UBA Pensions

Annual Report 2025

UBA PENSIONS CUSTODIAN LIMITED

Annual Report and Audited Financial Statements

VISION

What we strive to achieve

Our vision is to be the leading Pension Custodian Services Provider.

MISSION

What we exist to do

To create a safe haven for pension assets and deliver world-class custodian services, using skilled and highly-motivated staff, state-of-the-art technology and a stakeholder approach in the conduct of our business.

OUR CORE VALUES

Enterprise

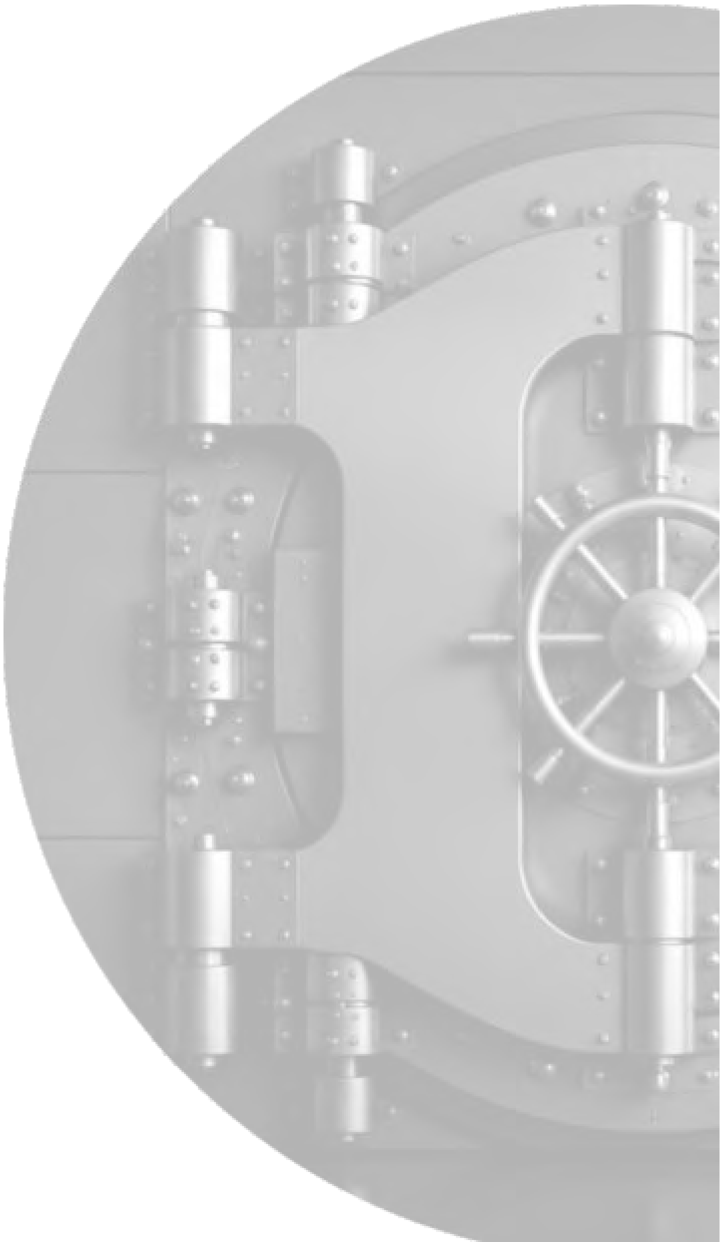
- own the talk
- go the extra mile, solve the problem
- show initiative
- break barriers
- be innovative

Excellence

- be responsive and passionate
- surpass customer's expectations always
- maintain quality standards
- be meticulous - make it simple always
- be professional - integrity, friendly and genuine

Execution

- get it done
- get it done now
- get it done very well... always
- have the end in mind



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01 CORPORATE PROFILE

Corporate Profile

DIRECTORS, PROFESSIONAL ADVISERS

Directors

Mr. Victor Osadolor	-	Chairman
Ms. Blessing Ogwu	-	Managing Director/CEO
Mr. Daniel Wajuihian	-	Executive Director
Mr. Ugochukwu Alex Nwaghodoh	-	Non-Executive Director
Mr. Alex Alozie	-	Non-Executive Director
Dr. Kayode Fasola	-	Non-Executive Director
Mr. Mohammed Yayangida Umar	-	Independent Non-Executive Director
Ms. Arafat Olayinka Balogun	-	Independent Non-Executive Director

Secretary

Rachel Onochie-Abugu

Registered Address

22B, Idowu Taylor Street,
Victoria Island,
Lagos.

FRCN Number

FRC/2013/00000000681

Banker

United Bank for Africa Plc.
Marina, Lagos.

Registration Number

RC-636081

Auditor

Ernst & Young,
10th & 13th Floors
UBA House,
57, Marina,
Lagos.

Tax Identification Number

01361793-0001

Our Board of Directors

PROFILES OF DIRECTORS OF UBA PENSIONS CUSTODIAN LIMITED

VICTOR OSADOLOR
Chairman
Non-Executive Director

Mr. Victor Osadolor is a seasoned finance executive and board leader with over 34 years of experience across banking, investment, and corporate governance in Africa and international markets.

He currently serves as Chairman of UBA Pensions Custodian Limited, Chairman of the Board Finance and Investment Committee at Heirs Holdings Group, and Director at Cenpower Holdings Limited (Ghana), where he provides strategic oversight on investments, governance, and risk.

He retired in 2020 as Deputy Group Managing Director of United Bank for Africa (UBA) Plc, where he oversaw banking operations across Africa and international markets including the UK, France, and the USA. During his tenure, he co-led the UBA/Standard Trust Bank mega merger, executed major capital raising initiatives, and played a key role in UBA's pan-African expansion and international licensing.

His previous roles include Group Chief Financial Officer and MD/CEO of UBA Capital, as well as leadership positions at Heirs Holdings, Ecobank Transnational Incorporated, Ecobank Nigeria, Guaranty Trust Bank PLC, and PricewaterhouseCoopers.

He has served on the Boards of Africa Finance Corporation, Transcorp Power, UBA UK, and as Chairman of Abuja Electricity Distribution Company (AEDC) Plc, and was a member of Nigeria's Presidential Committee on Tax and Fiscal Reforms (2024/2025).

Mr. Osadolor is a Fellow of the Institute of Chartered Accountants of Nigeria (ICAN), a member of the Institute of Directors (IOD), an Honorary Life Member of CIBN, and an alumnus of Harvard Business School, INSEAD, and IMD. He holds a B.Sc. in Accounting from the University of Benin and an M.Sc. in Finance from SOAS University of London.

BLESSING VICTORY OGWU
Managing Director

Blessing Victory Ogwu is a Fellow of the Institute of Chartered Accountants of Nigeria, associate member of the Chartered Institute of Taxation, holder of an MBA (Business Administration & Marketing) from Bayero University, Kano and alumnus of Oxford Saïd Business School (OAMLP Autumn 2024) and Lagos Business School (LBS SMP22).

She commenced her banking career in Merchant Banking before joining Commercial Banking with Zenith Bank Plc in August 1995, where she rose to the position of Senior Manager/Branch Head. She became part of the United Bank for Africa Plc Team as a Principal Manager in September 2007.

Prior to her appointment as the Managing Director of UBA Pensions Custodian Limited, Blessing Victory Ogwu was a top management staff of the Parent Company, UBA Plc with direct responsibility at different times, for Business Developments in Lagos, Rivers and Bayelsa States, in Nigeria.

Blessing is a recipient of various awards and an author. She is blessed with three lovely daughters and enjoys reading, swimming, and travelling for adventure.

ARAFAT OLAYINKA BALOGUN
Independent Non-Executive Director

Arafat Yinka Balogun is an Independent Non-Executive at UBA Pensions Custodian. She is an alumnus of the University of Miami, Coral Gables and University of Virginia, Charlottesville. She holds an A.B in Politics and Public Affairs from University of Miami and a J.D (Law); M.A (in Middle East & American Foreign Policy) and an LLM (Corporate Finance & Taxation) from the University of Virginia.

Arafat has had a rewarding career in Law, Compliance and banking spanning about 35 years out of which 12 years was spent in senior management positions in United Bank for Africa Plc. As the pioneer Chief Compliance officer in UBA Plc, she was an important member of the team that drafted and implemented the Compliance Plan, handled training of the branches and dissemination of information on actively embracing a compliance culture for the institution.

Arafat headed the Unit that provided legal services to various UBA subsidiaries in Africa, United Kingdom, New York, Grand Cayman branches; UBA Capital Plc and the Bank's Energy and Corporate Bank.

She has leveraged her extensive experience and currently provides legal and advisory services, to several local and multinational companies in various fields including Maritime, Aviation, Oil & Gas, Banking, Power and Fintech law.

She is a partner at Eximia Legal Consultant and currently also sits on the Boards of Afrinvest Asset Management Limited, Confiance Insurance Brokers Limited and Jurassic Abattoirs Limited.

In her free time, she is an avid reader and a peer counsellor.

UGOCHUKWU ALEX NWAGHODOH
Non-Executive Director

Ugochukwu Alex Nwaghodoh has over 30 years multifunctional experience spanning banking, advisory and assurance services. Prior to his appointment as the ED, Finance & Risk Management of UBA Plc, he was at different times, Group Financial Controller, Group Chief Compliance Officer, and Head Performance Management at the UBA Group.

Before joining UBA in 2004, he had decades of experience with the renowned firms of Deloitte and PricewaterhouseCoopers in Nigeria and Kenya. He holds a M.Sc. degree in Risk Management from New York University and a M.Sc. degree in Finance and Management from Cranfield University, England. He also holds a B.Sc. degree from the University of Ibadan.

Ugo is a Fellow of the Institute of Chartered Accountants of Nigeria, a Fellow of the Chartered Institute of Taxation of Nigeria (CITN), an Associate Member of the Chartered Institute of Stockbrokers of Nigeria, a Member of the Chartered Institute for Securities and Investments, United Kingdom and an Honorary Senior Member of the Chartered Institute of Bankers of Nigeria (CIBN). He is also a member of the Institute of Directors of Nigeria.

MOHAMMED YAYANGIDA UMAR
Independent Non-Executive Director

Mohammed Yayangida Umar holds a Bachelor's degree in Accounting from Ahmadu Bello University, Zaria and an M.Sc. in Banking and Finance from Bayero University, Kano. He is a Fellow of the Association of National Accountants of Nigeria (FCNA), a Fellow of the Institute of Loans and Risk Management of Nigeria (ILRM), a Fellow of the Institute of Certified Public Accountants of Nigeria (ICPAN), a Fellow of the Institute of Customer Service & Trade Management (ICSTM) and a Fellow of the Chartered Risk Management Institute (CRMI) of Nigeria.

He has over 31 years of accounting experience. At various times, he served as a Senior Accountant with the Bauchi State Government and was a Part-Time Non-Executive Director with the Bauchi State Television and the Bauchi Fertilizer Company Ltd. He retired from the Nigeria Deposit Insurance Corporation in 2019, as the Director, Insurance and Surveillance Department. He is also an Independent Non-Executive Director on the Board of Alpha 10 Fund Management Ltd.

DANIEL WAJUIHIAN
Executive Director, Operations & I.T.

Daniel Wajuihian's career has been in Law, Estate Management, Banking, Risk Management and Pensions Operation. In addition to various courses and trainings on Business Management, Business Development, Information Technology, Operational Efficiency, Corporate Governance, Personal Development and Leadership, his educational qualification includes an LL.B (Edo State University, Ekpoma), a B.L (Nigerian Law School, Lagos) and an LL.M (University of Lagos).

He was the Chief Risk Officer of UBA Pensions before his appointment as Executive Director, Operations & IT. Prior to his appointment, he held leadership positions in Risk Management and Business Development in various banks, including the then Standard Trust Bank, Fidelity Bank, Access Bank and United Bank for Africa.

He is a member of the Institute of Directors.

ALEX ALOZIE
Non-Executive Director

Alex Alozie has a BSc in Economics from Abia State University. He also holds a Masters' Degree in Business Administration from the Metropolitan School of Business, London (United Kingdom) and a Ph.D. in Management Studies from the Kaizen School of Business Management.

He is a consummate professional with an in-depth understanding of Banking Principles and a deep exposure to all aspects of Banking Operations & Strategy. His experience spans across Branch Operations, International Trade Operations, Head Office Operations, information Technology and Process Transformation and Business Development.

He is a Fellow of the Chartered Institute of Bankers of Nigeria, Nigerian Institute of Management, Institute of Chartered Economists of Nigeria, Chartered Institute of Strategic Managers & Leaders and Association of Human Resources of Nigeria.

He has received numerous awards which include CBN Commendation for Contributions in the introduction of the Cashless Initiative, SEC Commendation for his role in implementing E-Dividends and the CBN/NIBSS Award as a member of the BVN Implementation Committee, amongst others.

He is also a member of the CBN Committee on Introduction of Cashless in Nigeria, CBN/NIBSS committee on Implementation of BVN, CBN/SEC Committee on E-Dividend Mandate and CBN Committee on Shared Services.

