset or liability is recognised when the Group becomes a party to the contractual provisions of the instrument.

Classification of financial assets

The Group classifies its financial assets into the following categories: Loans and receivables and Available-for-sale financial assets. Management determines the appropriate classification at initial recognition, and this depends on the purpose for which the assets were acquired or originated. The Group's financial assets include cash and short-term deposits, trade and other receivables.

Recognition and measurement

Financial assets are initially recognised at fair value plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

NOTES TO THE UNAUDITED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2024 (CONTINUED)

Loans and receivables

Loans and receivables, after initial recognition, are measured at amortised cost, using the effective interest rate method (EIR) less impairment losses. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. Gains and losses arising from changes to the carrying amounts of the receivables through the EIR amortization are included in finance income/expense in profit or loss.

Financial instruments fair valued at OCI

AFS financial investments include equity investments. Equity investments classified as AFS are those that are neither classified as held for trading nor designated at fair value through profit or loss.

After initial recognition, AFS financial investments are subsequently measured at fair value with unrealised gains or losses recognised in other comprehensive income and credited in the AFS reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in other operating income, or the investment is determined to be impaired, when the cumulative loss is reclassified from the AFS reserve to the statement of profit or loss in finance costs.

The Group evaluates its available for sale financial assets whether the ability and intention to sell them in the near term is still appropriate. When, in rare circumstances, the Group is unable to trade these financial assets due to inactive markets, the Group may elect to reclassify these financial assets if the management has the ability and intention to hold the assets for foreseeable future or until maturity.

For a financial asset reclassified from the FVOCI category, the fair value carrying amount at the date of reclassification becomes its new amortised cost and any previous gain or loss on the asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment using the EIR. Any difference between the new amortised cost and the maturity amount is also amortised over the remaining life of the asset using the EIR. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to the statement of profit or loss.

Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. Objective evidence of impairment is established as a result of one or more events that occurred after initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Objective evidence that a financial asset or group of assets is impaired includes observable data that comes to the attention of the Group about the following events:

- significant financial difficulty of the issuer or obligor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the borrower will enter bankruptcy or other financial difficulties;
- the disappearance of an active market for that financial asset because of financial difficulties;
- observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be

NOTES TO THE UNAUDITED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2024 (CONTINUED)

identified with the individual financial assets in the group, including:

- adverse changes in the payment status of borrowers in the Group or
- national or local economic conditions that correlate with defaults on the assets in the Group

Assets are assessed for objective evidence of an impairment loss. This may include significant breaches of contracts, serious financial difficulties or the high probability of insolvency of the counterparty. Losses are deducted from the carrying amount of the asset.

Financial assets carried at amortised cost

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying value and the present value of the estimated future cash flows (excluding future credit losses that have not been incurred) discounted at financial asset's original effective interest rate. If a financial asset measured at amortised cost has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Financial assets are tested for impairment on an individual basis. The methodology and assumptions used for estimating future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in profit or loss. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to other operating income in profit or loss.

When a loan is uncollectible, it is written off against the related allowance for impairment. Such loans are written off after all the necessary procedures have been completed and the amount of the loss has been determined.

If there is objective evidence that an impairment loss has been incurred on an equity instrument that does not have a quoted price in an active market and that is not carried at fair value because its fair value cannot be reliably measured, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed.

Assets classified as FVOCI

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial asset is impaired.

In the case of equity investments, a significant or prolonged decline in the fair value of the security below its cost is objective evidence of impairment resulting in the recognition of an impairment loss. When this occurs, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial assets previously recognized in profit or loss is removed from equity and recognized in the consolidated statement of comprehensive income. Impairment losses recognised in profit or loss for an investment in an equity instrument classified as available for sale shall not be reversed through profit or loss.

**NOTES TO THE UNAUDITED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024 (CONTINUED)**

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights 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 asset are transferred, or has assumed an obligation to pay those cash flows to one or more recipients, subject to certain criteria.

Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial liabilities

Financial liabilities are classified, at initial recognition as either financial liabilities at Fair Value through Profit or Loss (at FVTPL), loans and borrowings or 'other financial liabilities'.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

The Group's financial liabilities include borrowings and other liabilities.

