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Q3

UNAUDITED ACCOUNT 2025

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INTRODUCTION

Jaiz Banks unaudited Financial Statements for the period ended 30th September 2025 comply with the applicable legal requirements of the Securities and Exchange Commission regarding interim Financial Statements. These financial statements contain extract of the unaudited financial statements prepared in accordance with IAS 34 Interim financial Reporting, its interpretation issued by the International Accounting Standards Board and adopted by the Financial Reporting Council of Nigeria.

DIRECTORS, OFFICERS & PROFESSIONAL ADVISERS

Directors

Mohammed Mustapha Bintube	-	Chairman
Alh. Ibrahim Mohammed Indimi	-	Non - Executive Director
Alh. Hadi Muhammad Abdul Mutallab	-	Non - Executive Director
Mr. Mohammed Seedy Njie	-	Non - Executive Director
Alh. Tajudeen Aminu Dantata		Non - Executive Director
Hajiya Sa'adatu Hamza Mohammed		Non - Executive Director
Mallam Mustapha Ibrahim Ahmad	-	Non - Executive Director
Ahmed Mohammed Indimi	-	Non - Executive Director
Mrs (Dr) Aisha Waziri Umar	-	Independent Non - Executive Director
Dr. Abdullateef Bello	-	Independent Non - Executive Director
Nike Kolawole	-	Independent Director
Haruna Musa Ph.d	-	Managing Director/CEO
Alhassan Abdulkarim	-	Executive Director

Company Secretary

Mohammed Shehu
FRC/2017/NBA/00000016416
Plot 1073 J.S Tarka Street,
Garki Area 3, Abuja.

Registered Office:

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

Registrar and Transfer Office:

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

Independent Auditor

Delloite & Touché
Civic Towers
Plot GA1 Ozumba Mbadiwe Avenue
Lagos

Tax Advisors

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


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Statement of Financial Position

As at 30th September, 2025

	Notes	2025	2024
Assets		N'000	N'000
Cash and balances with Central Bank of Nigeria	3	297,788,790	238,764,980
Due from banks and other financial institutions	4	371,279,863	142,401,137
Investment in sukuk	5(i)	297,653,244	349,556,203
Interbank Investment	5(ii)	14,788,903	48,130,103
Financing Assets(net)	6	234,425,074	215,254,217
Inventory Financing(net)	7	94,885,231	58,340,129
Other assets	11	5,044,329	4,425,638
Leasehold improvement (net)	9	24,038,137	20,165,312
Intangible assets (net)	10	59,758	108,756
Property and Equipment (net)	12b	583,118	673,262
Deferred tax asset		2,927,243	2,927,243
Total assets		**1,343,473,782**	**1,080,746,982**
Liabilities			
Customer current deposits	12	643,532,564	493,599,402
Customers' unrestricted investment accounts	12	534,449,088	411,188,555
Other funding	13	27,199,067	28,999,627
Other liabilities	14	69,353,947	73,900,759
Tax payable		594,607	1,592,872
Total liabilities		**1,275,129,273**	**1,009,281,215**
Owners' equity			
Share capital	15	22,294,705	22,294,705
Share premium	16	6,372,565	6,372,565
Retained earnings	17	12,571,003	15,692,261
Risk regulatory reserve	18	8,607,256	8,607,256
Statutory reserve	19	15,757,285	15,757,285
Other reserves	20	2,741,694	2,741,694
Total Owner's Equity		**68,344,509**	**71,465,767**
Total liabilities and equity		**1,343,473,782**	**1,080,746,982**

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

Signed on behalf of the Board of Directors on 30th October, 2025.

Mohammed Mustapha Bintube
Chairman
FRC/2018/PRO/00000018479

Haruna Musa Ph.D
Managing Director/CEO
FRC/2017/CIBN/000000016515

Oseni K Bello
Chief Financial Officer
FRC/2013/ICAN/000000002476

Statement of Profit or Loss and Other Comprehensive Income

As at 30th September, 2025

	Notes	SEPT 2025 N'000	SEPT 2024 N'000	3 Month Ended SEPT 2025 N'000	3 Month Ended SEPT 2024 N'000	DEC 2024 N'000
Gross Earnings		**45,192,852**	**58,851,699**	**23,899,843**	**22,660,082**	**82,874,821**
Income:						
Income from financing contracts	22	31,143,156	23,920,298	11,484,182	9,025,774	32,042,048
Income from investment activities	23	41,034,563	30,344,403	16,675,866	11,954,305	44,366,015
Gross income from financing & Investment transactions		**72,177,718**	**54,264,702**	**28,170,048**	**20,980,079**	**76,408,063**
Impairment (charges)/ Write back	32	(1,053,503)	784,253	(701,904)	350,555	166,333
Net Income after provisions		**71,124,215**	**55,048,955**	**27,468,144**	**21,330,634**	**76,574,396**
Return to equity investment accountholder	25(a)	(19,242,971)	(15,554,456)	(7,245,273)	(5,328,637)	(21,285,829)
Bank's share as equity investor/ mudarib		**51,881,680**	**39,494,499**	**20,222,871**	**16,001,997**	**55,288,567**
Fees and Commission						
Fees and commission revenue	26	4,140,158	4,039,755	1,699,069	1,428,720	6,020,522
Fees and commission expense		(1,344,869)	(368,726)	(433,726)	(121,554)	(547,490)
Net and Commission		**2,795,289**	**3,671,029**	**1,265,794**	**1,307,166**	**5,473,032**
Other Income						
Other operating income	27	1,094,711	35,543	1,000,000	-	849,626
Unrealised exchange loss	28	(166,555)	96,173	(79,694)	22,282	144,099
Total Income		**55,605,125**	**43,297,243**	**22,408,971**	**17,331,445**	**61,755,324**
Expenses:						
Staff costs	29	12,608,843	9,982,446	5,624,175	3,732,549	13,759,018
Depreciation and amortisation	30	1,794,824	1,303,842	704,065	584,083	1,834,898
Other Operating expenses	31(I)	17,909,716	13,552,878	7,545,893	6,151,811	21,716,533
Total expenses		**32,313,383**	**24,839,166**	**13,874,133**	**10,468,443**	**37,310,450**
Profit before tax		**23,291,742**	**18,458,078**	**8,534,838**	**6,863,002**	**24,444,875**
Income Tax Expense		(414,593)	(350,703)	(102,418)	(130,397)	(960,624)
Profit for the period		**22,877,149**	**18,107,374**	**8,432,420**	**6,732,605**	**23,484,251**
Other Comprehensive income						
Total comprehensive income for the period		**22,877,149**	**18,107,374**	**8,432,420**	**6,732,605**	**23,484,251**
Earnings per share						
Basic and Diluted Earnings per share (kobo)		**51.31 kobo**	**52.42 kobo**	**19.14 kobo**	**15.88 kobo**	**66.38 kobo**

Statement of Changes in Equity

As at 30th September, 2025

31st DECEMBER 2024	Share Capital	Share Premium	Retained Earnings	Risk Regulatory Reserve	CBN (AGSMEIS) Reserve	Other Comp income	Statutory Reserve	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Balance at January 2024	17,270,586	1,348,446	5,408,868	5,007,534	1,455,169	112,313	8,712,010	39,314,925
Additions during the year	5,024,119	5,024,119	-	-	-	-	-	10,048,238
Profit for the year	-	-	**23,484,251**	-	-	-	-	**23,484,251**
Transfer to risk regulatory reserve	-	-	(3,599,722)	3,599,722	-	-	-	-
Transfer to statutory reserve	-	-	(7,045,275)	-	-	-	7,045,275	-
Transfer to AGSMEIS	-	-	(1,174,213)	-	1,174,213	-	-	-
Dividend Paid	-	-	(1,381,647)	-	-	-	-	(1,381,647)
Balance as At 31 December 2023	**22,294,705**	**6,372,565**	**15,692,261**	**8,607,256**	**2,629,382**	**112,313**	**15,757,285**	**71,465,767**