His previous positions in the banking Industry include Head of Operations in Diamond Bank and Head of Digital/Head Office Operations in Access Bank, Executive Director/Group Chief Operating Officer and Executive Director, North Bank, United Bank for Africa (UBA) Plc.

DR. KAYODE FASOLA
Non-Executive Director

Dr. Kayode Fasola is a consummate professional with over 30 years' cognate experience obtained from Management and Board positions covering banking operations, risk management, credit/financial analysis, insurance, asset management, business strategy/development, performance management and corporate governance.

He holds two Masters Degrees and a Ph.D. in Business Administration specializing in Entrepreneurial Financing. He is a Member of the Association of National Accountants of Nigeria, Chartered Institute of Marketing, Chartered Institute of Banking, Chartered Institute of Management and an Associate of the Chartered Institute of Taxation.

Dr. Fasola had previously served as an Executive Director of Wema Bank and as a Non-Executive Director on the Board of UBA Plc from 2018 to 2024. In UBA Plc, he served as the Chairman of the Finance & General-Purpose Committee and was a member of the Board Credit Committee, Board Risk Management Committee, the Board Audit and Governance Committee and the Statutory Audit Committee.

He has a deep interest in education and educational development culminating in investment in educational sector.

Our Management Team

PROFILES OF MANAGEMENT TEAM OF UBA PENSIONS CUSTODIAN LIMITED

CHRIS OJIEABU

Chief Compliance Officer

Chris, LL.M, BL, MBA, is a Barrister & Solicitor and an Authorised Dealing Clerk. He has been actively involved in legal practice with reputable law firms and previously served as Head of Corporate Trust at UBA Trustees Limited before joining UBA Pensions.

Chris was the pioneer Company Secretary of UBA Pensions and also served as the Acting Head of Operations before being appointed Chief Compliance Officer in 2017.

He has attended several professional courses and training programmes at various levels and is an alumnus of the Lagos Business School Senior Management Programme.

HELEN DUAKA

Chief Financial Officer

Helen is currently the Chief Financial Officer (CFO) of UBA Pensions. She holds a Bsc degree in Accounting from the prestigious University of Benin and is a renowned Fellow of the Institute of Chartered Accountants of Nigeria.

Helen has a wealth of expertise spanning over 2 decades in branch operations and financial control exhibiting exceptional expertise in financial reporting, financial operations, controls, data analysis, and process reviews. She also excelled as the CFO of UBA Insurance Brokers, displaying astute financial leadership.

Known for her meticulous attention to detail and exceptional organizational abilities, Helen consistently delivers results of the highest quality. Her dedication to excellence and commitment to upholding financial best practices have earned her a stellar reputation in the industry.

RACHEL ONOCHIE-ABUGU

Company Secretary / Legal Adviser

Rachel holds a bachelor's degree in law (LL.B) from the University of Benin, a Master of Laws (LL.M) degree from the University of Lagos and is an Associate of the Chartered Institute of Arbitrators UK (Nigeria branch). She commenced her career in 1995 with the law firm of Babajide Koku and moved to Toye Coker, Ogbekene & Co., before joining the former IMB International Bank Plc in 2000 as a Legal Officer, where she rose to the position of Acting Company Secretary/Legal Adviser.

Rachel also worked in Dangote Industries Ltd, Mainstreet Bank/Skye Bank Plc/Polaris Bank Limited where her various assignments enabled the honing of her skills in every facet of corporate legal practice, leading teams spanning company secretariat, litigation, loan documentation, debt recovery and contract advisory functions.

Rachel is an ordained Christian Minister and advocate of gender parity who enjoys reading and singing.

HELEN EWERE IGBINOBA

Head, Settlement and Corporate Action

Helen, before joining UBA Pensions, boasts over 24 years of banking experience spanning Cash Management, Customer Service, Funds Transfer, Electronic Banking, Customer Management & Engagement with United Bank for Africa Plc. The astute banker also managed the Cash Management Centre and served as the Liaison Officer between the Bank, CBN, and other Financial Institutions in the Midwest Region for several years.

A result-oriented professional in process optimization and an excellent driver of customer service experience. Helen served as the Chief Operating Officer for the Midwest 1 Region of the Bank, overseeing 15 offices and several cash offices, before joining UBA Pensions.

Helen joined UBA Pensions in September 2023 and currently the Head of the Contribution Administration Department. She is business-minded, engaging, and collaborates with teams in all units to grow the viability of the organization. An excellent team player, Helen leads to ensure the team achieves and excels in all job deliverables and targets.

Helen holds a Bachelor's degree in Economics and Statistics and a Master's in Business Administration.

LILIAN NKIRUKA ONWUDINJO

Head, Business Development and Client Services

Lilian is a seasoned Client Service and Business Development Manager with over 20 years of expertise in the banking and pensions industry. With a strong focus on exceptional relationship management and process improvement, she excels as a professional of utmost integrity. A collaborative team player, Lilian possesses the ability to identify and drive initiatives across diverse teams.

Her extensive experience in managing both retail and corporate clients has provided her with a deep understanding of evolving customer expectations.

Prior to joining UBA Pensions, she held various positions at First Bank of Nigeria, contributing to the transformation of the branch. Lilian holds a bachelor's degree in Agric Economics & Extension from Delta State University, Nigeria, and an MBA in Human Resources and Management from Daystar University, Nairobi, Kenya. She has actively participated in numerous banking and pension industry training programs.

KEHINDE OGUNTUYI

Head, Contribution Administration

Kehinde holds a Bachelor's degree in Finance from University of Ilorin, and an MBA from University of Ado Ekiti, Ekiti. He has attended various professional trainings including the Senior Management Program (SMP) at the Lagos Business School.

Kehinde started his career with Afribank PLC as a Teller Control before he joined Lordsfield Limited where he worked as Administrative/Account Officer. He later moved to Teams Communications Limited as Account/Administrative Officer.

He is currently Head, Safekeeping Department of UBA Pensions. He had previously worked for 5 years as Head of Contribution Department.

WINSTON ALILE
Head, Safe Keeping and Vault Management

Winston has over 20 years work experience in capital market operations, financial portfolio management, business strategy and banking.

Winston is a SEC registered Sponsored individual in Portfolio Management. He is a member of the Chartered Institute of Stockbrokers and an alumnus of the Senior Management Programme (SMP) of Lagos Business School. Winston possesses a B.Sc. in Economic from the University of Ilorin and an MBA from Obafemi Awolowo University.

He worked as a pioneer staff for Afrinvest West Africa and GTB Asset Management now Investment One Financial Services as the Deputy Head, Operations and the Head, Retail Marketing respectively.

Prior to joining UBA Pensions, Winston worked as a profit center manager, financial institution with UBA Plc

ADEMOLA YAKUB
Head, Internal Audit

Ademola has over 28 years of active banking and financial services experience across the borders of Nigeria, Ghana and Togo in Internal Control, Internal Audit/Inspection, Compliance,Pension Marketing and General Administration.

He worked with Banks such as First Bank of Nigeria Plc, UBA Plc, Standard Trust Bank Ltd(which later merged with UBA), Devcom Bank Ltd, Oceanic Bank Ltd, Amalgamated Bank Ltd, Ghana, on secondment by Oceanic Bank, Ecobank Nigeria (subsidiary of EcobankTransnational Incorporation (ETI).Ademola crossed to the Pension industry on September 3rd 2018 when he joined Veritas GlanvillsPensions Ltd as the Head, Internal Control & Audit. He later moved to Pension Marketing from where he was appointed as the Chief Compliance Officer as approved by the Nigerian Pension Commission (PENCOM).

Ademola holds a first degree in Accounting from the University of Lagos (Unilag) and MBA from the same Unilag. An M.Sc. Accounting from Unijos and a Fellow of The Institute of Chartered Accountants of Nigeria (ICAN), a Member of the Institute of Internal Auditors (IIA), an Associate Member, Nigerian Institute of Management (AMNIM), a member of Chartered Institute ofBankers of Nigeria and Chartered member of Computer Forensic Institute of Nigeria (MCFI). A PENCOM certified Internal Auditor and Compliance Officer.

CHINWE JEFF OWUNNA
Chief Risk Officer

Chinwe, ERMCP, ARMN, ACILRMN, ACIFCN, is a seasoned professional with over 15 years of cross-functional experience spanning financial management, risk assessment and mitigation, business integration and resilience, project management and data analysis, executive management partnership and decision support, business impact analysis and sustainable practices. She leads Organizational efforts around measuring the positive impact of activities and ensuring alignment with purpose and values.

She has worked with many Organisations at managerial levels across different job roles in driving strategic interventions and growth in various business units. Through her proven business acumen and technical competencies, she has successfully championed and implemented several business process designs and improvement initiatives and a full cycle of risk management frameworks that support enterprise-wide operations, high-impact building projects, culture change programs and business re-engineering while leading high-performance and result-oriented teams.

She is a certified Professional in Risk Management (ERMCP ISO 31000) and Corporate Social Responsibility (ISO 26000 – Lead Implementer). She is an Associate member of Risk Management Society of Nigeria (RIMSON), Chartered Institute of Loan and Risk Management (CILCRM) and Chartered Institute of Finance and Control (CIFCN) respectively. She also holds Certificate in Insurance, MBA in Financial Management and B. Sc (Hons) in Banking & Finance.

SAFETY OF ASSETS

...safe haven
for pension assets

Securing today, safeguarding tomorrow

Your contributions.
Protected. Managed.
Delivered.

The Electronic Pension Contributions Collection System (EPCCOS) is a web-based e-payment Collections platform, developed by NIBSS in partnership with Pension Operators (PenOp) Association of Nigeria. The portal was designed to facilitate the remittance of employees' Pension Contribution to their various Pension Fund Administrators in an Organized and timely manner.

02 STRATEGY & BUSINESS REVIEW

Chairman's Statement

VICTOR OSADOLOR

Chairman, Board of Directors

Dear Esteemed Shareholders,

I am pleased to present, on behalf of the Board of Directors, the 2025 Annual Report and Audited Financial Statements of UBA Pensions Custodian Limited, outlining the Company's performance, resilience, and continued commitment to delivering value to stakeholders throughout the year under review.

The year 2025 was shaped by a dynamic macroeconomic and operational environment, which significantly influenced business activities across the industry. Against this backdrop, I will first provide an overview of these developments before discussing our performance for the year.

Macroeconomic and Operating Environment

The global economy in 2025 remained resilient amid heightened geopolitical and economic uncertainties. The International Monetary Fund projects global growth of approximately 3.3% in 2026, supported by easing inflation and gradual policy normalization across major economies. However, persistent tensions in the Middle East continued to pose downside risks, particularly through their impact on global energy markets, where supply disruptions contributed to volatility in oil prices and inflationary pressures.

On the domestic front, Nigeria recorded moderate economic growth. Data from the National Bureau of Statistics indicates that Gross Domestic Product (GDP) grew by approximately 3.5% in 2025, supported largely by the services sector. Inflationary pressures remained elevated during the year, with headline inflation closing at 15.15% influenced by structural adjustments following the rebasing of the economy, as well as exchange rate and energy cost dynamics.

The Nigerian pensions industry sustained its growth momentum. Total pension assets increased from ₦22.51 trillion in 2024 to approximately ₦27.45 trillion in 2025, representing a growth of about 22%. This expansion was driven by continued contributions, improved investment performance, and increased compliance across both the public and private sectors.

Similarly, membership under the Contributory Pension Scheme (CPS) rose from 10.58 million in 2024 to approximately 11.1 million in 2025, reflecting sustained growth in participation. This increase was largely driven by heightened awareness initiatives, expansion of the Personal Pension Plan (PPP), and improved enforcement of pension compliance by regulators and employers.

In addition, the National Pension Commission continued to strengthen the regulatory framework through enhanced risk-based supervision, enhanced and new regulations, digitalization initiatives, and ongoing refinements to RSA transfer processes, all of which were aimed at improving efficiency, transparency, and stakeholder confidence in the industry.

Financial Highlights: Strong Performances

Despite the challenges experienced during the year, the Company's performance in 2025 was remarkable. Revenue increased by 4% to ₦11.53 billion from ₦11.09 billion in 2024. However, Profit After Tax declined due to higher operating expenses. As a result, the cost-to-income ratio increased from 22% to 25%.

The Company's balance sheet continued its upward trajectory, expanding by 5% from ₦18.1 billion in 2024 to ₦19.1 billion in 2025.

The Company closed the 2025 financial year with a Profit After Tax of ₦5.67 billion, reinforcing our ability to deliver consistent earnings despite a dynamic operating environment. Assets Under Custody increased by 32%, from ₦3.39 trillion in 2024 to ₦4.47 trillion in 2025.

We also sustained a robust liquidity profile, with over 90% of our funds held in high-quality liquid assets, ensuring resilience, financial flexibility, and readiness to capitalize on emerging opportunities.

Dividends: Prudent Capital Management

To strengthen the Company's capital base and ensure compliance with revised regulatory capital adequacy requirements, the Board has decided not to declare or recommend any dividend for the 2025 financial year. This decision is primarily to enable the Company to deploy a significant portion of the retained earnings towards meeting the new minimum capital requirement of N25 billion recently imposed by the National Pension Commission (PenCom) for Pension Fund Custodians.