The Group did not have financial liabilities classified at FVTPL.

De-recognition

The Group de-recognises financial liabilities when, and only when, the contractual obligations are discharged, cancelled or expire and gains and losses are recognised in profit or loss. 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 a derecognition of the original liability and the recognition of a new liability.

**NOTES TO THE UNAUDITED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024 (CONTINUED)**

Offsetting financial instruments

Financial assets and liabilities are set off and the net amount presented in the statement of financial position when, and only when the Group currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Intangible assets

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software when their values can be reasonably determined and economic benefits will accrue to the Group. Computer software is stated at cost less amortisation and impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. Costs associated with maintaining computer software programmes are recognised as expenses when incurred.

Amortisation

Computer software are amortised over the useful economic life estimated as the period over which the assets will be used by the Group. The amortisation period and the amortisation method 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. Amortisation rate for intangible asset is as follows:

Computer software	33.33%
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Amortisation is recognised in profit or loss on a straight line basis over the estimated useful life of the software, from the date the asset is available for use.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit or loss.

Property, plant and equipment

The Group's Property, Plant and Equipment comprise leasehold improvement, plant and machinery, office equipment, furniture and fittings and motor vehicle.

Recognition and measurement

All categories of property, plant and equipment are initially recognised at their purchase cost including any costs directly attributable to bringing the asset into operation when the following conditions are met:

- their values can be reasonably determined
- the economic benefit will accrue to the Group.

**NOTES TO THE UNAUDITED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024 (CONTINUED)**

Property, plant and equipment are subsequently stated at cost less accumulated depreciation and impairment losses, if any.

Subsequent costs

The cost of replacing part of an item of property or equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced is derecognized. The costs of ordinary day-to-day servicing and maintenance of property and equipment are recognised in profit or loss as incurred.

Depreciation

The depreciable amount of an asset is its cost less the estimated residual value at the end of its useful life, if this is significant and can be reasonably determined. Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is derecognised.

Depreciation is recognised in profit or loss on a straight line basis to write down the cost of each asset, to their residual values over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets under finance lease are depreciated over the shorter of the lease term and their useful lives. The following annual rates are applied.

Leasehold Improvement	Over the lease period
Plant and Machinery	33.33%
Office Equipment	33.33%
Furniture and Fittings	25.00%
Motor Vehicle	25.00%

The assets' residual values, useful lives and method of depreciation are reviewed, and adjusted prospectively if appropriate, at the end of each reporting period.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss of the year the asset is de-recognised.

Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception date. The arrangement is assessed for whether fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

The Group engages in finance leases and sale and leaseback transactions.

NOTES TO THE UNAUDITED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2024 (CONTINUED)

Finance leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of the ownership to the lessee. All other leases are classified as operating leases.

Sale and leaseback transactions

This arises when the Group sells an asset and immediately reacquires the use of the asset by entering into a lease with the buyer.

Finance leaseback

A profit or loss on sale is not immediately recognised because the seller never disposes of the risks and rewards of ownership. Any difference between the sale price and the previous carrying value (profit) is deferred and amortised over the lease term.

Group as a lessee

Finance leases that transfer substantially all the risks and benefits incidental to ownership of the leased item to the Group, are capitalised at the commencement of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the income statement.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an operating expense in the income statement on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Investment in subsidiaries

Investments in subsidiaries are reported at cost less any impairment.

Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets other than deferred tax assets are assessed at the end of each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

**NOTES TO THE UNAUDITED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024 (CONTINUED)**

The recoverable amount of an asset or, if the recoverable amount of single assets cannot be determined, for the smallest identifiable group of assets that generates independent cash inflows from their continuous use, referred to as cash generating units, is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows expected to be derived from the use of the asset and, if significant and reasonably determinable, from its disposal at the end of its useful life, net of disposal costs are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Cash flows are determined on the basis of reasonable and documented assumptions that represent the best estimate of the future economic conditions during the remaining useful life of the asset, giving more importance to independent assumptions.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any asset allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are recognised in profit or loss.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligation as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

Employee benefits
Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

NOTES TO THE UNAUDITED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2024 (CONTINUED)

A provision is recognised for the amount expected to be paid under short-term cash, bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Post-employment benefits

Defined contribution plans

The Group operates a defined contribution plan in accordance with the provisions of the Pension Reform Act. The contribution of the employee and employer is 8% and 10% of the qualifying monthly emoluments (i.e. basic, housing and transport) of employees respectively. The Group's obligations for contributions to the plan are recognised as an expense in profit or loss when they are due.