30th SEPTEMBER 2025	Share Capital	Share Premium	Retained Earnings	Risk Regulatory Reserve	CBN (AGSMEIS) Reserve	Other Comp income	Statutory Reserve	Total
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Balance at 1January 2025	22,294,705	6,372,565	15,692,261	8,607,256	2,629,381	112,313	15,77,285	71,465,767
Profit for the period		-	-	-	-	-	-	-
Additions during the year	-	-	-	-	-	-	-	-
Transfer to risk regulatory reserve	-	-	-	-	-	-	-	-
Transfer to statutory reserve	-	-	-	-	-	-	-	-
Transfer to AGSMEIS	-	-	-	-	-	-	-	-
Dividend Paid	-	-	(3,121,259)	-	-	-	-	3,121,259
Balance as At end of period	**22,294,705**	**6,372,565**	**12,571,003**	**8,607,256**	**2,626,381**	**112,313**	**15,757,285**	**68,344,508**

Statutory Reserve

Nigerian banking regulations require Banks to make an annual appropriation to a stipulated to a statutory reserve. As stipulated by section 15(1) of the Banks and other

Financial Institutions Act of 2020, an appropriation of 30% of profit after tax is made if the statutory reserve is less than the paid up share capital and 15% of profit after tax if the statutory reserve is greater than the paid up capital.

Non Distributable Regulatory Reserve

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

Statement of Cashflows

As at 30th September, 2025

	2025 N'000	2024 N'000
Cash flows from operating activities		
Profit for the period	**22,876,713**	**23,484,251**
Adjustments for non-cash items:		
Depreciation	1,519,015	1,689,728
Amortisation of intangible asset	90,144	120,118
Amortisation of leasehold	185,665	25,053
Amortisation of right of use assets	588,834	602,789
Impairment on financing asset	1,098,299	(166,333)
Income tax expense	414,593	960,624
Foreign currency revaluation loss	-	9,389,411
Net cash flows before changes in working capital	**26,773,264**	**36,105,640**
Working capital movement:		
Financing Assets (net)	(20,224,360)	41,777,778
Inventory Financing	(36,545,192)	(30,860,574)
Other asset	(1,252,321)	(1,989,528)
Customers' current account	149,933,162	269,135,440
Customers' investment account	123,260,533	169,081,319
Other financing	(1,800,560)	(12,432,873)
Other liabilities	(27,423,525)	41,476,757
Tax paid	(1,412,858)	(457,341)
Net cash provided by (used in) operating activities	**211,308,142**	**428,281,062**
Investing activities		
Investment in Sukuk	51,902,960	(197,698,880)
Interbank Mudarabah	33,341,200	(43,119,315)
Purchase of property & equipment	(5,528,506)	(9,867,876)
Improvement on leasehold properties	-	(72,964)
Purchase of intangible assets	-	(195,122)
Net cash provided by/(used in) Investing activities	**79,715,653**	**(250,954,157)**
Financing activities		
Issue of ordinary share	-	10,048,238
Dividends paid to owners	(3,121,259)	(1,381,647)
Net cash provided by/(used in) financing activities	**(3,121,259)**	**8,666,591**
Increase/(decrease) In cash and cash equivalents	287,902,537	185,885,495
Effect of Exchange rate changes on cash and cash equivalent	-	(9,245,312)
Cash and cash equivalents at beginning of period	381,166,117	204,417,935
Cash and cash equivalents At 30 SEPTEMBER	**669,068,654**	**381,166,118**

Notes to the Unaudited Financial Statements

As at 30th September, 2025

1. Reporting entity

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

The address of the Bank's registered office is Jaiz House, Plot 1073, J.S Tarka Street, Area 3, Garki Abuja, Nigeria. The Financial Statement of the Bank as at 30th June 2025, is only for the Bank as it has no subsidiary and/or Associate company. These audited financial statements were approved and authorized for issue by the Board of Directors on 30th Oct, 2025. The Directors have the power to amend and issue the financial statements.

2. Basis of preparation

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

Material Accounting Policies

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

a. Basis of measurement

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

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

b. Going Concern

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

c. Functional and presentation currency

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

d. Use of estimates and judgments

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

e. Changes to accounting policies

2.2. New and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial period except as noted below which became effective for the year ended 31 December 2024. Adoption of the standard did not result in changes in the amounts previously recognised in the financial statements. However the standard affected disclosures of the Bank.

Standards and interpretations effective during the reporting period

Amendments to the following standard(s) became effective in the annual period starting from 1 January, 2024. The new reporting requirements as a result of the amendments and/or clarifications have been evaluated and their impact or otherwise are noted below:

Amendments to IAS 1 – Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

In January 2020, the IASB issued amendment to IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively. The amendment clarify:

What is meant by a right to defer settlement.

- That a right to defer must exist at the end of the reporting period.
- That classification is unaffected by the likelihood that an entity will exercise its deferral right.
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The amendment did not have any material impact on the Bank .

Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback

In September 2022, the Board issued Lease Liability in a Sale and Leaseback. The amendment to IFRS 16 specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

However, the requirements do not prevent the seller-lessee from recognizing any gain or loss arising from the partial or full termination of a lease.

The amendment did not have any impact on the Bank , as there is no such transaction as Sale and Leaseback within the Bank or with external parties.

Amendments to IAS 7 & IFRS 7 – Supplier Finance Arrangements

In May 2023, the Board issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments. The amendments clarify the characteristics of supplier finance arrangements. In these arrangements, one or more finance providers pay amounts an entity owes to its suppliers. The entity agrees to settle those amounts with the finance providers according to the terms and conditions of the arrangements, either at the same date or at a later date than that on which the finance providers pay the entity's suppliers.

The amendments require an entity to provide information about the impact of supplier finance arrangements on liabilities and cash flows, including terms and conditions of those arrangements, quantitative information on liabilities related to those arrangements as at the beginning and end of the reporting period and the type and effect of non-cash changes in the carrying amounts of those arrangements. The information on those arrangements is required to be aggregated unless the individual arrangements have dissimilar or unique terms and conditions.

The amendment does not have any material impact on the Bank

Amendments to IAS 21 - Lack of Exchangeability (Effective January 1, 2025):

This amendment clarifies the situation when a foreign currency transaction or operation is not exchangeable into another currency at a specified measurement date for a particular purpose. As per the explanation, a currency is considered exchangeable if it can be obtained, typically through a market or exchange mechanism, with a normal administrative delay. The amendment would likely apply to entities engaging in transactions with foreign currencies that have specific non-exchangeable characteristics.

Impact on the Bank:

The Bank does not appear to have any immediate or material exposure to such non-exchangeable foreign currencies or related transactions, so this amendment does not have a material impact.

IFRS 19 - Subsidiaries Without Public Accountability: Disclosures (Effective May 2024):

IFRS 19 allows eligible subsidiaries to apply reduced disclosure requirements while still following other IFRS recognition, measurement, and presentation standards. To qualify for these reduced disclosures, an entity must meet several conditions, including being a subsidiary without public accountability and having a parent that prepares consolidated financial statements complying with IFRS Accounting Standard.