This prudent and strategic approach demonstrates our commitment to regulatory compliance and the enhancement of our financial capacity to support future growth.

Excellent Service Delivery

We remain steadfast in our commitment to delivering exceptional service to our clients and stakeholders. Our focus on governance, people, and technology continues to drive our operational excellence and market competitiveness.

During the year, we consolidated the gains from our transition to Microsoft Dynamics 365 Business Central, which have significantly enhanced our operational efficiency, improved data visibility, and enabled greater automation of key processes.

These advancements have strengthened our ability to deliver timely, accurate, and transparent services, while also improving client experience and responsiveness.

Our dedication to service excellence continues to reinforce our reputation as a trusted pension fund custodian in Nigeria.

2026 Outlook

As we turn our focus to 2026, we remain cautiously optimistic. We expect gradual macroeconomic stabilization, supported by moderating inflation, improved foreign exchange liquidity, and sustained policy reforms. The pensions industry is poised for continued expansion, driven by increased participation, regulatory enhancements, and innovation across the value chain.

Our strategic focus is on driving operational efficiency through technology, enhancing client service delivery, strengthening governance and compliance, and expanding our market presence, positioning the Company to effectively navigate emerging challenges and deliver sustainable long term growth.

Appreciation

I would like to sincerely thank our valued clients for their continued trust and loyalty, which remain central to our success.

I also extend my appreciation to my fellow Board members for their guidance and leadership, as well as to Management and staff for their dedication, professionalism, and unwavering commitment to excellence.

Finally, I want to acknowledge the continued support and oversight of the National Pension Commission and other stakeholders.

Together, we will continue to build a resilient and forward-looking institution, committed to safeguarding the future of retirement savings while delivering sustainable value to all stakeholders.

Thank you.

Victor Osadolor
Chairman, Board of Directors
FRC/2016/PRO/DIR/003/0000013923

Managing Director / CEO's Statement

BLESSING OGWU
Managing Director / CEO

Dear Shareholders,

I am delighted to present the Annual Report and Audited Financial Statements of UBA Pensions Custodian Limited for the financial year ended 31 December 2025 with highlights on the key developments that shaped our performance over the period.

The year under review was marked by resilience and steady progress, despite a competitive and changing operating environment. We delivered a Profit After Tax of ₦5.68 billion, reflecting disciplined execution and sustained focus on efficiency and growth.

As we navigate 2026, our strategic intent is clear, to reinforce growth in Assets Under Custody (AUC), deepen client partnerships, and further unlock efficiencies through enhanced digital capabilities and process optimisation.

2025FY Operating Environment – Global and Nigeria

Global economic activity in 2025 remained stable despite persistent geopolitical tensions, particularly the lingering Israel-Gaza conflict, which continued to pressure global energy supply chains and price stability. Additionally, significant U.S. tariff increases disrupted global trade, while inflation moderated to 4.2% across major economies due to lower energy costs and easing monetary conditions. The International Monetary Fund projects global growth of approximately 3.3% in 2026 reflects a gradual economic stabilization amidst the current US-IRAN realities.

Domestically, Nigeria recorded moderate expansion, with GDP growth estimated approximately at 3.9% in 2025, according to the National Bureau of Statistics. Growth was primarily driven by the services sector, supported by ongoing structural reforms and improved sectoral activity. The IMF forecasted a GDP with the growth rate of 4.1% for the year 2026.

Inflation remained elevated at approximately 15.15%, largely reflecting the impact of structural adjustments, including economic rebasing, alongside exchange rate dynamics and energy-related cost pressures. The Central Bank of Nigeria sustained a tight monetary stance throughout the year, resulting in higher yields in fixed income markets and a more constrained liquidity environment.

Industry Updates

The Nigerian pension industry maintained a strong growth trajectory in 2025, with total pension assets rising from ₦22.51 trillion in 2024 to approximately ₦27.45 trillion, representing a growth of about 22%. This expansion was driven by improved compliance, stronger investment performance, and increased participation/inclusion across the system.

Membership under the Contributory Pension Scheme (CPS) also grew from 10,582,299 in December 2024 to over 11,040,227 contributors in December 2025, supported by heightened awareness, stricter enforcement, and the continued rollout of the Personal Pension Plan (PPP).During the year, the National Pension Commission introduced Fund VII, a foreign currency denominated pension fund aimed at providing a hedge against exchange rate volatility while broadening investment options. The industry also witnessed increased competition and consolidation, with Citizens Pensions Limited and Parthian Pensions Limited commencing operations as new Pension Fund Administrators, while the acquisition of Pensions Alliance Limited (PAL Pensions) by Leadway Pensure Limited reduced the number of PFAs from 20 to 19.
Other key regulatory and structural developments during the year included:

- Circular on Pension Increases for Federal Government Self-Funded Agencies.
- ADDENDUM - Circular on Minimum Information to be Displayed on PFA's Website.
- PenCom & NAICOM Joint Circular on Additional Inflow.
- Circular on Retiree Life Annuity (RLA) Pension

Clearance Certificate (PCC).
- Circular on Counterparties to Pension Funds Transactions in Government Securities.
- Revised Regulatory Capital Requirement for Pension Fund Operators.
- Circular on Compensation Framework for Approval Pension Agents (APAs)
- Circular Securities Lending and Repurchase Transactions (Repos) by Pension Fund Administrators
- Circular on Shared Services Arrangements with Related Parties of Licensed Pension Fund Operators.
- Addendum to Circular on Inducement of RSA Holders.
- Investment in Additional Tier 1(AT1) Capital of Deposit Money Banks.
- Addendum to Circular on Shareholding.
- Addendum to the Circular on Approval of Benefits Payments.
- Circular on Unethical Practice.
- Circular on Compliance with Provisions of PRA.
- Addendum to Circular on Compliance with Provisions of PRA.
- Circular on Calculating and Reporting of Rate of Returns.
- Circular on Approval and Payments of Benefits by PFAs.
- Revised Circular on The Operations of Branch Offices and Service Centres by Licenced Pension Fund Administrators.
- Circular on Mandatory Provision of The Bank Verification Number (BVN) For RSA Registration and Data Recapture.
- Circular on The Revised Documentation for Retirement Saving Account (RSA) Registration.

Also, during the year under review, below guidelines were released by PenCom
- Guidelines for Verification and Enrolment Exercise of Prospective Retirees.
- Guidelines on Personal Pension Plan (PPP).
- Revised ICT Guidelines for Pension Fund Operators.

2025 FY Financial Highlights

In 2025, UBA Pensions recorded steady revenue growth, with total income rising by 4% to ₦11.5 billion, compared to ₦11.1 billion in 2024. However, Profit Before Tax declined marginally by 0.6% to ₦8.60 billion, while Profit After Tax also moderated slightly by 0.1% to ₦5.67 billion, reflecting the impact of cost pressures during the year.

Custody fees declined by 3% to ₦7.79 billion owing mainly to reduction of AUC by the exit of ARM in November 2024, while income from the proprietary portfolio grew significantly by 21% to ₦3.69 billion, underscoring strong investment performance.

To improve the company's capital base and guarantee compliance with the minimum capital requirement by PenCom, the directors have not recommended any dividends payment.

Assets Under Custody increased by 32%, rising from ₦3.3 trillion in 2024 to ₦4.4 trillion in 2025, reflecting renewed growth momentum in our core business.

People and Process

The strength and professionalism of our people, from the Board to every member of staff, continue to underpin our performance and progress. We remain intentional about building a forward-thinking organisation driven by creativity, teamwork, ongoing capability development and technology enabling us to respond effectively to an evolving industry landscape.

At the same time, we have advanced our operational framework, introducing enhancements that have improved efficiency, strengthened transparency, and reinforced full alignment with regulatory expectations.

Outlook for 2026

Looking ahead to 2026, we are optimistic about the opportunities within the evolving pension landscape. We are leveraging the existing and new Pension Fund Administrators, to expand our Assets Under Custody, while also positioning to maximize value from the acquisition of Pensions Alliance Limited by Leadway Pensure Limited to form a new entity – Leadway PFA Ltd. We will continue to enhance clients' experience through digital innovation and service excellence, to remain agile and well-positioned to drive sustainable growth and profitability.

Appreciation and Conclusion

I would like to convey my heartfelt appreciation to all stakeholders for their valuable roles in our continued progress. I thank the Board for its leadership, Management for its strategic drive, and our staff for their dedication, commitment and professionalism. I am equally grateful to our clients for their continued trust and patronage. We appreciate our regulator, the National Pension Commission for its guidance and support in strengthening the industry. To our shareholders, we appreciate your confidence and remain committed to delivering sustainable returns and long-term value as we build on our achievements in the year ahead.

Blessing Ogwu
Managing Director / CEO
FRC/2021/PRO/DIR/003/00000022851

Enterprise Risk Management Summary

Enterprise Risk Management Summary

Risk management is a fundamental management and control activity that underpins the entire business of UBA Pensions. There is an up-to-date Risk Management Policy in place approved by the board, aimed at UBA Pensions' commitment to managing risk as an integral component of its operations to maximize opportunities and minimize impediments to its mission, vision, strategies, goals, and objectives. It is therefore critically important to all stakeholders that the adequacy and effectiveness of the risk management processes are of a standard relevant and proportionate to the size and nature of the business.

Strategic Risk Management Objectives

- Create and sustain a world class risk management function that is process based, cutting edge technology enabled and driven by a highly trained workforce with a focus on growing assets under custody
- Ensure zero tolerance for policy violation and service delivery failure.
- Ensure zero tolerance for regulatory infraction.
- Limit incidence of financial and non-financial losses to tolerable levels.
- Pursue and attain the highest standard of corporate governance and regulatory compliance under a zero-tolerance policy for regulatory infraction.
- Ensure the integrity and reliability of our database, accounting/MIS, IT infrastructure and all operating systems with a view to ensuring prompt and accurate rendition of our regulatory returns and timely provision of accurate information for management decision.
- Institute an efficient legal practice and processes that limits Legal Risk exposures of UBA Pensions to tolerable levels.
- Maintain a feedback process that facilitates the continuous review of risk analysis and processes for effectiveness, relevance, and changes in the marketplace.

At UBA pensions, the above strategic risk management objectives are organized in a way such that an optimal balance exists between risk management, service delivery, relationship management and control objectives.

UBA Pensions Risk Management Philosophy

We shall

- Strive to meet and exceed minimum best practice standards in risk management as defined by National Pension Commission, other regulatory bodies in Nigeria, International regulatory bodies, and market leaders.
- Promote an enterprise-wide risk management culture and ensure that every member of staff is involved in risk management process.
- Recognize that the long-term survival of UBA Pensions depends on its ability to abide by sound risk management practices and corporate governance principles. Where there is a conflict between risk and revenue considerations, risk management issues take precedence.
- Maintain a best-in-class risk management and control function through effective and efficient processes enabled by cutting edge technology.
- Engage the Board of Directors and senior management in the risk management and control process.
- Drive compliance with regulatory standards and internal policies.
- Ensure that our risk reports are integral to the management process to provide a continuous basis for reviewing corporate strategies, products pricing, performance appraisal and consequence management.

Key Risk in UBA Pensions

The major risks UBA Pensions are exposed to include the following:

- Counterparty risk
- Market risk
- Liquidity
- Operational risk

- Business Continuity risk
- Compliance and Regulatory risk
- Information security risk
- Business/Strategic risk
- Legal risk
- Group risk
- Reputational risk

Risk Governance Structure

The Board of Directors of UBA Pensions has established the Board Audit and Risk Management Committee with oversight on compliance and risk. This Committee, along with the full board, has approved and taken ownership of the Risk Management Policy and takes an active interest in its implementation.

Within UBA Pensions, there is a Chief Risk Officer who has primary responsibility for identifying, assessing, measuring, monitoring, and reporting risks, as well as ensuring that risks are adequately mitigated and/or controlled. The CRO reports to the CEO and the Board Audit and Risk Management Committee of UBA Pensions.

Environmental Social and Governance (ESG) Risk

In 2025, ESG risk emerged as a core component of enterprise risk management, driven by heightened regulatory expectations and increasing stakeholder demand for sustainable and responsible performance. Environmental, social and governance factors are now systematically embedded across investment market, operational and reputational risk assessments, reflecting their growing financial and strategic impact.

The organization continues to strengthen its ESG governance frameworks, enhance data-driven risk analytics and integrate sustainability considerations into key decision-making processes. Focus areas include environmental and social impact, ethical conduct and regulatory compliance. This holistic approach supports long-term resilience, promotes responsible growth and ensures alignment with evolving global sustainability standards and best practices.

Risk Management Activities for the Period Under Review.