Taxation

Income tax expense comprises current and deferred tax.

Income tax expense is recognised in profit or loss except to the extent that results of transactions relate to items recognised directly in equity, in which case it is recognised in equity.

Current income tax is calculated on the basis of estimated taxable income for the year using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax recoverable or payable in respect of previous years.

Deferred income tax is recognised, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes based on tax rates and laws that have been enacted or substantively enacted at the reporting period date and are expected to apply when the related deferred income tax liability is settled.

Deferred tax assets and liabilities are recorded under non-current assets and liabilities.

Share capital and reserves

Share capital

The issued ordinary shares of the Company are classified as equity instruments. Incremental costs directly attributable to the issue of an equity instrument are shown in equity as a deduction, net of tax, from the proceeds.

Share premium

Premiums from the issue of shares are reported in share premium.

Statutory reserves

Nigerian banking regulations require Microfinance Banks to make an annual appropriation to a statutory reserve. Section 8.1.7(a) of the Central Bank of Nigeria Revised Regulatory and Supervisory Guidelines for Microfinance Banks (MFBs) stipulates that an appropriation of 50% of profit after tax is made if the statutory reserve is less than 50% of the paid-up share capital, an appropriation of 25% of profit after tax is made if the statutory reserve is 50%

NOTES TO THE UNAUDITED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2024 (CONTINUED)

or more but less than 100% of the paid up share capital and 12.5% of profit after tax if the statutory reserve is equal to 100% or more of the paid-up share capital.

Regulatory risk reserve

The Nigerian banking regulator requires Microfinance Banks to create a reserve for the difference between impairment charge determined in line with the principles of IFRS and impairment charge determined in line with the prudential guidelines issued by the Central Bank of Nigeria (CBN). This reserve is not available for distribution to shareholders.

Fair value reserves

These comprise fair value movements on equity instruments

Dividends

Dividends on ordinary shares are recognised in equity in the period in which they are approved by the Company's shareholders.

Dividends for the period that are declared after the reporting date are disclosed in the financial statements as a non-adjusting event

Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

The specific recognition criteria described below must also be met before revenue is recognised:

Interest

Interest income for interest bearing financial instruments, are recognised within 'Interest Income' in profit or loss using the effective interest rate method. The effective interest rate is the rate that exactly discount the estimated future cash payments and receipts through the expected life of the financial asset (or, where appropriate, a shorter period) to the net carrying amount of the financial asset. The effective interest rate is calculated on initial recognition of the financial asset and is not revised subsequently.

The calculation of the effective interest rate includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other discounts or premiums. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or liability.

Fees and commission

Fee and commission income and expense that are integral to the effective interest rate on a financial asset or liability are included in the measurement of the effective interest rate. Other fees and commission income and expenses are generally recognised on an accrual basis when the service has been provided.

NOTES TO THE UNAUDITED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2024 (CONTINUED)

Dividends

Dividends are recognised when the Group's right to receive the payment is established, which is usually when shareholders approve the dividend.

Expense recognition

Interest

Interest expense is recognised in profit or loss as it accrues and is calculated by using the effective interest rate method for facilities beyond one year. Accrued interest is included within the carrying value of the interest bearing financial liability.

Operating expenses

Expenses are decreases in economic benefits during the accounting period in the form of outflows, depletion of assets or incurrence of liabilities that result in decrease in equity, other than those relating to distributions to equity participants.

Expenses are recognised on an accrual bases regardless of the time of spending cash. Expenses are recognised in the income statement when a decrease in future economic benefit related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably. Expenses are measured at a historical cost.