Impact on the Bank:

Amendments to IFRS 9 & IFRS 7 - Classification and Measurement of Financial Instruments (Effective May 2024):

These amendments clarify several points related to the classification and measurement of financial instruments, including the derecognition of financial liabilities, the assessment of contractual cash flows for ESG-linked features, and the treatment of non-recourse assets and contractually linked instruments. There are also enhanced disclosure requirements in IFRS 7 for financial assets and liabilities tied to contingent events or ESG features.

Impact on the Bank:

The Bank plans to adopt the amendments when they become effective, which suggests that the amendments will impact the Bank's reporting and financial instruments but are not expected to have a material disruptive impact. The adoption is aligned with the Bank's future operational needs.

IFRS 18 - Presentation and Disclosures in Financial Statements (Effective January 1, 2027):

IFRS 18 aims to improve the presentation and disclosure of financial statement information, focusing on aggregation, classification, and disaggregation. The standard sets out new requirements for presenting assets, liabilities, income, expenses, and cash flows with greater clarity.

Impact on the Bank:

The Bank plans to adopt IFRS 18 when it becomes effective, as the standard relates to its operations and will enhance its financial statement presentation and disclosures. However, the adoption is scheduled for a later date, and the impact will be more relevant as the effective date approaches.

Transactions in foreign currencies

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

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

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

Cash and cash equivalents

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

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

Financial instrument

Initial recognition and measurement

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

Classification and measurement

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

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

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

The classification depends on the Bank's business model (i.e. business model test) for managing financial assets and the contractual terms of the financial assets cash flows (i.e. solely payments of principal and return - SPPI test).
The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and return on the principal amount outstanding. The gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in income statement when the asset is derecognised or impaired. Returns from these financial assets is determined using the effective rate of return (ERR) method and reported in income statement as 'income'.

Debt instruments

Amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL
The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and.

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

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

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

Business model assessment

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

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

- How the performance of the portfolio is evaluated and reported to management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- How managers of the business are compensated e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- The frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Bank's stated objective for managing the financial assets is achieved and how cash flows are realised.

Assessment of whether contractual cash flows are solely payments of principal and return.
The Bank assesses the contractual terms of financial to identify whether they meet the SPPI test.
'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortization of the premium/discount).'Return' includes consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.
The most significant elements of return within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Bank applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the return rate is set.

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

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

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

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

Financial assets
When the terms of a financial asset are modified, the Bank evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value. Any difference between the amortised cost and the present value of the estimated future cash flows of the modified asset or consideration received on derecognition is recorded as a separate line item in income statements as 'gains and losses arising from the derecognition of financial assets measured at amortised cost'.
If the cash flows of the modified asset carried at amortised cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Bank recalculates the gross carrying amount of the financial asset as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective rate of return (or credit-adjusted effective rate of return for purchased or

Financial liabilities

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

Offsetting of financial instruments

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

Impairment of financial assets

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

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12mECL (12 months' expected credit loss)

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

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

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

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

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

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

default

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

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

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

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

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

Measurement of Expected credit losses (ECL)

The Bank calculates ECLs based on probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the expected profit rate. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.
The mechanics of the ECL calculations are outlined below and the key elements are, as follows:
PD: The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.
EAD: The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and return, whether scheduled by contract or otherwise, expected draw downs on committed facilities, and accrued return from missed payments.
LGD: The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

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

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

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

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

Measurement of Expected credit losses (ECL)

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

Exceptions to the 30-day rule include:

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

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

Forward looking information

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

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

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

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

- GDP growth
- Unemployment rates
- Exchange rate
- House price indices
- Inflation
- Crude Oil prices

To evaluate a range of possible outcomes, the bank formulates three scenarios: a base case, an upward and a downward scenario.The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material.

Definition of default and credit impaired financial assets

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

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

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

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

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

Renegotiated financing facilities

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

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

This amount is included in calculating the cash shortfalls from the existing financial asset. The cash shortfalls are discounted from the expected date of derecognition to the reporting date using the original effective profit rate of the existing financial asset.

Rebuttal Process

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

Criteria for Rebuttal

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

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

However, for a rebuttal to be granted, there are basic steps that must be met.

When an account breaches the 30 days past due criteria for SICR (Significant Increase in Credit Risk) or the 90 days past due criteria for default, and is transferred to Stage 2 (SICR) or Stage 3 (default), the presumption of the transfer can be rebutted under the following process:

Initiation by Relationship Manager (RM):

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

Divisional Head Review:

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

Credit Risk Team Evaluation:

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

Criticized Asset Committee (CAC):

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

Final Reclassification:

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

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

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

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

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

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

Collateral valuation

To mitigate its credit risks on financial assets, the Bank seeks to use collateral, where possible. The collateral comes in various forms, such as cash, securities, letters of credit/guarantees, real estate, receivables, inventories, other non-financial assets and credit enhancements such as netting agreements. The Bank's accounting policy for collateral assigned to it through its lending arrangements under IFRS 9 is the same is it was under IAS 39. Collateral, unless repossessed, is not recorded on the Bank's statement of financial position.
However, the fair value of collateral affects the calculation of ECLs. It is generally assessed, at a minimum, at inception and re-assessed on a quarterly basis. However, some collateral, for example, cash or securities relating to margining requirements, is valued daily.
To the extent possible, the Bank uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models. Non-financial collateral, such as real estate, is valued based on data provided by third parties such as mortgage brokers, or based on housing price indices.

Write-off

The Bank has in place Board approved policy that guides write-off of facilities. The Bank will write off financial assets (and any related allowances for impairment losses) when the Criticized Asset Committee(CAC) determines that the assets are uncollectible. In determining financial assets to write off, CAC considers amongst others:
The occurrence of significant changes in the obliger/issuer's financial position such that the obligor/issuer can no longer pay the obligation;
That proceeds from the collateral will not be sufficient to pay back the entire exposure.
The Prudential Guidelines (Section 3.21) d. The Bank's Investment Policy.

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

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

Property plant and equipment

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

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

Depreciation

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

Motor vehicle (5 years)

Furniture and fittings (5 years)

Equipment (5 years)

Computer Equipment - General (3 years)

Computer Equipment - Special (5 years)

Computer Software (10 years)

Freehold Building (50 years)

Leasehold improvement over the expected life of the lease

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

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

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

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

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

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

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

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

Notes to the Unaudited Financial Statements

As at 30th September, 2025

Software

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

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

Inventory

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

Islamic financing and investing contracts

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

Ijarah

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

Murabaha

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

Musharaka

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

Istisna'a

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

Wakala

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

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

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

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

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

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

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

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

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

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

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

Non-credit related fee income
This is recognized at the time the services have been performed and delivered or the transaction has been completed.

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

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

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

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

Sale of property under development

Service income

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

I Taxation

Revenue from sale of goods

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

Bank's share as a mudarib

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

Expense recognition

Profit on mudaraba payable (banks and non-banks)

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

Return on equity of investment accountholders

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

Restricted investment accounts

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

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

- The Bank complies with agreed terms and conditions as well as sharia ruling:
- Net profit is arrived at after taking into account all income and expenses at the end of the financial year and is distributed between investment account holders and shareholders.
- The share of profit of investment account holders is calculated on the basis of their average daily balances over the year, after reducing the Banks agreed and declared Mudarba fee
- In case the results of the Bank at the year-end are net losses, then the Bank, being the authority responsible for determining the accountability for these losses and how it shall be treated without violation to Islamic sharia rules.
- Due to pooling of investment funds with the Bank’s funds for the purpose of investment, no priority has been given to either party in the appropriation of profit.

Taxation

Current income taxation

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

Deferred taxation

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

Deferred tax assets are recognized where it is probable that future taxable profit will be available against which the timing differences can be utilized.