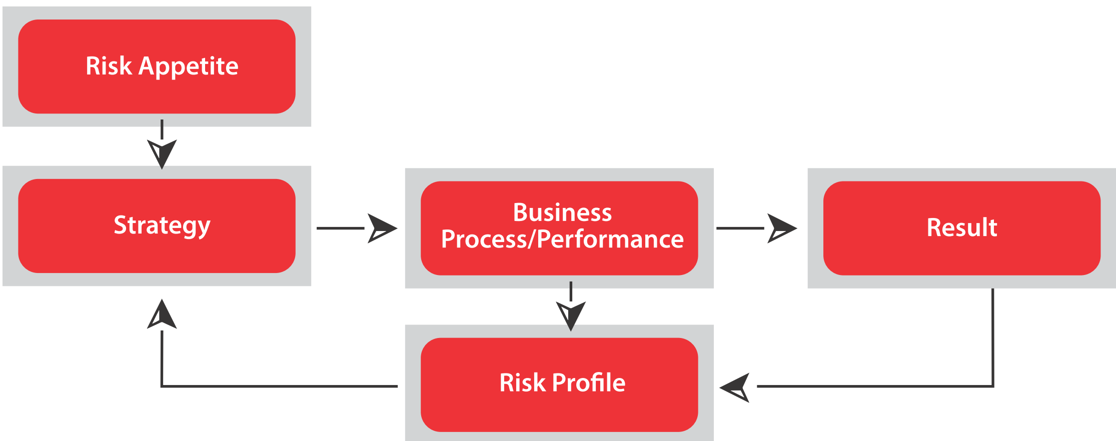
The yearly Risk Management Plan, which outlines how risk will be managed in the organization in line with the Risk Management Policy, was approved by the board during the period under review. The Business Continuity Plan (BCP) for the organization was approved, Disaster Recovery (DR) was tested quarterly for the period under review and confirmed to be functional.

Other risk management procedures and tools, such as Risk & Control Self Assessment, Key Risk Indicators, Incident Management and the Risk Dashboard, are being deployed and critically monitored.

Conclusion

In conclusion, with strong risk oversight from the board and best-practice risk management processes in place at UBA Pensions, the overall risk exposure is well within the tolerable level of the company's risk appetite.

There is no significant risk exposure for the period under review, and we are further strengthening the risk management function to handle emerging risks as the business expands and the operating environment changes.



WHISTLE BLOWING

Promoting Transparency, Accountability & Ethical Conduct

Supporting the Ethics Programme at UBA Pensions is a robust whistle-blowing framework designed to promote transparency, accountability, and ethical conduct across the organisation.

The Company maintains secure and confidential channels that enable all stakeholders to report actual or potential unethical behaviours to clearly identified whistle-blowing champions. The services of the firm of Deloitte were engaged to provide independent third-party whistle-blowing channels and to deliver monthly reports on disclosures received.

A dedicated whistle-blowing link is available on the Company's website for easy and confidential disclosures. In addition, physical compliance boxes have been provided at strategic locations in both the corporate head office and the business office.

For Whistle blowing, please call: 02012702627; 02012718007

Toll-Free Hotline: 0800TIP-OFFS (0800 847 6337), 02012718008

Email: UbapenWhistleBlowing@ubagroup.com

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03 GOVERNANCE

2025 Corporate Governance Report

The Board of Directors of UBA Pensions Custodian Limited ("the Company") is committed to high standards of corporate governance and devotes significant effort to identify and formalize best practices. The Company's strategic corporate governance practices and activities during the year ended 31 December 2025, are highlighted in this report and will be published in the Company's Annual Report.

Board Structure & Composition

In the financial year, the Board of the Company was composed of the following members:

S/N	MEMBERS	ROLE
1	Mr. Victor Osadolor	Chairman
2	Ms. Blessing Ogwu	Managing Director/CEO
3	Mr. Daniel Wajuihian	Executive Director
4	Mr. Ugochukwu Alex Nwaghodoh	Non-Executive Director
5	Mr. Alex Alozie	Non-Executive Director
6	Dr. Kayode Fasola	Non-Executive Director
7	Mr. Mohammed Yayangida Umar	Independent Non-Executive Director
8	Ms. Arafat Olayinka Balogun	Independent Non-Executive Director

The Board's structure is governed by the Company's Board Governance and Board Committees' Governance Charter, the Nigerian Code of Corporate Governance, the Company's Internal Code of Corporate Governance and the National Pension Commission's Guidelines on Corporate Governance. The Board has an appropriate mix of skills, experience and diversity that are relevant to the Company'sstrategy, governance, and custody business, which strengthens its effectiveness.

Comprehensive guidelines, policies and procedures in support of the Company's corporate governance framework are in place, including the "Board Governance and Board Committees Governance Charter", "Code of Corporate Governance", "Conflict of Interest Policy ", "Internal Audit Plan" "Internal Control Plan", "Compliance Policy and Programme", "Whistleblowing Policy", "Succession Planning Policy and Procedure", "Risk Management Policy", "Sustainability Policy", "Diversity Policy and Plan", "Data Privacy Governance Policy", "Expense Empowerment Policy" and "Stakeholders Management & Communication Policy" . The Company's Policies are reviewed regularly by the Board Committees and approved by the Board. They are also updated in line with the amendments of applicable legislations and rules as well as changes in current market practices and operating environment.

The Board closely monitors the implementation of strategic initiatives as key drivers of the Company's business. In its drive towards technological advancement, the Company embarked on a process automation to streamline operations and improve efficiency.

Relationships on the Board

- There is no biological, family or marital relationship between the MD/CEO and the Chairman. The roles of the Chairman and the Managing Director are distinct and held by individuals who do not have any family ties, thereby ensuring that no one individual has unfettered powers of decision making.
- The posts of Chairman and Chief Executive Officer of the Company are separated to ensure a clear distinction between the Chairman's responsibility to manage the Board and the Chief Executive Officer's responsibility to manage the Company's business.
- Both Independent Non-Executive Directors satisfy the requirements of the extant Codes of Corporate Governance for qualification as Independent Non-Executive Directors.
- Members of the Board have diverse experience and there is a balance of skills and knowledge.
- At the quarterly meetings of the Board and Board Committees, presentations are made on various aspects, including business performance, financial performance, corporate governance and outlook and assurance functions, among others. Written reports reviewing all the key operational aspects of the Company are provided to the Directors before each regular Board and Board Committee meeting, to enable them to make informed decisions for the benefit of the Company.
- In accordance with the provisions of the Company's Conflict of Interest Policy, a director, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest at the beginning of the year and at the meeting of the Board at which the question of entering the contract or arrangement is first considered.

Changes in the Structure & Composition of the Board Appointments

S/N	NAME	APPOINTMENT DATE
1	Ms. Arafat Olayinka Balogun	February 10, 2025

The Roles & Responsibilities of the Board

The Board of UBA Pensions met eleven (11) times during the review period. The Board provided overall guidance and policy direction to Management in the areas of Strategic Direction, Policy Formulation, Decision Making and General Oversight duties. The duties of the Board were as follows:

- Setting out the vision and mission of the Company and ensuring that it has an appropriate strategy and the organizational structure and capacity to achieve them.
- Ensuring that there is an effective Management team in place and monitoring and evaluating its performance on an on-going basis.
- Reviewing the Company's operations against its set objectives.
- Ensuring adequate control and satisfactory financial performance of both the Company and the PFAs' Funds in its custody.
- Monitoring and ensuring compliance with all relevant laws and regulations.
- Ensuring that the Company has an adequate risk management framework and a sound system of internal controls in place.
- Ensuring a formal and rigorous evaluation of its own performance and that of its Committees and individual members, on an annual basis, pursuant to the requirements of the National Pension Commission.
- Establishing the relevant Board Committees, each with written terms of reference.
- Setting out a formal schedule of matters specifically reserved for its decision, to ensure adequate oversight of the Company.

Directors Participation at Meetings

The Directors of the Company play an active role in participating in the Company's meetings through the contribution of their professional opinions and active participation in discussion. The attendance record of each of the directors for the Board Meetings, the Board Committees' Meetings and the Annual General Meeting held during the 2025 Financial Year is listed as follows:

Board of Directors - Composition & Meetings Attendance

S/N	MEMBERS	Mar 6	Mar 27	May 21	June 26	Aug 15	Sept 2	Sept 10	Sept 24	Nov 11	Nov 30	Dec 17
1	Mr. Victor Osadolor Chairman	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	Ms. Blessing Ogwu MD/CEO	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
3	Mr. Daniel Wajuihian Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
6	Mr. Ugochukwu Nwaghodoh Non- Executive Director	✓	✓	*	✓	*	✓	*	✓	✓	✓	✓
7	Mr. Mohammed Yayangida Umar Independent Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
8	Mr. Alex Alozie Non-Executive Director	✓	✓	*	✓	✓	✓	✓	✓	*	✓	✓
9	Dr. Kayode Fasola Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
10	Ms. Arafat Olayinka Balogun Independent Non-Executive Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Annual General Meeting

S/N	MEMBERS	JUN 26, 2025
1	Mr. Victor Osadolor Chairman/Non-Executive Director	✓
2	Ms. Blessing Ogwu MD/CEO	✓
3	Mr. Daniel Wajuihian Executive Director	✓
4	Mr. Ugochukwu Nwaghodoh Non-Executive Director	✓
5	Mr. Alex Alozie Non-Executive Director	✓
6	Dr. Kayode Fasola Non-Executive Director	✓
7	Mr. Mohammed Yayangida Umar Independent Non-Executive Director	✓
8	Ms. Arafat Olayinka Balogun Independent Non-Executive Director	✓

Meeting of the Non-Executive Directors

S/N	MEMBERS	DEC 17
1	Mr. Victor Osadolor Chairman/ Non- Executive Director	✓
2	Mr. Ugochukwu Nwaghodoh Non-Executive Director	✓
3	Mr. Alex Alozie Non-Executive Director	✓
4	Dr. Kayode Fasola Non-Executive Director	✓
5	Mr. Mohammed Yayangida Umar Independent Non-Executive Director	✓
6	Ms. Arafat Olayinka Balogun Independent Non-Executive Director	✓

Finance & General-Purpose Committee - Composition & Meetings Attendance

S/N	MEMBERS	MAR 20	JUN 19	SEPT 19	DEC 10
1	Mr. Ugochukwu Nwaghodoh Chairman/Non-Executive Director	✓	*	✓	✓
2	Ms. Blessing Ogwu MD/CEO	✓	✓	✓	✓
3	Mr. Daniel Wajuihian Executive Director	✓	✓	✓	✓
4	Mr. Mohammed Yayangida Umar Independent Non-Executive Director	✓	✓	✓	✓
5	Dr. Kayode Fasola Non- Executive Director	✓	✓	✓	✓

Audit & Risk Management Committee - Composition & Meetings Attendance

S/N	MEMBERS	MAR 13	JUN 10	AUG 22	SEPT 11	SEPT 11 (Annual Audit Discussion)	DEC 9
1	Mr. Mohammed Yayangida Umar Chairman/Independent Non-Executive Director	✓	✓	✓	✓	✓	✓
2	Ms. Arafat Olayinka Balogun Independent Non-Executive Director	✓	✓	✓	✓	✓	✓
3	Mr. Ugochukwu Nwaghodoh Non-Executive Director	✓	✓	*	✓	✓	✓
4	Mr. Alex Alozie Non-Executive Director	✓	✓	✓	*	✓	✓

Nominations Committee - Composition & Meeting Attendance

S/N	MEMBERS	MAR 20	Jun 19	SEPT 18	OCT 17	OCT 29	DEC 10
1	Ms. Arafat Olayinka Balogun Chairman/Independent Non- Executive Director	✓	✓	✓	✓	✓	✓
2	Mr. Ugochukwu Nwaghodoh Non-Executive Director	✓	*	✓	✓	✓	✓
3	Dr. Alex Alozie Non-Executive Director	✓	✓	✓	✓	✓	✓
4	Dr. Kayode Fasola Non-Executive Director	✓	✓	✓	✓	✓	✓

Board Tenure

S/N	MEMBERS	ROLE/DESIGNATION	DATE OF APPOINTMENT	CUMULATIVE YEARS SERVICE	LAST RE-ELECTION
1	Mr. Victor Osadolor	Chairman/ Non-Executive Director	28/10/2015	10 years, 2 months	June 5, 2025
2	Ms. Blessing Ogwu	MD/CEO	08/01/2021	4 years, 11 months	June 26, 2024
3	Mr. Daniel Wajuihian	Executive Director	03/09/2021	4 years, 3 months	June 5, 2025
4	Mr. Ugochukwu Alex Nwaghodoh	Non-Executive Director	19/05/2021	4 years, 7 Months	June 26, 2024
5	Mr. Mohammed Yayangida Umar	Independent Non-Executive Director	19/05/2021	4 years, 7 Months	June 26, 2024
6	Mr. Alex Alozie	Non-Executive Director	01/11/2022	3 years, 2 months	
7	Dr. Kayode Fasola	Non-Executive Director	03/12/2024	1 year, 28 days	
8	Ms. Arafat Olayinka Balogun	Independent Non-Executive Director	10/02/2025	10 months	

Cumulative Years of Service of Consultants

S/N	CONSULTANT	ROLE	DATE OF APPOINTMENT	CUMULATIVE YEARS OF SERVICE
1	Ernst & Young	External Auditor	November 16, 2020	5 years, 1 month
2	Deloitte & Touche	Board Evaluation Consultants	January 17, 2021	4 years, 11 months

Delegation of Authority by the Board-to-Board Committees

As stipulated in Section 5 of the Company's Internal Code of Corporate Governance - **The Committee System** - The Board shall make use of the Committee System, which provides added opportunity for the fuller involvement of members of the Board, especially Non-Executive Directors with relevant expertise, in the affairs of the Company. Nevertheless, while the Board may delegate its functions to Committees, it shall not abdicate its responsibilities.