Only the portion of cost of a previous period that is related to the income earned during the reporting period is recognized as an expense. Expenses that are not related to the income earned during the reporting period, but expected to generate future economic benefits, are recorded in the financial statement as assets. The portion of assets which is intended for earning income in the future periods shall be recognized as an expense when the associated income is earned.

Expenses are recognized in the same reporting period when they are incurred in cases when it is not probable to directly relate them to particular income earned during the current reporting period and when they are not expected to generate any income during the coming years.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Fair value measurement

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e. the 'exit price') in an orderly transaction that is not a forced sale, liquidation sale or a distressed sale between market participants at the measurement date. Fair value is determined based on market conditions at the measurement date and the assumptions that market participants would use (i.e. it is a market-based measurement). Fair value measurement assumes the transaction to sell the asset or transfer the liability occurs in a principal market or, in the absence of a principal market, in the most advantageous market to which the entity has access. It does not consider an entity's intent to sell the asset or transfer the liability. Fair value measurements of non-financial assets take into

**NOTES TO THE UNAUDITED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024 (CONTINUED)**

account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The highest and best use is determined from the perspective of market participants, even if the entity intends a different use. An entity's current use of a non-financial asset is presumed to be its highest and best use unless market or other factors suggest that a different use by market participants would maximise the value of the asset. In the absence of quoted market prices, the fair value of a financial or non-financial liability or an entity's own equity instruments is taken as the fair value of the corresponding asset held by another market participant at the measurement date. Counterparty credit risk and own credit risk are taken into account in determining the fair value of a liability. In the absence of quoted market prices, an entity uses valuation techniques appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024 (CONTINUED)

	Group		Company	
	Year-to-Date 30 June 2024 =N= 000	Year-to-Date 30 June 2023 =N= 000	Year-to-Date 30 June 2024 =N= 000	Year-to-Date 30 June 2023 =N= 000
	2 Investment and similar income			
Dividend income	991,874	1,396,181	991,874	1,356,643
Loans & advances	2,213,468	2,889,803	-	-
Interest & investment income	14,920,851	3,641,151	3,462,528	1,792,786
Other investment incomes	7,011,497	1,585,171	4,890,291	944,514
	25,137,690	9,512,306	9,344,692	4,093,943
3 Investment and similar expense				
Loans, overdraft and fixed debt takings	15,471,770	10,121,588	7,776,847	4,841,840
Operating lease expenses	176,289	25,853	-	-
	15,648,059	10,147,441	7,776,847	4,841,840
4 Other income				
Fees and commission income	291,596	184,988	-	-
Exchange gain	1,487,505	(187,940)	271,015	-
Rental income	1,449,320	4,502,197	-	9,490
Others	219,235	2,503,277	1,005,197	829,522
	3,447,656	7,002,522	1,276,213	839,012
4.1 Share of profit from associate	9,286	172,443	-	150,486
5 Personnel expenses				
Staff cost and allowances	1,670,637	900,177	294,383	302,314
Contributions to defined contribution plans	347,404	456,538	22,918	7,098
	2,018,041	1,356,715	317,301	309,412
6 Other operating expenses				
Repairs & maintenance	154,659	48,043	22,153	9,219
Auditors remuneration	60,396	36,582	21,500	14,400
Professional fees	442,125	432,386	178,300	281,973
Travel and accommodation	345,516	158,579	161,308	118,273
Insurance	158,774	59,041	42,318	37,066
General administrative expenses	1,651,178	760,239	451,366	382,879
Advertisement & business promotion	497,525	315,035	31,957	73,784
CSR expense	7,500	12,549	7,500	12,549
Corporate gift	103,988	71,065	103,988	71,065
Fees and commission	269,409	-	268,497	-
Donations	5,801	250	-	-
AGM/dividend processing expenses	52,293	-	13,214	-
Rent and rates	224,640	116,851	55,103	116,851
Directors fees and other allowances	211,517	92,784	37,000	27,000
Subscription	75,839	163,238	13,693	105,390
Training	53,160	17,439	52,006	17,439
IT license and maintenance fee	723,717	363,094	13,494	3,489
Bank charges	119,145	28,966	13,500	7,652
Security expenses	106,902	47,932	103,643	47,932
	5,264,081	2,724,073	1,590,539	1,326,961
7 Impairment of financial assets				
Receivables	528,444	159,462	-	-
Other financial assets and receivables	559,316	236,334	-	-
	1,087,760	395,796	-	-
8 Income tax expense				
Recognised in the profit or loss				
Income tax	245,953	-	-	-
	245,953	-	-	-
9 Depreciation and amortisation				
Depreciation	1,130,597	273,749	110,197	71,660
Amortisation of software	91,197	129,514	6,178	1,360
	1,221,794	403,263	116,375	73,020