Employee benefits
Defined contribution plans
A defined contribution plan is a pension plan under which the Bank pays fixed contributions to a separate entity. The rate of contribution by the Bank and its employee is 10% and 8% respectively of basic salary, housing and transport allowance in line with the new Pension Reform Act, 2014. The Bank has no legal or constructive obligations to pay further contributions membership of the scheme is automatic upon resumption of duty with the Bank. The Bank has no further payment obligations once the contributions have been paid to Pension Fund Administrators (PFA).
The Bank's liabilities in respect of the defined contribution are to be charged to statement of profit or loss for the year in which they become payable. Payments are made to Pension Fund Administrator (PFA) are financially independent of the bank.

Provisions
Provisions are recognised when the Bank has a present obligation (legal or constructive) as a result of a past event, it is probable that the Bank will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.
Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Bank has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.
Outstanding and unexpired commitments at year end in respect of these transactions are to be shown by way of note to the financial statements.

Borrowings
Murabaha and due to Banks
This represents funds received from banks on the principles of murabaha contracts and are stated at fair value of consideration received less amounts settled
* Murabaha and due to non-banks
These are stated at fair value of consideration received less amounts settled. Profit paid on borrowings is recognized in the statement of income for the year
Fiduciary activities
The Bank acts as trustee in its capacity as a Mudarib when managing the equity of investment account holders. Equity of investment account holders is invested in murabaha and due from banks, sukuk and financing contracts with customers. Equity of investment account holders is carried at fair value of consideration received less amounts settled. Expenses are allocated to investment accounts in proportion of average equity of investment account holders to total average assets of the Bank.
Income is allocated proportionately between equity of investment account holders and owners' equity on the basis of the average balances outstanding during the year and share of the funds invested. Equity and assets of restricted investment account holders are carried off-balance sheet as they are not assets and liabilities of the Bank.

Segment reporting
The Bank prepares its segment information based on business segments and reported in accordance with IFRS 8 (Operating segments). An operating segment is a component of the Bank engaged in business activities that generate revenues and incur expenses, including those arising from transactions with other components of the Bank. The Executive Management Committee regularly reviews the operating results of each segment to make resource allocation decisions and evaluate performance. Each segment provides discrete financial information to facilitate this review. Costs that are directly traceable to specific operating segments are allocated accordingly, while indirect costs are distributed based on the benefits derived by each segment.

Notes to the Unaudited Financial Statements

As at 30th September, 2025

Customer deposit

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

Share capital and reserves

Share premium

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

Statutory reserve

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

AGSMIES reserve

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

Retained earnings

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

Regulatory risk reserve

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

Earnings per share

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

Notes to the Financial Statements

As at 30th September, 2025

3	Cash and balances with Central Bank of Nigeria	SEPT 2025 N '000	DEC 2024 N '000
	Cash	15,608,186	12,095,166
	Current account with CBN	134,293,014	47,740,052
	Deposit with CBN	146,429,543	178,033,572
	CBN AGSMEIS Balance	1,458,048	896,191
	At End of Period	**297,788,790**	**238,764,980**

a. Cash in hand constitutes the aggregate cash balances in the vaults of the Bank branches.

b. Current account with CBN represent the Bank's Operational Account which is used for daily transactions.

c. The CBN AGSMEIS Balance represent the Bank's equity contribution to the Agribusiness/Small and Medium Enterprises Investment Scheme. Deposit Money Banks are expected to set aside 5% of the previous year's Profit After Tax for equity investment in the scheme.

d. The CBN AGSMEIS Balance represent the Bank's equity contribution to the Agribusiness/Small and Medium Enterprises Investment Scheme. Deposit Money Banks are expected to set aside 5% of the previous year's Profit After Tax for equity investment in the scheme.

4	Due from banks and other financial institution		
	Balances with banks outside Nigeria:		
	First Bank UK	242,615	154,900
		242,615	**154,900**
	Balances with banks outside Nigeria:		
	First Bank UK	3,061,360	21,585,407
	AFRIXIM	19,612,437	43,230,051
	Banco De Sabadel	293,871	(82)
	Standard Chartered	341,806,410	39,784,105
	Bank Al-Bilad	1,357,435	1,451.042
	Zenith Bank UK	2,680,984	7,072,677
	FCMB UK	120,117	599,804
	Bank of Beirut	24,874	195,775
	Access Bank	2,033,202	26,732,007
	AKTIF	46,559	1,626,451
	Total	**371,037,247**	**142,246,237**
	At End of Period	**371,279,863**	**142,401,137**

I. The balances held with Banks outside Nigeria substantially represent the Naira equivalent of Foreign currency balances held on behalf of customers in respect of letters of credit, cash collaterals and bank's induced transactions. The corresponding Liabilities are included in customers' domiciliary deposit and margin deposits under "Other Liabilities"

5	Investment in sukuk		
	FGN Sovereign Sukuk	264,319,198	230,041,401
	State Sukuk	3,174,468	3,904,736
	Corporate Sukuk	768,591	905.543
	IILM Sukuk	-	115,155,540
	Gross Investment in Sukuk	**298,104,260**	**350,007,220**
	Impairment	(451,017)	(451,017)
	Total	**297,653,244**	**349,556,203**
5(I)	Investment in sukuk		
	At 1 January	330,121,995	140,670,825
	Addition during the year	68,214,074	89,472,056
	Redemption	(115,332,130)	(11,646,886)
	Disposal	(21,600,000)	(3,000,000)
	Gross investment in Sukuk	**261,403,939**	**215,495,995**
	Premium	22,476,181	15,279,315
	Rental Receivable	14,224,140	4,605,910
	At End of Period	**298,104,260**	**350,007,220**

Notes to the Financial Statements
As at 30th September, 2025

I FGN Sovereign Sukuk

At 1 January	210,909,881	135,495,310
Addition during the year	38,372,068	89,472,056
Redemption	-	(11,057,485)
Disposal	(21,600,000)	(3,000,000)
Gross Investment in FGN Sukuk	**227,681,949**	**210,909,881**
Premium	22,476,181	15,279,315
Rental Receivable	14,161,068	3,852,205
At end of period	**264,319,198**	**230,041,401**

ii State Sukuk

At 1 January	3,766,368	4,298,000
Redemption	(640,606)	(531,632)
Gross Investment in State Sukuk	**3,125,762**	**3,766,368**
Rental Receivable	48,703	138,368
At end of period	**3,174,465**	**3,904,736**

ii Corporate Sukuk

At 1 January	819,746	877,515
Addition during the year	-	-
Redemption	(65,524)	(57,770)
Gross Investment in Corporate Sukuk	**754,222**	**819,746**
Rental Receivable	14,369	85,797
At end of period	**3,174,465**	**905,543**

iv IILM Sukuk

At 1 January	114,626,000	-
Addition during the year	-	114,626,000
Redemption	(114,626,000)	-
Gross Investment in IILM Sukuk	**-**	**114,626,000**
Rental Receivable	-	529,540
At end of period	**-**	**115,155,540**

5(ii) Interbank Investment

Interbank Investment	14,819,305	48,000,000
Accrued profit on Interbank Investment	(30,401)	130,103
Balance as at end of period	**14,788,903**	**48,130,103**