To ensure efficiency and effectiveness, the Board delegates some of its functions, duties, and responsibilities to its Board Committees without abdicating its oversight role.

The Committees of the Board as at December 31, 2025 were as follows:

- Finance & General-Purpose Committee
- Audit & Risk Management Committee
- Nominations & Governance Committee

Below are summaries of their Terms of Reference:

Board Finance & General-Purpose Committee - Terms of Reference:

a. Discharge the Board's responsibilities regarding strategic direction and budgeting, oversight on financial matters and the performance of the Company.

b. Review Company policies of a financial and general nature and make financial and investment decisions within its approved limits on behalf of the Board.

c. Formulate the Strategy of the Company and make recommendations to the Board accordingly.

d. Consider and approve the Information Technology governance framework and extra budgetary expenditure above the limits of Executive Management.

Board Audit & Risk Management Committee - Terms of Reference:

a. To assist the Board of Directors in fulfilling its oversight responsibilities regarding audit and control and ensure that an effective system of financial and internal control is in place.

b. To monitor and assess the overall integrity of the financial statements and disclosures on the financial condition and results of the Company.

c. To monitor and evaluate on a regular basis the qualifications, independence and performance of the External Auditors and the Internal Audit & Control Department.

d. Safeguard the assets and income of the Company and monitor processes designed to ensure compliance by the Company with all legal and regulatory requirements.

e. Governance of risk and determining the risk tolerance, risk appetite, risk monitoring, risk assurance and risk disclosure for the custody business and the Company.

f. Review and assess the integrity and adequacy of the overall risk management function of the Company.

Board Nominations & Governance Committee - Terms of Reference:

a. Propose candidates to the Board for all Board positions (both executive and non-executives), establish procedures for the nomination of Directors, advise and recommend to the Board the composition of the Board and evaluate the skills of members of the Board directly or through consultants.

b. Advise the Board on corporate governance standards and policies and make recommendations to the Board on the remuneration of Directors.

c. Review all human resources and governance policies for the Company and approve recruitments, promotions, redeployments and disengagements for the Company for staff members on Senior Grade levels.

d. Recommend the organizational structure of the Company to the Board for approval.

e. Organize Board and Board Committees' inductions and trainings and evaluate and appraise or appoint a consultant to evaluate and appraise the performance of the Board and Board Committees and their members annually.

Material Transactions Requiring Board Approval

The following transactions require Board approval under the Company's Internal guidelines:

- Approving and reviewing corporate strategy
- Approving annual budgets and business plans
- Setting performance targets
- Approving policies
- Approving major capital expenditures, acquisitions, and divestments

The Process of Selection & Appointment of New Directors to the Board

The criteria for the appointment of members to the Board are laid down in the Board Governance and Board Committees Governance Charter and the Company's Succession Policy and are formal and transparent processes.

New Board members are selected based on the National Pension Commission's Revised Guidelines on Appointments to Board and Senior Management Positions in Licensed Pension Fund Operators and other extant guidelines as well as interest, relevant skills and experience, among others.

The process of Board appointments is not concluded until the nominees are duly approved by the National Pension Commission (PENCOM) and ratified by Shareholders at the Company's Annual General Meeting.

Board Effectiveness/Annual Board Appraisal

The Board recognizes that regular evaluations of its performance are essential to good corporate governance and Board effectiveness. Pursuant to the relevant provisions of the Nigerian Code of Corporate Governance and the National Pension Commission's Revised Guidelines on Corporate Governance for Licensed Pension Operators and global best practices, the Board engaged an Independent Consultant (Messrs. Deloitte & Touché) to conduct a formal and rigorous evaluation of its own performance and that of its committees and individual directors.

The Board appraisal covered the Board's structure and composition, processes, relationships, competencies, roles, and responsibilities and assessed the effectiveness of the Board as a whole, and the contributions of each Board Committee and individual director to the success of the Board.

For 2025, the appraisal of the Board by Messrs. Deloitte & Touché stated that the Board complied with the provisions of the extant Codes of Corporate Governance in terms of its structure, composition, procedures, and responsibilities and that the key Board functionaries (Board and Board Committee Chairpersons) and the Board Committees met their responsibilities under the Codes and Governance Charters in UBA Pensions.

Messrs. Deloitte & Touché also confirmed from their Corporate Governance Review of the Company, that the Corporate Governance framework and practices comply with the provisions of the extant Codes of Corporate Governance. The assessment of individual directors showed that they devoted adequate time and resources to the business of the Board and UBA Pensions and collectively possess the right skills and competencies required for their roles.

Specific recommendations to improve the Company's compliance with requirements for Board Composition and Structure were articulated and included in their detailed reports to the Board, which have been submitted to the National Pension Commission and are being addressed by the Board.

The Evaluation was conducted through reviews of documents including the Board and Board Committees Governance Charter, minutes of meetings, governance manuals/policies and other documents, which were benchmarked against extant Codes of Corporate Governance and leading corporate governance practices. A Board Individual and Peer Assessment Survey was also deployed, and interview sessions were held with members of the Board of Directors.

Induction and Development

Upon appointment to the Board, Directors are provided with comprehensive induction training to ensure that they have a thorough understanding of the Company's operations and governance policies as well as their roles and responsibilities. The Company's Training & Onboarding Policy provides direction in this regard. Each new Director receives an Induction Manual which contains the Board's terms of reference, an overview of Directors' responsibilities, relevant Guidelines and Policies and information on key governance issues, among others. The new Director also receives an Induction Briefing by the Chairman of the Board of Directors.

As part of the continuous professional development for Directors to develop and refresh the knowledge and skills necessary for the performance of their duties, training programmes are organized for the development of the Directors and to keep them abreast of current trends and issues facing the Company and the Pensions Industry.

In 2025, Directors participated in the training sessions listed below:

2025 Directors' Training:

DATES	COURSE TITLE	TRAINING ORGANIZATION	ATTENDEE(S)
Mar 11-12, 2025	Company Direction Course II (Building Effective Directors)	Institute of Directors	Dr. Kayode Fasola Ms. Arafat Balogun
Apr 17, 2025	• Accounting Standards Applicable to the Pensions Industry. • The Role of the Board in People Management.	Pricewaterhouse Coopers	Mr. Victor Osadolor Ms. Blessing Ogwu Mr. Daniel Wajuihian Mr. Ugochukwu Nwaghodoh Mr. Mohammed Yayangida Umar Dr. Alex Alozie Dr. Kayode Fasola Ms. Arafat Balogun
May 6 - 7, 2025	Independent Directors Masterclass	Institute of Directors	Ms. Arafat Balogun
May 16 - 17, 2025	Directors Induction Program	PenOp	Dr. Kayode Fasola Ms. Arafat Balogun
Aug 6, 2025	Dynamics - Impact & Value Addition / UBA Pensions & Technology	GEMS Consulting Limited	Mr. Victor Osadolor Ms. Blessing Ogwu Mr. Daniel Wajuihian Mr. Ugochukwu Nwaghodoh Mr. Mohammed Yayangida Umar Dr. Alex Alozie Dr. Kayode Fasola Ms. Arafat Balogun
Oct 7-9, 2025	Creating Strategy for Competitive Advantage	Lagos Business School	Dr. Alex Alozie
Oct 28, 2025	Techniques for Company Oversight in Times of Crisis & Emergencies	Institute of Directors	Ms. Blessing Ogwu Mr. Daniel Wajuihian Mr. Ugochukwu Nwaghodoh Mr. Alex Alozie Mr. Mohammed Yayangida Umar Dr. Kayode Fasola Ms. Arafat Balogun
Nov 5-7, 2025	Corporate Governance and Board Leadership	Lagos Business School	Ms. Arafat Balogun
Nov 19-20, 2025	Improving the Performance of the Audit Committee - Strengthening Audit Governance: Risk Management and Strategic Oversight	DCSL Academy (Formerly Deloitte Corporate Services)	Mr. Mohammed Yayangida Umar Ms. Arafat Balogun
Nov 26-28, 2025	Driving Efficiency and Operational Performance	Lagos Business School	Mr. Daniel Wajuihian

Gender Diversity

The Company has a Diversity Policy and a Diversity Plan to facilitate the attainment of the Diversity Targets and promotion of gender diversity and provides equal pay for equal work. As at December 31, 2025, the Company's workforce was made up of 41% male (36) and 59% female (51). Six (6) of the eleven staff in the Company's Management cadre (the Managing Director, the Chief Finance Officer, the Head, Settlement & Corporate Actions, the Company Secretary & Legal Adviser, the Head, Business Development & Client Services and the Chief Risk Officer) are female. The Company continues to work on improving the suitability of the workplace for every gender and harnessing the intelligence and perspective of the entire workforce, to drive growth and innovation.

Compliance with the Corporate Governance Code

During the year under review, UBA Pensions complied with the provisions of PENCOM's Revised Guidelines on Corporate Governance for Licensed Pension Fund Operators and, where applicable, adopted the recommended best practices set out in the Nigerian Code of Corporate Governance. The Board is committed to complying with the requirements of the Guidelines in respect of Board structure and composition, within the timelines provided.

Corporate Governance Practices

UBA Pensions strives continually to improve its governance practices and prides itself on its openness and transparency. In 2025, several of the Company's policies were revised to enhance the Company's governance practices.

The Board continued to give due attention to matters of corporate governance, corporate strategy and the future growth and viability of the Company in the very dynamic business environment while providing guidance and support to Management in pursuit of its corporate objectives.

The Board approved new policies such as the Anti-Bribery & Corruption Policy, the Cybersecurity Incident Management Policy and the Vendor Management Policy. The Board also approved the revision of several existing policy documents including the Accounting Policy, Benefit Settlement Policy, Board Governance and Board Committees Governance Charter, Change Management Policy, Code of Corporate Governance, Compliance Program, Contributions Administration Policy, Diversity Plan, Gift Policy, ICT Strategy, Management Committees Governance Charter, Management Succession Plan, Policy on Appointment of External Auditors, Remuneration Policy, Service Charter, Succession Planning Policy, Sustainability Policy, Vendor Management Policy and Whistleblowing Policy.

The Board also considered and approved Annual Plans including the Business Continuity/Disaster Recovery Plan, Internal Audit Plan, Risk Based Internal Control Plan, Risk Management Plan, Board and Staff Training Plans and the ICFR Testing Plan.

Other policies in place in the Company include the Clawback Policy, Code of Professional Conduct & Ethics, Compliance Policy, Compliance Communication Program, Conflict of Interest Policy, Corporate and Social Responsibility Policy, Data Privacy Governance Policy, Disciplinary Process and Sanctions Policy, Dividend Policy, Document Management Policy, Expense Empowerment Policy, Fixed Assets Policy, Health & Safety Policy, Internal Control Policy, Investment Policy on Proprietary Fund, Insider Trading Policy, Internal Audit Charter, Internal Control Charter, IT Policy, Operations Manual, Reconciliation Policy, Related Party Transactions Policy, Risk Management Policy, Safekeeping Policy, Staff Handbook, Stakeholder Management & Communication Policy, Transfer Pricing Policy, Trade Settlement Policy and the Board Training & Onboarding Policy.

In addition, the Board considered the issues arising from its Regulatory Routine Examination Reports as well as reports on Compliance, Internal Control, Risk Management, Human Capital Management, Financial Performance issues and the monitoring and implementation of the Company's Strategy Plan, amongst others.

Below are some of the additional governance practices implemented and maintained in the Company:

- The Non-Executive Directors held their sixth (6th) meeting excluding the Executive Directors, on December 17, 2025.
- The Board Audit & Risk Management Committee had their fifth Audit Discussion with the External and Internal Auditors on September 11, 2025.
- A Board Evaluation and Corporate Governance Review of the Company was conducted.
- The Board Chairman is neither the Chairman nor member of any of the Board Committees.
- The MD/CEO and Executive Director do not act as chairmen of any Board Committee.
- All Directors participate in periodic, relevant, continuing education programs to update their knowledge and skills and keep them informed of new developments in the Company's business and operating environment.
- The meetings of the Board, Board Committees and the Shareholders' meetings are scheduled in advance. Board papers are sent to Directors one week before the meeting, the agenda is clear and matters are dealt with expeditiously.
- The Company has various standing Management Committees to assist in the day-to-day running of the Company namely the Executive Management Committee, I.T. Steering Committee, Change Management, Cost Optimization Committees, Customer Experience Committee, Assets Disposal Committee, Disciplinary Committee and Sustainability Committee.
- The Company's Whistle-blowing Policy and Compliance Communication Program have the assurance of confidentiality and are further monitored by the National Pension Commission.
- Directors have access to Management either through the Company Secretariat or directly and are at liberty to engage independent Consultants at the expense of the Company, if required.
- The Independent Directors represent strong independent voices on the Board and are free from relationships and compromising circumstances with the Company,
- Management, or substantial Shareholders.