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
 FOR THE PERIOD ENDED 30 JUNE 2024 (CONTINUED)

	Group		Company	
	30 June 2024 =N=' 000	31 December 2023 =N=' 000	30 June 2024 =N=' 000	31 December 2023 =N=' 000
10 Cash and cash equivalents				
Cash in hand	4,696,498	13,340	1,040,803	5,697
Balance with banks and other financial institutions	15,246,052	8,360,370	3,378,716	750,460
	19,942,550	8,373,710	4,419,520	756,157

Cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisitions, including cash in hand, deposits held at call with other banks and other short-term highly liquid investments with original maturities less than three months.

All bank balances and money market placements are assessed to have low credit risk at each reporting date as they are held with reputable financial institutions.

	Group		Company	
	30 June 2024 =N=' 000	31 December 2023 =N=' 000	30 June 2024 =N=' 000	31 December 2023 =N=' 000
11 Investment in financial assets				
Financial assets measured at amortised cost	68,398,124	23,989,049	53,487,458	29,420,234
Financial assets measured at fair value through other comprehensive income	12,998,066	12,063,923	6,471,857	9,629,088
Financial assets measure at fair value through profit or loss	19,720,379	15,982,531	18,767,766	14,836,744
	101,116,568	52,035,503	78,727,081	53,886,066

	Group		Company	
	30 June 2024 =N=' 000	31 December 2023 =N=' 000	31 March 2024 =N=' 000	31 December 2023 =N=' 000
12 Investment in subsidiaries				
VFD Microfinance Bank Limited			954,000	954,000
Anchoria Asset Management Limited			350,135	417,500
Kairos Capital Limited			146,850	146,850
Anchoria Investment and Securities Limited			329,924	329,924
Herel Limited			13,545,950	13,682,778
Atlat Limited			4,344,753	4,344,753
VFD Tech Limited			1,250,000	1,250,000
VFD Ghana Limited			1,539,125	1,506,182
			22,460,737	22,631,987

The Group does not have significant restrictions on its ability to access or use the assets and settle the liabilities of any member of the Group other than those resulting from the subsidiaries' supervisory frameworks

	Group		Company	
	30 June 2024 =N=' 000	31 December 2023 =N=' 000	30 June 2024 =N=' 000	31 December 2023 =N=' 000
13 Goodwill				
At beginning of period	5,533,579	5,854,418	-	-
Adjustment	(41,449)	(320,839)	-	-
At period end	5,492,130	5,533,579	-	-
Current	-	-	-	-
Non-current	5,492,130	5,533,579	-	-
	5,492,130	5,533,579	-	-

Goodwill is reviewed annually or more frequently for impairment when there are objective indicators that impairment may have occurred by comparing the carrying value to its recoverable amount. The goodwill was not assessed for consolidation because the date of consolidation is the reporting date.