6 Financing Asset

Murabaha receivables (net)	147,335,214	132,612,319
Investment Bai Mu'ajjal (net)	1,496,606	1,582,863
Investment in istisna (Net)	10,724,212	11,980,430
Investment in ijara assets (Net)	73,741,042	67,945,148
Qard hassan (Net)	1,895	7,351
Investment in Salam (Net)	1,126,106	1,126,106
Total Financing Assets	**234,425,074**	**215,254,217**

b Murabaha receivables

Murabaha retail	20,848,477	32,155,882
Murabaha corporate	145,394,679	108,287,250
Commercial Agric. Credit Scheme	44,282	90,616
Paddy Aggregation Scheme	-	134,335
Murabaha Staff	1,617,916	749,050
Murabaha SME	7,156,162	6,300,153
Gross recievables	**175,061,516**	**147,717,285**
Allowance for impairment	(5,462,885)	(4,904,425)
Deferred profit	(22,263,418)	(10,200,541)
At End of Period	**147,335,214**	**132,612,319**

Notes to the Financial Statements
As at 30th September, 2025

		SEPT 2025	DEC 2024
b	**Investment in Bai Mu'ajjal**		
	Bai Mu'ajjal corporate	1,873,917	1,873,917
	Gross receivables	**1,873,917**	**1,873,917**
	Allowance for imprairement	(29,972)	(29,972)
	Deferred Profit	(347,338)	(328,179)
	At end of period	**1,496,606**	**1,582,863**
c	**Investment in istisna**		
	Istisna recievable	15,063,761	16,454,805
	Gross Investment in Istisna	**15,063,761**	**16,454,805**
	Allowance for impairment	(223,428)	(223,428)
	Deferred Profit	(4,116,122)	(4,250,948)
	At end of period	**10,724,212**	**11,980,430**
d	**Investment in ijara assets**		
	Ijara wa iqtina	41,250,045	36,541,249
	Ijara auto & other	16,030,143	14,455,609
	Ijara other intervention	10,259,814	10,274,360
	Gross Investment in Ijara	**67,540,002**	**61,271,218**
	Ijara accrued profit	8,322,174	8,288,374
	Impairment allowance	(2,121,134)	(1,614,444)
	At end of period	**73,741,042**	**67,945,148**
e	**Qard hassan**		
	At 1 January	8,666	42,608
	Granted to staff	-	2,941
	Granted to customers	-	-
	Gross qard hassan	**8,666**	**45,549**
	Repayments		
	Staff repayment	5,457	10,825
	Customer repayment	-	26,058
	Total repayment during the period	**5,457**	**36,883**
	Gross receivable	**3,209**	**8,666**
	Impairment Allowance	(1,314)	(1,314)
	At end of period	**1,895**	**7,351**
f	**Investment in Salam**		
	Salam Corporate	1,263,548	1,263,548
	Gross Investment in Salam	**1,263,548**	**1,263,548**
	Allowance for impairment	(137,443)	(137,443)
	Deferred Profit	-	-
	At end of period	**1,126,106**	**1,126,106**

Notes to the Financial Statements
As at 30th September, 2025

7	Inventory Financing	SEPT 2025	DEC 2024
	Inventory - (note 7(I))	96,901,551	53,770,119
	Gross Inventory financing	**54,103,614**	**60,655,178**
	Deferred Inventory	-	(298,820)
	Impairment allowance	(2,016,229)	(2,016,229)
	At End of Period	**94,885,321**	**58,340,129**

7(I)	Schedules of inventory		
	Murabaha Inventory financing	96,901,551	53,770,119
	Total inventory	**96,901,551**	**53,770,119**

8. Property and Equipment

	Freehold Land N' 000	Building Freehold N' 000	Office Equipment N' 000	Motor Vehicle N' 000	Furnitures & Fixtures N' 000	Computer Equipment N' 000	Fixed Assets WIP N' 000	Total N' 000
Cost								
At 1 January 2024	774,832	2,008,946	2,456,737	2,727,780	596,570	4,538,049	5,005,488	18,108,403
Additions	-	2,401,020	615,124	648,581	273,797	1,335,438	4,891,035	10,164,995
Disposals	-	-	-	(237,455)	-	(6,766)	-	(244,221)
At 31 December 2024	**774,832**	**4,409,966**	**3,071,861**	**3,138,906**	**870,367**	**5,866,722**	**9,896,523**	**28,029,177**
At 1 January 2025	774,832	4,409,966	3,071,861	3,138,906	870,367	5,866,722	9,896,523	28,029,176
Additions	88,611	213,416	598,495	1,171,125	227,180	515,686	2,616,101	5,430,614
Reclassification	(124,200)	-	-	-	-	-	124,200	-
Disposals	-	-	-	(61,177)	-	-	-	(61,177)
At End of the Period	**739,243**	**4,623,382**	**3,670,356**	**4,248,854**	**1,097,548**	**6,382,408**	**12,636,824**	**33,398,614**
Accum. Dep. & impairment								
At 1 January 2024	-	173,442	1,400,653	987,640	345,967	3,213,537	-	6,121,239
Depreciation	-	87,293	359,667	525,499	98,852	618,418	-	1,689,728
Adjustment/Reclassification	-	-	-	-	-	111,933	-	111,933
Disposals	-	-	-	(59,035)	-	-	-	(59,035)
At 31 December 2024		**260,735**	**1,760,319**	**1,454,104**	**444,819**	**3,943,888**	**-**	**7,863,865**
At 1 January 2025		260,735	1,760,319	1,454,104	444,819	3,213,537	-	7,863,865
Depreciation		81,265	340,278	426,844	96,815	572,358	-	1,519,561
Adjustment		-	-	-	-	-	-	-
Disposals		-	-	(22,403)	-	-	-	(22,403)
At end of the period		**342,000**	**1,979,057**	**1,860,000**	**541,633**	**4,516,246**	**-**	**9,360,476**
Carrying amount								
At end of period	**739,243**	**4,281,381**	**1,569,758**	**2,388,854**	**555,914**	**1,866,162**	**12,636,824**	**24,038,137**
At 31 December 2024	**774,832**	**4,149,231**	**1,311,541**	**1,684,802**	**425,549**	**1,922,834**	**9,896,523**	**20,165,312**

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

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

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

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

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

There was no contractual commitment for the acquisition of property and equipment.

All property and equipment are non-current. None of the Bank's assets were financed from borrowings, consequently no borrowing cost has been capitalized as part of asset cost.

		SEPT 2025 N'000	DEC 2024 N'000
9	**Leasehold improvement**		
	Cost		
	As at 1 January	1,933,657	983,971
	Reclassification	(1,873,900)	875,017
	Addition	-	74,670
	At End of Period	**59,758**	**6,372,565**
	Amortisation and impairment		
	As at 1 January	1,824,901	924,831
	Reclassification	-	875,017
	Amortisation for the year	(1,824,901)	25,053
	At End of Period	**-**	**1,824,901**
	Carrying amount		
	At 1 January	108,756	59,140
	At End of Period	**59,758**	**108,756**
10	**Intangible assets**		
	Cost		
	As at 1 January	1,556,041	1,362,624
	Addition	-	193,417
	At End of Period	**1,556,041**	**1,556,041**
	Amortisation and impairment		
	As at 1 January	882,779	762,661
	Amortisation for the year	90,144	120,118
	At End of Period	**972,923**	**882,779**
	Carrying amount		
	At 1 January	673,262	599,963
	At end of the period	**583,118**	**673,262**

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

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

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

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

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

There was no contractual commitment for the acquisition of property and equipment.

All property and equipment are non-current. None of the Bank's assets were financed from borrowings, consequently no borrowing cost has been capitalized as part of asset cost.