  New members of the Board are inducted to familiarize them with the Company's Strategic Plan, operations, business environment, fiduciary responsibilities and senior management.

Strategic Planning

In the review period, the Company had in place a 3-year Strategic Plan for 2023-2025, which was developed to identify and assess the opportunities and challenges that the Company would encounter and to develop a planned course of action, for the Company to generate sustainable long-term value for Shareholders. It was formulated with key strategic initiatives covering Customers, Financials, Internal Processes, Governance and Learning & Growth. A standard report addressing the implementation of the Strategic Plan is included in the Agenda for the Board's quarterly meetings.

The Adequacy of Internal Control

The Audit & Risk Management Committee is vested with the responsibility of overseeing the effectiveness and adequacy of internal control systems. It is also responsible for ensuring the adequacy and effectiveness of risk management. Quarterly Risk Management, Compliance and Internal Control Reports which include financial performance, operational and compliance controls and risk management, are presented to the Audit & Risk Management Committee by the Heads of Risk Management, Compliance and Internal Audit. Significant items are highlighted to the Board for notification, approval or resolution.

Sustainability

The Company is committed to the conduct of business in a manner consistent with global sustainability practices and which takes into consideration the interests of employees, the community, investors, our customers and the environment.

The objectives of the Company's Sustainability Framework include the formalization of environmental and social risk management in UBA Pensions, addressing possible risk areas related to its activities from facilities occupied and ensuring that the Company remains sensitive to the protection and conservation of the environment and social values, when dealing with third parties and clients whose activities may influence environmental and social matters

In the period under review, the following practices were confirmed among others, to the Board through the Board Audit & Risk Management Committee:

I. The Company applies Environmental, Social and Governance metrics in providing value for its shareholders and other stakeholders, in compliance with the provisions of the approved Sustainability Policy.

ii. The Company has a Sustainability Policy which includes a Sustainability Commitment Statement and Sustainability Key Performance Indicators (KPIs). The Board Audit & Risk Management Committee is the dedicated Committee that is responsible for sustainability, its monitoring, addressing the relevant risks and promoting lasting improvements in the Company. The Company covers sustainability issues in meetings of that Committee, as part of the official agenda on a quarterly basis.

iii. Measures have been taken to reduce expenditure on energy and alternative energy options are being explored.

iv. Generators in the premises are in soundproof/acoustic enclosures.

v. There is no record of fines or penalties imposed by the local authorities for non-compliance with environmental laws and regulations.

vi. The Company derives its revenue from its business objects and does not engage in anti-money laundering activities.

vii. The Company has in place a Diversity Policy and a Diversity Plan covering age and generation, gender, race, ethnicity and religion, Board gender diversity, management and staff gender diversity, amongst others.

viii. Physical and mental health trainings covering various diseases and conditions, were conducted for employees.

ix. The Company has Sustainability Champions who are members of a Management Sustainability Committee, which has the responsibility of the management of sustainability issues. The Committee Chairman reports to the Board through the Board Audit & Risk Management Committee, quarterly.

x. The sustainability report forms part of the Corporate Governance Report in the Company's Annual Accounts/Reports.

xi. There are no recorded breaches/violations of human rights provisions as the Company is committed to respecting human rights.

xii. The Company does not encourage the use of forced labour or child labour.

xiii. If any employee believes that someone is violating Human Rights Provisions as contained in the Company's Code of Professional Conduct & Ethics, they are required to report it to the Human Resources Department or the Compliance Helpline, where the issue will be reviewed, an appropriate investigation conducted and appropriate actions taken.

xiv. Our clients and members of the community are treated equally and without discrimination in the conduct of our business.

xv. The Company has not been subject to any form of enforcement action by the Regulators for breaches of relevant health & safety legislation.

xvi. The Company does not make financial or in-kind political contributions.

xvii. The Company has a Board Approved Code of Professional Conduct & Ethics which covers prohibition against unethical practices including Bribery/Anti-Corruption and consequences of breaches.

Fines/Penalties

In the review period, N7.8m payment was made to the Industrial Training Fund (ITF) as full and final settlement of outstanding statutory contributions and related penalties for the Verification of employer's accounts (2015 to 2023).

Clawback Policy

Under the Company's Policy, clawback shall be triggered if the account or financial performance on which a reward to a Director or employee was based, is later found to be materially false, misstated, misleading, erroneous or in instances of misdemeanor, fraud, material violation of the Company's policy or regulatory infractions. No case of clawback was triggered or pursued by the Company in the review period.

Remuneration of Directors

Each of the Company's Non-Executive directors is entitled to directors' fees, which are determined by the Board with authorization granted by the shareholders at the Company's Annual General Meeting. The Company makes disclosures of remuneration paid to its directors as follows:

PACKAGE	TYPE	DESCRIPTION	TIMING
Basic Salary	Fixed	This is part of the gross salary for the Executive directors only. It reflects the pension industry competitive salary package and the extent to which Company's objectives have been met for the financial year.	Paid monthly during the financial year.
13th Month Salary	Fixed	This is part of the gross salary for the Executive directors only. It reflects the pension industry competitive salary package and the extent to which Company's objectives have been met for the financial year.	Paid in the last month in the financial year.
Directors Fees	Fixed	This is paid bi-annually to Non-Executive Directors	Paid Bi-annually
Sitting Allowances	Fixed	Sitting allowances are paid to the Non-Executive Directors only, for attending Board and Board Committee meetings.	Paid after each Board / Board Committee meeting.
Travel		Reimbursable only (for official purposes)	
Training		Per Diem of N50,000 for onsite trainings within station & N100,000 for trainings outside station	

Related Party Transactions

In the review period, Mr. Victor Osadolor (Chairman/Non-Executive Director) was a Director in Heirs Holding, Parent Company to the following companies that provide professional services to UBA Pensions Custodian:

S/N	COMPANY	NATURE OF SERVICE
1	Heirs Insurance Limited & Heirs Insurance Brokers	• Group Life (Statutory) • Motor (Statutory) • All Risk and Special Peril • Professional Indemnity • Fidelity Guarantee
2	Avon Medical Practice & Avon HMO	Medical Services Payments & Medical Insurance (Statutory)
3	Redtech Limited	Access Point Provider (APP)
4	Heirs Technologies	Website Maintenance

The requisite Disclosure of Interest was made at the commencement of the reporting year. Further details are disclosed on Page 94 of the 2025FY Audited Financial Statements.

Conclusion

We affirm that the Company continues to act in good faith and with due diligence and care in pursuit of the best interests of the Company and its stakeholders.

We remain devoted to monitoring and ensuring the satisfactory resolution of the recommendations contained in PENCOM's Examination Reports and the Board Evaluation and Corporate Governance Reports and are confident of attaining continuously improved governance standards, in the Company.

Rachel Onochie-Abugu
Company Secretary

FRC/2021/PRO/NBA/002/00000022936
Lagos, Nigeria
31st March 2026

Report of the Directors of UBA Pensions Custodian Limited

In compliance with the *Companies & Allied Matters Act, 2020*, the Directors of UBA Pensions Custodian Limited are pleased to present to Shareholders the Audited Financial Statements of the Company for the financial year ended December 31, 2025.

Corporate Structure and Business

UBA Pensions Custodian Limited (UBA Pensions) is a private company incorporated in September 2005 in line with the Pension Reform Act 2004 (as amended in 2014), and is awholly owned subsidiary of United Bank for Africa Plc.

The Company is licensed to carry on the business of custody of pension funds and assets and to hold and deal with such funds and assets to the exclusive order of the Pension Fund Administrator(s) for the benefit of the account holders in the Pension Fund Administrator(s), in accordance with the directives given by the National Pension Commission and in conformity with the Pension Reform Act 2014.

The Company's registered business office is 22B, Idowu Taylor Street, Victoria Island, Lagos. It has arms-length dealings with Pensions Funds Administrators and other stakeholders in the Pensions industry with formal and transparent procedures and processes.

Operating Results

	2025	2024
	N'000	N'000
Gross earnings	11,531,374	11,093,953
Profit before income tax expense	8,598,328	8,646,049
Income tax expense	(2,923,822)	(2,965,326)
Profit after tax	5,674,506	5,680,723
Profit attributable to shareholders	5,674,506	5,680,723
Basic and diluted earnings per share (Kobo)	284	284

Analysis of Shareholding

The Share Capital is N2,000,000,000 divided into 2,000,000,000 ordinary shares of N1.00 each.

UBA Pensions is a wholly owned subsidiary of United Bank for Africa Plc. The Company has two shareholders, namely United Bank for Africa Plc with 99.99% and Bili Odum with 0.01% of the total paid- up Capital. The authorized and paid-up capital of the Company remained at N2 Billion.

Dividend

The Directors have not recommended the payment of any dividend for the 2025 financial year, in order to strengthen the Company's capital base and ensure compliance with applicable regulatory capital adequacy requirements.

Directors

The following are the Directors who served the Company during the period under review:

Board Members

S/N	DIRECTOR	ROLE
1	Mr. Victor Osadolor	Chairman
2	Ms. Blessing Ogwu	Managing Director/CEO
3	Mr. Daniel Wajuihian	Executive Director
4	Mr. Ugochukwu Alex Nwaghodoh	Non-Executive Director
5	Mr. Alex Alozie	Non-Executive Director
6	Dr. Kayode Fasola	Non-Executive Director
7	Mr. Mohammed Yayangida Umar	Independent Non-Executive Director
8	Ms. Arafat Olayinka Balogun	Independent Non-Executive Director

Property and Equipment

There was no change in the nature of the property and equipment of the Company or in the policy regarding their use. On 31 December 2025, the Company's property and equipment amounted to N519.299m (2024: N551.734m). In the opinion of the Directors, the net realisable value of the Company's property and equipment is not less than the carrying value in the financial statements. Refer to Note 16 of the financial statements for further details on changes in property and equipment.

Statement of Directors' Responsibilities for Financial Statements

In compliance with the provisions of Sections 377 and 378 of the Companies and Allied Matters Act, the Directors are responsible for the preparation of the financial statements which give a true and fair view of the state of affairs of the Company and other comprehensive income for that year. In so doing they ensure that:

I. Adequate internal control procedures are instituted to safeguard the assets, prevent, and detect frauds and other irregularities.
ii. Proper accounting records are maintained.
iii. Applicable accounting standards are adhered to.
iv. Suitable accounting policies are adopted and consistently applied.
v. Judgments and estimates made are reasonable and prudent and
vi. The financial statements are prepared on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

Directors' Interests

The Directors are not Shareholders of the Company.

Employment & Employees

UBA Pensions Custodian Limited had a total of 86 staff as of 31 December 2025 comprising of 2 Executive Management, 1 General Management staff, 8 Senior Management staff, 18 Supervisors and 57 Professionals.

Innovation, teamwork, and cordial relations is encouraged amongst employees. Recruitment is fair and transparent, and the terms of employee employment are equitable. The work environment is free from harassment, and the working condition is conducive. Furthermore, the Company maintains a safe workplace by adhering to fundamental health and safety standards and regulations. Staff members are regularly educated on workplace health and safety and the requirement to report all accidents appropriately.

The Company provides a health insurance scheme for staff members and their immediate families and encourages a good work-life balance and paid annual leave and medical checks. The Company is an equal opportunity employer. It provides equal opportunities for disabled persons, ensuring that there is no discrimination against them. Currently, there are no disabled employees in the Company. During the year ended December 31, 2025, no employee was disabled in the course of employment.

Staff Training

UBA Pensions Custodian Limited believes in continuing educational development and professional training. Staff members are trained to equip them with important skills to boost their productivity and develop them professionally. This is achieved through structured and comprehensive training programmes adapted to each employee's job function and role. Trainings were provided to staff members during the review period.

Corporate Social Responsibility [CSR]

UBA Pensions Custodian Limited is committed to the promotion of socio-economic development of the country, particularly in education and raising awareness about pensions. Our policy prohibits participation in political activities, individual and staff projects, religious activities, violent sports, as well as any activities contrary to good conscience and public opinion.