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
 FOR THE PERIOD ENDED 30 JUNE 2024 (CONTINUED)**

	Group		Company	
	Year Ended 30 June 2024 =N=' 000	Year Ended 31 December 2023 =N=' 000	Year Ended 30 June 2024 =N=' 000	Year Ended 31 December 2023 =N=' 000
14 Investment property and development property As at 30 June	32,207,815	28,168,614	4,815,912	600,000
15 Receivables & prepayments				
Receivables	8,563,564	8,940,620	2,594,765	2,124,375
Prepayments	1,354,707	1,642,642	454,489	91,139
Other receivables	24,075,307	11,503,029	5,907,221	4,706,415
	33,993,578	22,086,291	8,956,475	6,921,929
Loss allowance on receivables (note 15.1)	(664,990)	(664,990)	(155,927)	(155,927)
	33,328,588	21,421,300	8,800,548	6,766,002
15.1 Loss allowance on receivables				
At 1 January	664,990	309,146	155,927	213,057
Arising/(reversal) during the period	-	355,844	-	(57,130)
At period end	664,990	664,990	155,927	155,927
The Group applies the simplified approach and recognises lifetime ECL for trade receivables using a provision matrix. The provision matrix is based on the historical observed default rates, adjusted for forward looking estimates. At each reporting date, the historical observed default rates are updated.				
16 Deferred tax				
Deferred tax assets:				
- Deferred tax asset to be recovered after more than 12 months	2,035,035	2,041,790	1,550,440	1,550,440
- Deferred tax liability to be recovered after more than 12 months	(1,878,258)	(1,953,826)	(908,594)	(908,594)
On acquisition of subsidiary	-	-	-	-
Charge for the period	-	-	-	-
Total	156,777	87,964	641,846	641,846
17 Borrowings				
Borrowings from related parties	5,412,814	865,453	29,894,780	14,099,063
Borrowing from banking institutions	9,708,106	4,830,853	3,537,548	1,547,725
Other borrowings	76,863,574	73,946,439	45,431,710	51,314,945
Other financial liabilities	9,583,832	1,957,180	5,310,261	85,815
	101,568,325	81,599,925	84,174,299	67,047,548
18 Other liabilities				
Due to related entities	45,079	39,361	39,365	39,365
Accounts payable	5,786,980	8,085,828	-	4,415,692
Accrued expenses	3,458,900	1,247,009	249,330	188,943
Other payables	17,129,760	3,260,026	5,491,418	1,414,654
	26,420,719	12,632,224	5,780,113	6,058,654
19 Deposit liabilities				
Current deposits	8,000,096	6,080,045	-	-
Savings deposits	11,895,700	6,114,853	-	-
Term deposits	21,273,440	14,804,764	-	-
	41,169,236	26,999,662	-	-
20 Current tax liabilities				
Per statement of financial position:				
Beginning of the period	1,772,426	1,625,947	570,723	673,863
Charge for the period	245,953	309,204	-	47,569
Reclassification	736,488	-	-	-
Tax paid	(175,568)	(162,725)	(58,411)	(150,709)
End of the period	2,579,299	1,772,426	512,312	570,723

The charge for income tax in these financial statements is based on the provisions of the Companies Income Tax Act 2004 as amended, while Education Tax is based on Tertiary Education Trust Fund (Establishment, etc.) Act, 2011.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024 (CONTINUED)