Notes to the Financial Statements
As at 30th September, 2025

		SEPT 2025 N'000	DEC 2024 N'000
11	**Other Assets**		
	Financial Asset		
	Sundry debtors	1,371,958	1,932,017
	Investment properties	985,200	985,200
	Account receivable	436,187	792,219
	Settlement suspense	-	969,148
	Investment in financial inclusion centres	400,000	400,000
		3,193,345	**5,078,584**
	Non-Financial Asset		
	Prepaid Rent	556,916	499,687
	Prepayments (Licenses and others)	1,566,753	1,084,290
	Prepaid Deposits Insurance	1,036,959	-
	Prepaid staff allowance	223,895	573
	Inventory and other security items	284,345	172,285
		3,668,867	**1,756,835**
	Total	**26,882,212**	**6,835,418**
	Impairment allowance	(1,87,883)	(2,409,780)
	At End of Period	**5,044,329**	**4,425,638**
	Movement in other assets:		
	At 1 January	6,835,418	5,592,778
	Additions / (Reduction)	26,794	1,242,640
	Impairment allowance	(1,817,883)	(2,409,780)
	At End of Period	**5,044,329**	**4,425,638**
12a	**Customers' current account**		
	Analysis by type of account		
	Current account	643,532,564	493,599,402
	At End of Period	**643,532,564**	**493,599,402**
12b	**Unrestricted investment account**		
	Savings account	302,921,075	257,012,814
	Jaiz term deposit (note 12 d)	231,528,013	154,175,742
	At End of Period	**358,523,831**	**411,188,555**
	Total Deposit(a + b)	**821,036,051**	**904,787,957**
12c	**Analysis by type of customer**		
	Government	4,734,569	5,947,220
	Corporate	546,788,598	365,501,747
	Individual	626,458,485	533,338,991
	At End of Period	**821,036,051**	**904,787,957**
12d	**Analysis of Jaiz Term Deposit maturity by product**		
	JTD 30 days	188,725,485	113,953,501
	JTD 60 days	7,607,809	3,893,556
	JTD 90 days	15,535,847	19,141,751
	JTD 180 days	4,674,998	3,646,718
	JTD above 360 days	14,983,875	13,540,215
	At End of Period	**231,528,013**	**154,175,742**

The Bank has different Jaiz tenored deposits which give customers the opportunity to choose from a basket of investment that suit their preferences.

Notes to the Financial Statements
As at 30th September, 2025

		SEPT 2025 N'000	DEC 2024 N'000
13	**Other funding**		
	Other Funding	27,130,067	41,432,500
	At End of Period	**27,199,067**	**41,432,500**

		SEPT 2025 N'000	DEC 2024 N'000
14	**Other liabilities**		
	Financial Liabilities		
	Managers' cheque	874,834	1,517,239
	Letter of credit deposits	25,756,868	58,536,886
	Accounts payable	2,010,694	1,602,709
	Vendors payable	364,191	209,618
	Other tax liabilities	1,141,941	1,040,281
	Settlement payables	9,336,454	-
	Sundry payables	4,204,815	3,467,822
	Accrued allowance	1,455,527	4,699,081
	Accrued audit fee & other expenses	138,727	153,328
	Accrued Expenses	35,467	2,171,429
	Sundry deposit	19,952	7,702
	Dividend Payable	200,820	105,085
	Other payable	98,211	94,782
	Interbranch	8,843	-
		45,647,343	**71,602,967**
	Non-Financial Liabilities		
	Unearned income	-	503,052
	Unaudited YTD Profit	22,876,713	-
	Profit payable in Suspense	494,827	1,459,677
		23,371,540	**1,962,729**
	Total	**69,018,883**	**73,565,696**
	Impairment allowance on Off Balance sheet items	335,063	335,063
	At End of Period	**69,353,947**	**73,900,759**

Balances in internal accounts, such as Sundry Payable, Letter of Credit Deposit, Accrued Allowance, and Settlement Payable, are utilized to settle obligations owed by the bank. These obligations may arise from bank expenses or customer transaction settlements, such as accruals or provisions for upcoming expenses, E-banking settlements deducted from customers' accounts, or customers' deposits used for foreign exchange bids with CBN for letters of credit, among others.

		SEPT 2025 N'000	DEC 2024 N'000
15	**Owners' equity**		
a	**Share capital**		
(i)	Authorised		
	50,000,000,000 ordinary shares of N0.50 each	25,000,000	25,000,000
	At End of Period	**25,000,000**	**25,000,000**

Ordinary shareholding:

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

		SEPT 2025 N'000	DEC 2024 N'000
(ii)	**Issued and fully paid share capital**		
	44,589,410 ordinary shares of N0.50 each at 1 January	22,294,705	17,270,586
	Additions in the year	-	5,024,119
	At End of Period	**22,294,705**	**22,294,705**

Ordinary shareholding:

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

The share capital account did not change in the course of the period. Holders of ordinary shares receive dividends, which are declared on an annual basis, and each shareholder has the right to vote at the Bank's meetings. All ordinary shareholdings are equally weighted in relation to the Bank's remaining assets.

		SEPT 2025 N'000	DEC 2024 N'000
16	**Share premium**		
	At 1 January	6,372,565	1,348,446
	Movement during the period	-	5,024,119
	At End of Period	**6,372,565**	**6,372,565**
17	**Retained earnings**		
	At 1 January	15,692,262	5,408,869
	Profit for the year	-	23,484,251
	Transfer to risk regulatory reserve	-	(3,599,722)
	Transfer to statutory reserve	-	(7,045,275)
	Transfer to AGSMEIS	-	(1,174,213)
	Dividend Paid	(3,121,259)	(1,381,647)
	At End of Period	**12,571,003**	**15,692,262**
18	**Risk regulatory reserve**		
	At 1 January	8,607,256	5,007,544
	Adjustment against retained earnings	-	3,599,721
	At End of Period	**8,607,256**	**8,607,256**
19	**Statutory reserve**		
	At 1 January	15,757,285	8,712,010
	Adjustment against retained earnings	-	7,045,275
	At End of Period	**15,757,285**	**15,757,285**
20	**Other reserves**		
(a)	**Other comprehensive income**		
	At 1 January	112,313	112,313
	At End of Period	**112,313**	**112,313**
(b)	**Agricultural /small and medium enterprises investment scheme**		
	At 1 January	2,629,381	1,455,169
	Provision for the year	-	1,174,213
	At End of Period	**2,629,381**	**2,629,381**
	Total (a + b)	**2,741,694**	**2,741,694**

Agri-Business/Small and Medium Enterprises Investment Scheme (AGSMEIS); AGSMEIS fund is maintained to support the Federal Government's effort at promoting Agricultural businesses and Small and Medium Enterprises. Effective 2017 all Deposit Money Banks (DMBs) are required to set aside 5% of their Profit After Tax for equity investment in permissible activities as stipulated in the scheme guidelines.

The fund is domiciled with CBN.

Though there is no longer mandatory transfers to this reserve under the earlier directives, all Nigerian banks are now required to set aside an amount equal to 5% of their annual Profit After Tax (PAT) towards the funding of equity investments, which qualify under the AGSMEIS Scheme. This is done after the statutory external audit and Central Bank of Nigeria (CBN) approval.