Sustainability

The Company is committed to the conduct of business in a manner consistent with global sustainability practices and which takes into consideration the interests of employees, the community, investors, our customers and the environment as a whole.
In the period under review, the following practices were confirmed to the Board through the Board Audit & Risk Management Committee:

I. The Company applies Environmental, Social and Governance metrics in providing value for its shareholders and other stakeholders, in compliance with the provisions of the approved Sustainability Policy.

ii. The Company has a Sustainability Policy which includes a Sustainability Commitment Statement and Sustainability Key Performance Indicators (KPIs). The Board Audit & Risk Management Committee is the dedicated Committee that is responsible for sustainability, its monitoring, addressing the relevant risks and promoting lasting improvements in the Company. The Company covers sustainability issues in meetings of that Committee, as part of the official agenda on a quarterly basis.

iii. Measures have been taken to reduce expenditure on energy and alternative energy options are being explored.

iv. Generators in the premises are in soundproof/acoustic enclosures.

v. There is no record of fines or penalties imposed by the local authorities for non-compliance with environmental laws and regulations.

vi. The Company derives its revenue from its business objects and does not engage in anti-money laundering activities.

vii. The Company has in place a Diversity Policy and a Diversity Plan covering age and generation, gender, race, ethnicity and religion, Board gender diversity, management and staff gender diversity, amongst others.

viii. Physical and mental health trainings covering various diseases and conditions, were conducted for employees.

ix. The Company has Sustainability Champions who are members of a Management Sustainability Committee, which has the responsibility of the management of sustainability issues. The Committee Chairman reports to the Board through the Board Audit & Risk Management Committee, quarterly.

x. The sustainability report forms part of the Corporate Governance Report in the Company's Annual Accounts/Reports.

xi. There are no recorded breaches/violations of human rights provisions as the Company is committed to respecting human rights.

xii. The Company does not encourage the use of forced labour or child labour.

xiii. If any employee believes that someone is violating Human Rights Provisions as contained in the Company's Code of Professional Conduct & Ethics, they are required to report it to the Human Resources Department or the Compliance Helpline, where the issue will be reviewed, an appropriate investigation conducted and appropriate actions taken.

xiv. Our clients and members of the community are treated equally and without discrimination in the conduct of our business.

xv. The Company has not been subject to any form of enforcement action by the Regulators for breaches of relevant health & safety legislation.

xvi. The Company does not make financial or in-kind political contributions.

xvii. The Company has a Board Approved Code of Professional Conduct & Ethics which covers prohibition against unethical practices including Bribery/Anti-Corruption and consequences of breaches.

Events after the reporting date

There are no events after the reporting date that could have effect on the state of affairs of the Company as at 31 December 2025, which have not been adequately provided for or disclosed.

Audit Committee

The Company has in place a Board Audit & Risk Management Committee pursuant to its Board Governance and Board Committee's Governance Charter. The Committee's main Terms of Reference is to assist the Board of Directors in fulfilling its oversight responsibilities regarding audit and control, and to monitor and assess the overall integrity of the financial statements and disclosures of the financial condition and results of operations of the Company.

Below is the composition of the Board Audit & Risk Management Committee

S/N	NAME	ROLE
1	Mr. Mohammed Yayangida Umar	Chairman, INED
2	Ms. Arafat Olayinka Balogun	Member, INED
3	Mr. Ugochukwu Nwaghodoh	Member, NED
4	Mr. Alex Alozie	Member, NED

Auditors

Messrs. Ernst & Young have indicated their willingness to continue in office as External Auditors of UBA Pensions Custodian Limited.

BY ORDER OF THE BOARD

Victor Osadolor
FRC/2016/PRO/DIR/003/00000013923
Chairman
Lagos, Nigeria
24th April 2026

04 FINANCIAL STATEMENTS

Corporate Responsibility for Financial Statements

The Chief Executive officer and the Chief Financial officer of UBA Pensions Custodian Limited have reviewed the audited financial statements and accept responsibility for the financial and other information within the annual report. The following certifications and disclosures regarding the true and fair view of the financial statements as well as the effectiveness of the Internal Controls established within the Company are hereby provided below:

Financial Information

I. The audited financial statements do not contain any untrue statement of material fact or omit to state a material fact, which would make the statements misleading.

ii. The audited financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the Company as of and for the year ended 31 December 2025.

Effective Internal Controls

I. Effective internal controls have been designed to ensure that material information relating to the Company are made known by the relevant staff, particularly during the year in which the audited financial statement report is being prepared.

ii. The effectiveness of the Company's Internal controls has been evaluated within 90 days prior to 31 December 2025.

iii. The Company's Internal Controls are effective as of 31 December 2025.

Disclosures

I. There were no significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarize and report financial data. Furthermore, there were no identified material weaknesses in the Company's Internal Control systems.

ii. There were no fraud events involving Senior Management or other employees who have a significant role in the company's Internal control.

iii. There were no significant changes in internal controls or in other factors that could significantly affect internal controls.

SIGNED BY:

HELEN DUAKA
Chief Financial Officer
FRC/2013/PRO/ICAN/001/00000002893

BLESSING OGWU
Managing Director/CEO
FRC/2021/PRO/DIR/003/00000022851

Statement of Directors' responsibilities in respect of the preparation of the Financial Statements

The Directors of UBA Pensions Custodian Limited are responsible for the preparation of the financial statements that give a true and fair view of the financial position of the Company as at 31 December 2025, and the results of its operations, statement of cash flows and changes in equity for the year then ended, in compliance with IFRS Accounting standards as issued by International Accounting Standards Board (IASB) and in the manner required by the Companies and Allied Matters Act of Nigeria 2020, the Pension Reform Act 2014 as amended, National Pension Commission Guidelines, and the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

In preparing the financial statements, the Directors are responsible for:

- Properly selecting and applying accounting policies.
- Presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable, and understandable information.
- Providing additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of transactions, other events and conditions on the Company's financial position and financial performance; and
- Assessing the Company's ability to continue as a going concern.

The Directors are responsible for:

- Designing, implementing, and maintaining an effective and sound system of internal controls throughout the Company.
- maintaining adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at anytime the financial position of the Company, and which enable them to ensure that the financial statements of the Company comply with IFRS.
- maintaining statutory accounting records in compliance with the legislation of Nigeria and IFRS.
- taking such steps as are reasonably available to them to safeguard the assets of the Company; and
- preventing and detecting fraud and other irregularities.

Going Concern:

The Company's management has assessed its ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast doubt on the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

The financial statements of the Company for the year ended 31 December 2025 were approved by the Board on 24th April 2026.

Signed on behalf of the Directors of the Company.

BLESSING OGWU	**VICTOR OSADOLOR**
Managing Director/CEO	Chairman
FRC/2021/PRO/DIR/003/00000022851	FRC/2016/PRO/DIR/003/00000013923

Report of The Audit and Risk Management Committee

In accordance with the provisions of Section 404(7) of the Companies and Allied Matters Act of the Federation of Nigeria 2020, we have received the Independent Auditors Report for the year ended December 31, 2025 and hereby report as follows:

a. We confirm that we have seen the Audit Plan and Scope, the Management Letter on the Audit and the responses to the said letter.

b. In our opinion, the scope and planning of the audit were adequate. We have reviewed the Auditors' findings and the Management Responses thereon.

c. We also confirm that the accounting and reporting policies of the Company conformed to statutory requirements and ethical practices.

d. The Company's system of accounting and internal control was constantly and effectively monitored; and

e. The external Auditors Management Report received satisfactory responses from Management.

Mr. Mohammed Yayangida Umar
FRC/2021/PRO/DIR/003/00000024413
Chairman, Audit & Risk Management Committee
24th April, 2026

Members of the Audit & Risk Management Committee are:

S/N	NAME	FRC NUMBER	ROLE
1	Mr. Mohammed Yayangida Umar	FRC/2021/PRO/DIR/003/00000024413	Chairman/Independent Non-Executive Director
2	Ms. Arafat Olayinka Balogun	FRC/2025/PRO/DIR/003/327106	Independent Non-Executive Director
3	Mr. Ugochukwu Nwaghodoh	FRC/2012/PRO/DIR/003/00000000272	Non-Executive Director
4	Mr. Alex Alozie	FRC/2023/PRO/DIR/003/109024	Non-Executive Director

Deloitte.

Deloitte & Touche
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Victoria Island, Lagos Nigeria.
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Fax: +234 1 2717801
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19 March 2026

The Chairman
UBA Pensions Custodian Limited 3rd
Floor, 22B Idowu Taylor Street Victoria
Island
Lagos, Nigeria

Dear Sir,

Report of the Independent Consultants on the Performance of the Board of Directors of UBA Pensions Custodian Limited for the Year Ended 31 December 2025

Deloitte & Touche has performed the annual evaluation of the Board of Directors of UBA Pensions Custodian Limited ("UBA Pensions") for the year ended 31 December 2025. The scope of the review included an assessment of the structure and composition of the Board, responsibilities, processes, procedures, and the effectiveness of Board Committees. The review was performed in compliance with Principle 14 of the Nigerian Code of Corporate Governance ("NCCG").

We evaluated the performance of the Board in line with regulatory requirements under the Revised Guideline on Corporate Governance for Pension Fund Operators 2025, Nigerian Code of Corporate Governance (NCCG) 2018, PENCOM guidelines and regulations and other good practice Corporate Governance standards. Our approach involved a review of the Board framework in UBA Pensions, relevant governance documents, policies, and procedures. The report of our evaluation was premised on desk review of governance documents, interview sessions with Directors and survey responses received from the Directors.

The result of our evaluation has shown that the Board complies with the provisions of the extant Codes of Corporate Governance in terms of its structure, composition, procedures, and responsibilities. We also ascertained that the key Board functionaries (Board and Board Committee Chairpersons) and the Board Committees met their responsibilities under the Codes and governance charters in UBA Pensions. The report further highlights details of our review activities, observations, and some recommendations for the Board's action.

It should be noted that the matters raised in this report are only those which came to our attention during the course of our review. The evaluation is limited in nature and does not necessarily disclose all significant matters about the company or reveal any irregularities. As such, we do not express any opinion on the activities reported.

Yours faithfully,

For: Deloitte and Touche

Ibukun Beecroft

Ibukun Beecroft
FRC/2020/ICAN/00000020765
Partner

Deloitte.

Deloitte & Touche
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19 March 2026

Report of the Independent Consultants on the Review of Corporate Governance Framework of UBA Pensions Custodian Limited for the Year Ended 31 December 2025

BACKGROUND

Deloitte & Touche has performed the annual corporate governance review on UBA Pensions Custodian Limited ("UBA Pensions") for the year ended 31 December 2025. The review was performed in compliance with Section 11.2.9.5 and Principle 15 of the Nigerian Code of Corporate Governance ("NCCG").

We evaluated the performance of the Corporate Governance framework in line with regulatory requirements under the Nigerian Code of Corporate Governance ("NCCG"), the Revised Guideline on Corporate Governance for Pension Fund Operators 2025, PENCOM guidelines and regulations and other good practice Corporate Governance standards. The scope of the review included an assessment of key areas of UBA Pensions' corporate governance framework, including the framework of the Board structure and composition, Board operations and effectiveness, assurance functions, corporate disclosures, and relationship with stakeholders.

Our approach involved a review of the governance charters and policies and management frameworks in UBA Pensions. The report of our evaluation was premised on desk reviews of governance policies, charters, and minutes, as well as interview sessions with select Directors.

The result of our evaluation has shown that the Corporate Governance framework and practices in UBA Pensions comply with the provisions of the extant Codes of Corporate Governance. The report further highlights details of our review activities, observations and some recommendations for the Board and Executive Management's action.

HIGHLIGHTS

Below are highlights of the corporate governance framework in UBA Pensions:

The Board and Board Committees:

The Board had a total of eight (8) Directors during the review period, with one Director appointed to the Board in February upon approval by PENCOM. During the review period, the Board had a mix of male and female Directors with six (6) being male and two (2) being female.

During the review period, the Board had a mix of:

- Two (2) EDs
- Four (4) NEDs and
- Two (2) INEDs.

The Board has a total of three (3) Committees that held several meetings during the review period i.e., the Board Nominations and Governance Committee, the Board Audit and Risk Management Committee and the Board Finance and General-Purpose Committee. All Board Committees met regularly during the period under review and members of each Board Committee achieved at least 75% attendance at Board Committee meetings. The frequency of meetings of the Board Committees is highlighted below:

Deloitte.

- The Board Audit and Risk Management Committee met six (6) times during the review period, including a special meeting with the company's external auditors and its internal audit function without management in attendance.
- The Board Nominations and Governance Committee met six (6) times.
- The Board Finance and General-Purpose Committee met four (4) times.

The terms of reference for all the Committees are contained in the Board Governance and Board Committees Governance Charter.

Board and Board Committee Meetings:
The Board Governance and Board Committees Governance Charter specifies that the Board and Board Committees shall hold meetings at least once every quarter. This aligns with the provision of the NCCG 2018 and the Revised Guideline on Corporate Governance for Pension Fund Operators (2025), on the frequency of meetings of the Board and Board Committees. We noted that the Board and Board Committees held quarterly meetings in the review period.

The Board Governance Charter, in line with corporate governance codes requires that all Directors maintain at least 75% meeting attendance at both Board and Board Committee meetings (Sec 2.4.3 of the Board Governance Charter). Per our review, we observed that all Directors met the minimum meeting attendance requirement for Board meetings, Board Committee meetings, the Annual General Meeting, and the required annual meeting of NEDs. We confirmed that quorum was achieved and confirmed before commencement of meetings of the Board, Board Committees, and the AGM.

Internal Control, Risk Management and Audit:
UBA Pensions has a compliance function with the primary mandate to monitor compliance with regulatory requirements across the business and disclose findings to the Board and the Regulators to enhance the activities of the business. Reports including internal control and compliance updates were submitted to the Board Audit and Risk Management Committee on a regular basis to assist with their oversight functions. An Internal Audit function exists in UBA Pensions that reports functionally to the Board through the Board Audit and Risk Management Committee and administratively to Management. We also noted that quarterly internal audit reports were presented to the Board Audit and Risk Management Committee by the function.