	Group		Company	
	Year Ended 30 June 2024 =N=' 000	Year Ended 31 December 2023 =N=' 000	Year Ended 30 June 2024 =N=' 000	Year Ended 31 December 2023 =N=' 000
21 Share capital				
The share capital comprises:				
Issued and fully paid -shares of 50k each	-	-	-	-
At 1 January	95,014	95,014	95,014	95,014
Rights issue	31,671	-	31,671	-
Bonus issue	506,740	-	506,740	-
At period end	633,425	95,014	633,425	95,014
22 Share premium				
At 1 January	7,880,427	7,880,427	7,880,427	7,880,427
Rights issue	12,148,381	-	12,148,381	-
Bonus issue	(506,740)	-	(506,740)	-
At period end	19,522,068	7,880,427	19,522,068	7,880,427
23 Retained earnings				
At 1 January	4,964,372	11,007,552	936,115	6,269,983
Impact of IAS 29 Adoption	-	(103,256)	-	-
Transfer from profit or loss account	3,108,944	(2,462,793)	819,843	(3,834,552)
Transfer to regulatory risk reserve	-	(15,218)	-	-
Transfer to fair value reserve	-	(70,259)	-	-
Share of newly consolidated subsidiary	-	(1,892,337)	-	-
Dividend paid during the period	-	(1,499,316)	-	(1,499,316)
Transfer from other reserves	529,584	-	529,584	-
At period end	8,602,900	4,964,372	2,285,542	936,115
24 Regulatory risk reserve				
At 1 January	16,085	867	-	-
Transfer from reserve	96,767	15,218	-	-
At period end	112,852	16,085	-	-
25 Statutory reserves				
At 1 January	209,403	139,143	-	-
Transfer to other reserve	23,834	-	-	-
Transfer to reserve	(96,767)	70,259	-	-
At period end	136,470	209,403	-	-
26 Other reserves				
At 1 January	7,434,061	6,689,648	7,754,480	7,396,388
Statutory reserve	(23,834)	-	-	-
Translation reserve	2,674,119	1,109,395	-	-
Adjusted opening balance	10,084,346	7,799,043	7,754,480	7,396,388
Arising during the period:				
Fair value reserve	-	(364,981)	333,048	358,092
Transfer to retained earnings	(529,584)	-	(529,584)	-
At period end	9,554,762	7,434,061	7,557,944	7,754,480
27 Fair valuation on items that may be subsequently reclassified to profit or loss				
Net fair value gain/(loss) on investments in other financial instruments measured at FVTOCI	302,065	679,417	333,048	674,886
	302,065	679,417	333,048	674,886

**NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2024 (CONTINUED)**

28	Property, plant and equipment	30 June 2024	31 December 2023	30 June 2024	31 December 2023
	Cost	15,431,422.00	17,891,518	1,206,623	1,156,962
	Accumulated Depreciation	(2,372,297)	- 3,200,432	(658,761)	(566,422)
	Net book value	13,059,125	14,691,086	547,862	590,540

29	Intangible assets	30 June 2024	31 December 2023	30 June 2024	31 December 2023
	Cost	489,344	672,694	34,290	88,414
	Amortization	(266,484)	(293,182)	(7,099)	(66,033)
	Net book value	222,860	379,512	27,191	22,380

30 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 subsidiaries, associates, joint ventures as well as key management personnel.

30.1	Identity of related parties	2024 %	2023 %	Country
	VFD Microfinance Bank Limited	90.86%	90.86%	Nigeria
	Anchoria Asset Management Limited	51.98%	61.98%	Nigeria
	Kairos Capital Limited	55.00%	55.00%	Nigeria
	Anchoria Investment and Securities Limited	60.00%	60.00%	Nigeria
	Atiat Limited	57.26%	57.26%	Nigeria
	Herel Limited	76.74%	76.74%	Nigeria
	VFD Tech Limited	95.00%	95.00%	Nigeria
	VFD Ghana Limited	62.93%	62.93%	Ghana

31 Principal subsidiaries

The financial statements of the Group include the operation of the following subsidiaries:

Company	Primary Business Operation	% Held
VFD Microfinance Bank Limited	Microfinance banking services	90.86%
Anchoria Asset Management Limited	Investment and fund management	51.98%
Kairos Capital Limited	Issuing house and investment adviser	55.00%
Anchoria Investment and Securities Limited	Stock brokerage services	60.00%
Atiat Limited	Auto and finance leasing	57.26%
Herel Limited	Real estate & hospitality	76.74%
VFD Tech Limited	IT infrastructure and development	95.00%
VFD Ghana Limited	Proprietary investments	62.93%

32 Events after reporting period

There are no material issues after the reporting period.

33 Contraventions

During the period, the Group incurred a penalty of NGN 8,100,000, imposed by the Nigeria Exchange due to the late filing of the 2023 Year End and 2024 Unaudited Financial Statements. This penalty was paid in full on May 28, 2024. The amount is included in the operating expenses section of the Statement of Comprehensive Income.