Notes to the Financial Statements
As at 30th September, 2025

		SEPT 2025		SEPT 2024		
21	**Income from financing contracts**	YTD N'000	3 Month 2025 N'000	YTD N'000	3 Month 2024 N'000	DEC 2024 N'000
	Murabaha transactions					
	Murabaha profit - corporate	17,780,321	6,914,525	7,444,052	4,790,504	15,636,145
	Murabaha profit - retail	4,054,728	1,174,928	3,812,834	1,462,325	5,541,842
	Murabaha income - LC	102,067	36,781	132,539	37,938	163,683
	Total profit from murabaha transactions	**21,937,116**	**8,126,234**	**9,890,072**	**6,289,856**	**21,341,670**
	Bai Mu'ajjal transaction					
	Bai Mu'ajjal	302,805	103,454	360,127	112,820	467,836
	Total Profit from Bai Mu'ajjal transactions	**302,805**	**103,454**	**360,127**	**112,820**	**467,836**
	Ijara transactions					
	Ijara Wa Iqtina Profit- Corporate	3,933,760	1,388,660	1,534,288	699,595	3,721,267
	Ijara Wa Iqtina Profit-Retail	2,370,691	725,085	1,641,603	809,113	3,100,993
	Ijara Finance Lease Profit	378,595	115,212	303,264	146,606	581,809
	Ijara wa Iqtina Profit-others	898,857	300,419	879,974	309,992	1,187,629
	Total profit from Ijara transactions	**7,581,903**	**2,828,652**	**6,283,382**	**2,234,246**	**8,591,698**
	Others					
	Istisna	1,321,331	435,406	1,096,202	388,852	1,640,185
	Musharaka	1	-	659	-	660
	Total profit from other financing/investment contracts	**1,321,332**	**435,407**	**1,096,861**	**388,852**	**1,640,844**
	Total income from financing contracts	**31,143,156**	**11,493,746**	**14,894,524**	**9,025,774**	**32,042,048**
22	**Income from investment activities**					
	Trading assets	5,533,926	2,347,798	2,729,548	692,090	6,085,911
	Sukuk	27,527,239	9,503,335	9,621,745	5616,392	22,326,776
	Interbank Investment	7,973,398	4,824,733	6,040,805	5,643,823	15,953,327
	Total income from investing activities	**41,034,563**	**16,675,866**	**18,392,098**	**10,334,374**	**44,366,015**
23	**Impairment Charge**	1,053,503	701,904	784,253	350,555	166,333
	Impairment Charges	**1,053,503**	**701,904**	**784,253**	**350,555**	**166,333**
24	**(i) Net Financing & Investment Income**					
	Net financing & Investment Income	73,231,221	28,871,516	33,720,320	17,283,319	76,574,396
		73,231,221	**28,871,516**	**33,720,320**	**17,283,319**	**76,574,396**

	SEPT 2025 YTD N'000	SEPT 2025 3 Month 2025 N'000	SEPT 2024 YTD N'000	SEPT 2024 3 Month 2024 N'000	DEC 2024 N'000
25(a) (ii). Return on equity investment account holders					
Profit from financing investments paid to mudarabah account holders	**19,242,971**	**7,245,273**	**10,225,819**	**5,328,637**	**21,285,829**
25(b) (iii) Mudarib fees/profit of joint investments					
Bank's Fees as Mudarib	28,921,384	12,227,337	15,170,570	7,081,177	30,660,445
Profit from Bank joint investments	22,959,860	8,219,976	8,323,932	3,898,409	24,628,122
Bank's fees as Mudarib/profit from Bank joint investments	**71,124,215**	**27,467,708**	**33,720,320**	**17,283,319**	**76,574,396**
26 Fees and commission					
Banking services	1,574,313	845,371	723,300	427,762	1,152,420
Income from E-Business	1,335,830	442,174	1,185,543	410,144	1,683,087
LC/ trade finance income	1,230,014	411,524	2,130,912	590,813	3,185,014
At End of Period	**4,140,158**	**1,699,069**	**4,039,755**	**1,428,720**	**6,020,522**
26b Fees and commission Expense					
E- Banking Expense	1,344,869	433,275	368,726	121,554	547,490
At End of Period	**1,344,869**	**433,275**	**368,726**	**121,554**	**547,490**
27 Other operating income					
Wakala income	1,000,000	1,000,000	-	-	-
Miscellaneous income	94,711	-	35,543	35,543	849,626
As At End of Period	**1,094,711**	**1,000,000**	**35,543**	**35,543**	**849,626**
28 Unrealized Exchange Gain/(Loss)					
Foreign currency revaluation	(166,555)	(79,694)	96,173	22,282	144,099
At End of Period	**(166,555)**	**(79,694)**	**96,173**	**22,282**	**144,099**
29 Staff costs					
Salaries	11,313,017	5,056,392	8,620,914	3,109,954	11,791,361
Staff pension	393,065	170,359	322,108	110,917	434,299
Training and seminar expenses	365,830	265,417	481,152	263,027	624,881
Other staff expenses	536,930	132,007	558,272	248,652	908,477
At End of Period	**12,608,843**	**5,624,175**	**9,982,446**	**3,732,549**	**13,759,018**
30 Depreciation					
Depreciation	1,794,824	704,065	1,303,842	584,083	1,834,898
As At End of Period	**1,794,824**	**704,065**	**1,303,842**	**584,083**	**1,834,898**
30 Depreciation					
Depreciation of property & equipment	1,519,015	541,989	1,197,990	339,886	1,689,728
Amortisation of leasehold improvement	185,665	132,340	18,147	6,263	25,053
Amortisation of intangible assets	90,144	29,737	87,704	31,337	120,118
As At End of Period	**1,794,824**	**704,065**	**1,303,842**	**584,083**	**1,834,898**

Notes to the Financial Statements

As at 30th September, 2025

	SEPT 2025		SEPT 2024		
31(i) Other Operating expenses	**YTD N'000**	**3 Month 2025 N'000**	**YTD N'000**	**3 Month 2024 N'000**	**DEC 2024 N'000**
Advertising and marketing	438,576	458,383	774,207	377,780	871,860
Administrative - note 31 (iii)	6,465,129	3,035,339	3,030,803	1,249,579	5,930,326
Subscription and professional fees	1,815,658	478,579	536,770	223,204	794,109
Occupancy Cost - note 31(ii)	588,834	198,970	409,148	152,143	602,789
ACE's Expense	127,077	44,055	113,528	36,131	120,145
Licences	2,280,875	855,932	2,476,568	1,443,156	4,860,023
Bank charges	135,893	53,424	139,927	83,544	160,612
Audit fee & other expenses	113,411	45,333	75,000	25,000	100,000
Bonus & Benefit	-	-	2,406,820	1,189,053	112,547
Donations	107,315	34,415	180,307	135,500	2,053,930
Deposit insurance premium	3,175,877	1,101,959	1,547,588	534,906	3,871,449
Bandwith and connectivity	228,984	68,851	203,960	88,796	302,478
Directors expenses	2,432,086	1,170,652	1,658,253	613,018	1,936,266
At End of Period	**17,909,716**	**7,545,893**	**7,401,068**	**6,151,811**	**21,716,533**

31(ii) Occupancy Cost

Rental Charges	588,834	198,970	409,148	152,143	602,789
As At End of Period	**588,834**	**198,970**	**409,148**	**152,143**	**602,789**

31(iii) Administrative

Telephone expenses	44	-	1,415	5	1,445
SWIFT/NIBBS charges	161,564	27,046	52,308	23,030	107,252
Courier charges	26,824	10,945	29,774	11,215	37,351
Service contract (HR and Admin)	1,674,953	503,537	1,431,641	455,215	2,447,062
Local and foreign travels	259,767	57,507	215,688	61,674	442,645
Printing & Stationaries	187,321	61,133	114,097	41,819	154,896
Repairs and maintenance	2,042,595	619,334	555,272	254,011	609,423
Security related expenses	126,571	31,986	81,471	20,074	104,652
Money and other Insurance	235,707	79,460	38,866	27,009	53,209
Fuel expense	563,992	219,554	487,478	156,999	731,400
Newspaper, magazine & periodicals	244	6,903	1,037	351	1,037
Entertainment	16,212	387,835	21,029	3,498	40,528
Communications & Support expenses	172,835	404,682	(204,071)	45,887	136,703
Sundry expenses	989,013	-	199,162	148,369	954,506
Cash shortage written off	-	-	767	392	767
Listing expenses	7,487	-	4,867	-	4,867
Windfall Tax/Levy	-	-	-	-	102,582
At End of Period	**6,465,129**	**3,035,339**	**3,030,803**	**1,249,579**	**5,930,326**

32 Related parties

Jaiz Bank Plc has some exposures that are related to its Directors. The Bank however follows strict process before granting such credits to its Directors. The requirements for creating and managing this category of risk assets include the following amongst others:

(i) Related parties: Parties are considered to be related if one party has the ability to control the other party or exercise influence over the other party in making financial and operational decisions, or one other party controls both. The definition includes investment as well as key management personnel.