34 Certain prior period balances have been reclassified to conform with current period reporting format.

SHAREHOLDING STRUCTURE/FREE FLOAT STATUS

Description	30-Jun-24	
	Unit	Percentage
TOTAL VFD SHARES AFTER RIGHT ISSUE	253,369,820.00	100%
SUBSTANTIAL SHAREHOLDINGS(5% & ABOVE		
OSNON CAPITAL LIMITED	48,441,438	19.12
JOTANI INVESTMENTS LIMITED	20,072,454	7.92
ANCHORIA ASSET MANAGEMENT LTD	15,438,963	6.09
BILINEAR LIMITED	14,461,648	5.71
ADEWUMI MOBOLAJI	14,221,030	5.61
TOTAL SUBSTANTIAL SHAREHOLDINGS	112,635,533	44.45
DIRECTORS' SHAREHOLDINGS (DIRECT AND INDIRECT), EXCLUDING DIRECTORS WITH SUBSTANTIAL INTERESTS		
PARAGON PARTNERS	8,006,918	3.16
OROGUN KELVIN	4,483,519	1.77
DATASOFT LIMITED	705,357	0.28
OKONKWO JOHN MMADUKA	196,131	0.08
EXPOZE INTERNATIONAL	8,344,774	3.29
NKIRUKA EMODI & AZUBIKE EMODI	254,462	0.10
ADENUBI ADEDAMOLA	30,000	0.01
JACOB ADENUBI	17,814	0.01
OKUNWA OKPALA	1,923,085	0.76
OKPALA CHIBUZOR	830,263	0.33
AZUBIKE OBIANOEZIE EMODI MR.	1,552,740	0.61
SITONNA EMODI & NESOCHI EMODI	8,500	0.00
CHUDE AND EGO FOUNDATION	10,000	0.00
OKPALA EMEKA KENNETH	5,150	0.00
OHAKAWA CHIDI	6,776	0.00
AKANNAYA OSINACHI OKPALA	526,055	0.21
NNEOMA CHIZARA OKPALA	526,055	0.21
BEDIZEN LIMITED	1	0.00
TOTAL DIRECTORS SHAREHOLDINGS	27,427,600	10.83
OTHER INFLUENTIAL SHAREHOLDINGS		
ONYX MULTIVENTURES SERVICES LTD	4,360,202	1.72
EMPLOYEES OF VFD GROUP PLC	943,984	0.37
CUE PARTNERS LIMITED	592,719	0.23
BENAIHAH CHUKWUEMEKA	11,041	0.00
BUKUNMI CHRISTIANA OGBARA	10,808	0.00
CHIMBO OBIAAJUM FRANCIS	5,317	0.00
AKPORE MARTINS OGHENEMINE	5	0.00
OMOBOBOYE TIMILEHIN SAMUEL	1,581	0.00
AKPAN MARSHAL INIOBONG	15,843	0.01
OHAKAWA OLUCHUKWU	18,749	0.01
NOVUS NEXUS LIMITED	10,136,306	4.00
INTREPID LIMITED	3,631,276	1.43
AURUM SOLUTIONS LIMITED	1,783,678	0.70
VIXORITY LIMITED	1,260,554	0.50
ANCHORIA INV AND SEC LTD-TRD-STOCK-A/C	304,059	0.12
SYNTHOSOFT LIMITED	127,691	0.05
VFD MICROFINANCE BANK LIMITED	3	0.00
EVERDON BUREAU DE CHANGE LIMITED	3	0.00
VFD BRIDGE LIMITED	3	0.00
GBEMINIYI SHODA	42,500	0.02
ATIAT LEASING LIMITED	3,874,046	1.53
KAIROS CAPITAL LIMITED	61,143	0.02
ANCHORIA INVESTMENT SEC LTD DEPOSIT	23,100	0.01
TEMPO ELECTRIC	282,394	0.11
ADOHS ADVISORY LIMITED	37,469	0.01
TOTAL OTHER INFLUENTIAL SHAREHOLDINGS	27,524,474	10.86
FREE FLOAT IN UNITS AND PERCENTAGE	85,782,213.00	33.86
FREE FLOAT IN VALUE		

DECLARATION:

VFD GROUP PLC WITH A FREE FLOAT OF 33.86% AS AT JUNE 30TH, 2024 IS COMPLIANT WITH THE EXCHANGE'S FREE FLOAT REQUIREMENTS FOR COMPANIES LISTED ON THE MAIN BOARD