(ii) Transaction with key management personnel: The Bank's key management personnel, and persons connected with them, are also considered related parties. The definition of key management includes the close family members of key personnel and any entity over which key management exercise control. Close family members are those who may be expected to influence, or be influenced by that individual in their dealings with Jaiz Bank plc and its related entities/parties.

Notes to the Financial Statements
As at 30th September, 2025

30th SEPTEMBER, 2025					
Name	**Related Party**	**Relationship With The Bank**	**Limit Receivable N'000**	**Amount N'000**	**Classification**
Alhassan Abdulkarim	Alhassan Abdulkarim	Executive Director	207,956	198,080	Performing
Bello Muhammad Sani	HRH Engr. Sani Bello	Non-Executive Director	80,250	49,701	Performing
Noble Hall Limited	Abdulmutallab Muhammad Hadi	Non-Executive Director	279,995	78,974	Doubtful
			568,201	**326,755**	
Off Balance Sheet					
Equatorial Marine oil and Gas Company Ltd	Abdulmutallab Muhammad Hadi	Non-Executive Director	50,000	50,000	Performing
Dantata Property Development & Mgt Company Ltd	Alh. (Dr) Aminu Alhassan Dantata	Significant Shareholder	600,000	600,000	Performing
As at 30th September, 2025			**650,000**	**650,000**	

31st December, 2024					
Name	**Related Party**	**Relationship With The Bank**	**Limit Receivable N'000**	**Amount N'000**	**Classification**
Abdulmutallab Muhammad Hadi	Abdulmutallab Muhammad Hadi	Non-Executive Director	40,000	1,026	Performing
Alhassan Abdulkarim	Alhassan Abdulkarim	Executive Director	40,102	25,650	Performing
Aminu A Dantata	Aminu A Dantata	Significant Shareholder	500,000	533,699	Performing
Bello Muhammad Sani	Hrh Engr.Sani Bello	Non-executive Director	80,250	49,701	Performing
Dantata Food & Allied Product Coy Ltd	Alh. (Dr) Aminu Alhassan Dantata	Non-executive Director	304,000	200,000	Performing
Mohammed Mustapha Bintube	Mohammed Mustapha Bintube	Chairman	99,710	13,282	Performing
Noble Hall Limited	Abdulmutallab Muhammad Hadi	Non-excutive Director	279,995	78,973	Performing
			1,344,057	902,331	Substandard
As at 31st December, 2024			**2,688,115**	**1,804,661**	
Off Balance Sheet					
Equatorial Marine Oil and Gas Company Ltd.	Abdulmutallab Muhammad Hadi		100,350	-	Performing
As at 31st December, 2024			**100,350**	**-**	

34 Significant Shareholding (5% & Above)

	SEPT 2025 Holdings	%	DEC 2024 H oldings	%
Alhaji (Dr.) Muhammadu Indimi	13,093,099,656	29.36%	13,093,099,656	29.36%
Dantata Aminu Alhassan	8,606,126,811	19.30%	5,102,981,843	11.44%
Dantata Investment & Securities Limited	4,461,382,066	10.01%	3,554,663,358	7.97%
Alh. (Dr.) Umaru Abdul Mutallab	4,096,154,493	9.19%	4,461,382,066	10.01%
Altani Investment Limited	-	-	4,096,154,493	9.19%
Dangote Industries Ltd	3,053,458,570	6.85%	3,053,458,570	6,85%
Islamic Development Bank	2,506,666,588	5.62%	2,506,666,588	5.62%
Balance as at 30 September	**35,816,888,184**	**80.33**	**23,441,374,036**	**80.44%**

35 Earnings per share

Basic earnings per share

Basic earnings per share of **51.31 kobo (2024: 52.42 kobo)** is based on the profit of **N22,87 billion (30 September 2024: N11.28 billion)** attributable to shareholders with ordinary shares of **44,589,410 (2024: 34,541,172)**

Profit attributable to ordinary shareholders	**Sept - 2025 N'000**	**Sept - 2024 N'000**	**Dec - 2024 N'000**
Profit for the period	22,876,713	11,284,046	23,484,251
Profit attributable to ordinary shareholders	**22,876,713**	**11,284,046**	**23,484,251**

Weighted average number of ordinary shares	**Sept - 2025 In Thousand**	**Sept - 2024 In Thousand**	**Dec - 2024 In Thousand**
Issued ordinary shares at 1 January	44,589,410	34,541,172	44,589,410
Weighted average number of ordinary shares	**44,589,410**	**34,541,172**	**35,378,525**
Basic and diluted earnings per share (Kobo)	**51.31 kobo**	**52.42 kobo**	**66.38 Kobo**

There have been no transactions during the year which caused dilution of the earnings per share.

36 Contingencies and commitments

In the course of business, the Bank enters into various types of transactions that involves several undertakings acceptances, performance bonds and indemnities. The majority of these facilities are offset by corresponding obligations of third parties. Contingent liabilities and commitments comprise letter of credit, guarantees and undrawn financial commitments..

Nature of instruments

An acceptance is undertaken by a bank to pay a bill of exchange drawn on a customer. The Bank expects most acceptances to be presented, but reimbursement by the customer is normally immediate. Endorsements are residual liabilities of the Bank in respect of bills of exchange, which have been paid and subsequently rediscounted. Guarantees and letters of credit are given as security to support the performance of a customer to third parties. As the Bank will only be required to meet these obligations in the event of the customer's default, the cash requirements of these instruments are expected to be considerably below their nominal amounts.

Other contingent liabilities include transaction related performance bonds and overdrawn commitment and are generally short term to third parties which are not directly dependent on the customer's credit worthiness. Commitments to lend are agreements to lend to a customer in the future, subject to certain conditions. Such commitments are either made for a fixed year, or have no specific maturity dates but are cancellable by the lender subject to notice requirements. Documentary credits commit the Bank to make payments to third parties, on production of documents, which are usually reimbursed immediately by customers.

The table below summarises the fair value amount of contingent liabilities and commitments off-financial position risk:

Details	**SEPT 2025 N'000**	**DEC 2024 N'000**
Advanced payment guarantees	15,712,322	16,516,750
Letters of credit	29,810,068	101,082,488
Bonds and guarantees	17,403,077	13,509,553
Wakala guarantee	300,000	2,169,274
Balance at the end of period	**63,225,467**	**133,278,065**

(iii) Capital commitments

There were no capital commitments at the end of the reporting period of 30 September, 2025.

(iv) Guarantees and other financial commitments

The Directors are of the opinion that all known liabilities and commitments which are relevant in assessing the company's financial position, financial performance and cash flows have been taken into account in the preparation of these financial statements.

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