There is an effective Business Continuity Plan and a Disaster Recovery Plan in place for UBA Pensions. Risk management reports were also presented to the Board Audit and Risk Management Committee in each quarterly committee meeting conducted within the review period.

Performance Management and Compensation:
The Board conducts an annual evaluation of the performance of its members and Committees. The Board approved the firm Deloitte & Touche to conduct the annual Board Evaluation and Corporate Governance Review exercise for the year ended 31 December 2025. The report of the annual Board Evaluation and Corporate Governance Review exercise for the year ended 31 December 2024 was also sighted.

UBA Pensions has a Remuneration Policy for Directors. The Board approved the revised Annual Board fees for Non-Executive Directors.

Deloitte.

Transparency and Disclosures:
UBA Pensions has an investors' portal on its company website where annual reports of UBA Pensions and other financial information are available in downloadable format to the public. The company's website has the following information readily available to stakeholders, in line with the recommendation of the NCCG:

- The composition of the Board of Directors, stating the names and classification of the Chairman, the MD/CEO, EDs and NEDs as well as INEDs, including brief professional biographies, and
- An outline of the Management team of the company including their brief professional biographies.

Relevant disclosures were included in the annual report including committee composition and membership, Directors' compensation, list of trainings attended by Directors, number of meetings held by the Board and its Committees including dates on which the meetings were held and Directors' attendance at those meetings.

Ethics and Conflict of Interest:
UBA Pensions has a Code of Professional Conduct and Ethics which serves as a guideline to the standards that should govern all employee dealings with customers, suppliers, colleagues, and the general public, and which is consistent with the Code of Ethics and Business Practices for Licensed Pension Operators. The Board Governance Charter also provided guidelines for Directors' disclosure of conflict of interests.

Supporting the ethics programme in UBA Pensions is a whistle blowing framework. The company maintains channels for stakeholders to report actual or potential unethical behavior. There is a dedicated whistle-blowing link for disclosure on the Company's website.

Sustainability
UBA Pensions has a sustainability policy as recommended by the NCCG which details UBA Pensions Custodian Limited's commitment to sustainability. By way of this commitment UBA Pensions seeks to introduce environmental and social standards to guide the Company's activities in relation to the communities it operates in, address risks arising from its activities or locations it operates, ensure its employees are positively oriented as regards social and environmental issues and formalize environmental and social risk management in the Company.

CONCLUSION
It should be noted that the matters raised in this report are only those which came to our attention during our review. The evaluation is limited in nature and does not necessarily disclose all significant matters about the company or reveal any irregularities. Recommendations for improvements should be assessed by the Board for their full impact before they are implemented.

Yours faithfully,
For: Deloitte and Touche

Ibukun Beecroft

Ibukun Beecroft FRC/2020/ICAN/00000020765
Partner

Management's Report on the assessment of internal control over Financial Reporting for the year ended 31 December 2025

The management of UBA Pensions Custodian Limited ('the Company') hereby make the following statements regarding the Internal Controls over Financial Reporting of the Company for the year ended 31 December 2025:

(a) Management is responsible for establishing and maintaining a system of internal control over financial reporting ("ICFR") that provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards.

(b) Management used the Committee of Sponsoring Organization of the Treadway Commission (COSO) Internal Control-Integrated Framework to conduct the required evaluation of the effectiveness of the company's ICFR..

We have reviewed the audited financial statements of the Company for the year ended 31 December 2025 and based on our knowledge we certify as follows:

(I) The audited financial statements do not contain any untrue statement of material fact or omit to state a material fact, which would make the statements misleading.

(ii) The audited financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition, results of operation and cash flows of the Company as of and for the year ended 31 December 2025.

(iii) The Company's management has assessed that the entity's Internal Control over Financial Reporting (ICFR) as of the end of 31 December 2025 is effective.

(iv) The Company's internal controls were evaluated within 90 days of the financial reporting date and are effective as of 31 December 2025.

(v) The Company's external auditors (Messrs Ernst and Young Nigeria) have issued an attestation report on management's assessment of internal control over financial reporting.

The attestation report of Messrs Ernst and Young Nigeria that audited the financial statements is included as part of this annual report.

HELEN DUAKA
Chief Financial Officer
FRC/2013/PRO/ICAN/001/00000002893

BLESSING OGWU
Managing Director/CEO
FRC/2021/PRO/DIR/003/00000022851

Certification of management's assessment on internal control over Financial Reporting

We **Blessing Ugwu (MD/CEO)** and **Helen Duaka (Chief Financial Officer)** hereby make the following statements regarding the Internal Controls over Financial Reporting of UBA Pensions for the year ended 31 December 2025:

We certify that:

a. We have reviewed this management's assessment on internal control over financial reporting of UBA Pensions Custodian Limited.

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

c. Based on our knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report.

d. UBA Pensions Custodian Limited certifying officers:

   i. are responsible for establishing and maintaining internal controls;

   ii. have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, is made known to us by others, particularly during the period in which this report is being prepared;

   iii. have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Generally Accepted Accounting Principles (GAAPs);

   iv. have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.

e. UBA Pensions Custodian Limited certifying officers have disclosed, based on our most recent evaluation of internal control system, to the Company's auditors and the Board Audit and Governance Committee:

   i. All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and

   ii. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control system.

f. UBA Pensions Custodian Limited certifying officers have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

HELEN DUAKA	**BLESSING OGWU**
Chief Financial Officer	Managing Director/CEO
FRC/2013/PRO/ICAN/001/00000002893	FRC/2021/PRO/DIR/003/00000022851

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Independent Auditor's Attestation Report on Management's Assessment of Internal Control over Financial Reporting

To the Members of UBA Pensions Custodian Limited

Scope

We have been engaged by UBA Pensions Custodian Limited ('the Company') to perform a 'limited assurance engagement', based on International Standards on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)') and Financial Reporting Council of Nigeria Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, herein referred to as 'the Engagement', to report on UBA Pensions Custodian Limited Internal Control over Financial Reporting (ICFR) (the "Subject Matter") contained in the Company's Management's Assessment on Internal Control over Financial Reporting as of 31 December 2025 (the "Report").

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that:

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

***Criteria applied by* UBA Pensions Custodian Limited**

In designing, establishing and operating the Internal Control over Financial Reporting (ICFR) and preparing the Management's assessment of the Internal Control over Financial Reporting (ICFR), UBA Pensions Custodian Limited applied the requirements of Internal Control-Integrated Framework (2013) of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Framework and Financial Reporting Council of Nigeria Guidance on Management Report on Internal Control Over Financial Reporting ('Criteria'). Such Criteria were specifically designed to enable organizations effectively and efficiently develop systems of internal control that adapt to changing business and operating environments, mitigate risks to acceptable levels, and support sound decision making and governance of the organization; As a result, the subject matter information may not be suitable for another purpose.

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UBA Pensions Custodian Limited's management responsibilities

UBA Pensions Custodian Limited's Management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying UBA Pensions Custodian Limited's *Management's Assessment of the Internal Control over Financial Reporting as of 31 December 2025* in accordance with the Criteria.

Our responsibilities

Our responsibility is to express a conclusion on the design and operating effectiveness of the Internal Control over Financial Reporting based on our Assurance engagement.

We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)') and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, those standards require that we plan and perform our engagement to obtain limited assurance on the entity's internal control over financial reporting based on our assurance engagement.

Our independence and quality management

We have maintained our independence and confirm that we have met the requirements of the International Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (including International Independence Standards) (IESBA Code) and have the required competencies and experience to conduct this assurance engagement.

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

Description of procedures performed

The procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

Our engagement also included performing such other procedures as we considered necessary in the circumstances. We believe the procedures performed provide a basis for our report on the internal control put in place by management over financial reporting.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of

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assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have obtained had a reasonable assurance engagement been performed.

Conclusion

In conclusion, nothing has come to our attention to indicate that the internal control over financial reporting put in place by management as contained and assessed in UBA Pensions Custodian Limited's Management Assessment on Internal Control over Financial Reporting is not adequate as of 31 December 2025, based on the requirements of Committee of Sponsoring Organizations of the Treadway Commission (COSO) Framework and Financial Reporting Council of Nigeria Guidance on Management Report on Internal Control Over Financial Reporting .

Other Matter

We also have audited, in accordance with the International Standards on Auditing, the financial statements for the year ended 31 December 2025 of UBA Pensions Custodian Limited and we expressed an unmodified opinion in our Auditor's report dated 30 April 2026. Our conclusion is not modified in respect of this matter.

Abiodun Akinnusi
FRC/2021/PRO/ICAN/004/00000023386
For: Ernst & Young
Lagos, Nigeria.
30 April 2026

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Independent Auditor's Report

To the Members of UBA Pensions Custodian Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of UBA Pensions Custodian Limited ('the Company'), which comprise the statement of financial position as at 31 December 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of UBA Pensions Custodian Limited as at 31 December 2025, and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, the provisions of the Companies and Allied Matters Act, 2020, Pension Reform Act 2014 as amended, National Pension Commission Guidelines and in compliance with the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) *as applicable to audits of financial statements of public interest entities,* together with the ethical requirements that are relevant to our audit of the financial statements in Nigeria, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the document titled "UBA Pensions Custodian Limited, Audited Financial Statements for the year ended 31 December 2025", which includes the Corporate Information, Corporate Governance Report, Report of the Directors, Corporate Responsibility for Financial Statements, Statement of Directors' responsibilities in respect of the Preparation of the Financial Statements, Report of the Audit and Risk Management Committee, Report of the Independent Consultants on the Performance of the Board of Directors, Report of the Independent Consultants on the Review of Corporate Governance Framework, Management's Report on the Assessment of Internal Control over Financial Reporting, Certification of Management's Assessment on Internal

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Control over Financial Reporting and Other National Disclosures. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon as part of this opinion.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Responsibilities of the Directors for the Financial Statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, the provisions of the Companies and Allied Matters Act, 2020, Pension Reform Act 2014 as amended, National Pension Commission Guidelines and in compliance with the Financial Reporting Council of Nigeria (Amendment) Act, 2023, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit

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evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

In accordance with the requirement of the Fifth Schedule of the Companies and Allied Matters Act, 2020, we confirm that:

- We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
- In our opinion, proper books of account have been kept by the Company, in so far as it appears from our examination of those books;
- The Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.

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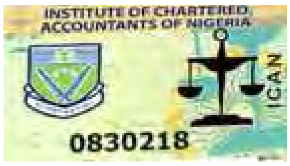
Report on Other Legal and Regulatory Requirements (Cont'd)

In accordance with the requirements of the Financial Reporting Council of Nigeria (FRC) Guidance on Assurance Engagement Report on Internal Control over Financial Reporting:

We performed a limited assurance engagement and reported on Management's assessment of the Company's internal control over financial reporting as of 31 December 2025. The work performed was done in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)') and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, and we have issued an unmodified conclusion in our report dated 30 April 2026.

Abiodun Akinnusi
FRC/2021/PRO/ICAN/004/00000023386
For: Ernst & Young
Lagos, Nigeria
30 April 2026



Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2025

	Note	31 December 2025 N'000	31 December 2024 N'000
Custody fee	5	7,791,408	8,014,747
Interest income calculated using effective interest method	6	3,545,295	3,045,951
Interest income on financial asset measured at FVTPL	6	148,976	-
Other income	7	45,695	33,255
Total Income		**11,531,374**	**11,093,953**
Personnel expenses	8	(1,274,896)	(982,615)
Credit loss expenses	10	(16,000)	(5,079)
Other operating expenses	9	(1,642,150)	(1,460,210)
		(2,933,046)	**(2,447,904)**
Profit before tax		8,598,328	8,646,049
Income tax expense	11	(2,923,822)	(2,965,326)
Profit for the year		**5,674,506**	**5,680,723**
Other comprehensive income		**-**	**-**
Total comprehensive income for the year, net of tax		**5,674,506**	**5,680,723**
Basic and diluted earnings per share (kobo)	23	**284**	**284**

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

Statement of Financial Position

As at 31 December 2025

	Note	31 Dec 2025 N'000	31 Dec 2024 N'000
ASSETS			
Current Assets			
Cash and cash equivalents	12	4,651,861	16,834,452
Investment securities at amortised cost	13a	12,894,980	-
Other assets	15	917,840	699,813
		18,464,681	17,534,265
Non-Current Assets			
Property and equipment	16	519,299	551,734
Intangible assets	17	93,506	46,398
Deferred tax assets	14	267	434
		613,072	598,566
Total assets		**19,077,753**	**18,132,831**
LIABILITIES AND EQUITY			
Current Liabilities			
Trade and other payables	18	1,049,123	767,935
Current tax liabilities	20	3,249,042	3,259,814
		4,298,165	4,027,749
Equity			
Share capital	21	2,000,000	2,000,000
Retained earnings	22	12,779,588	12,105,082
Total equity		14,779,588	14,105,082
Total liabilities and equity		**19,077,753**	**18,132,831**
Pension assets under custody	31	**4,478,082,245**	**3,390,509,094**

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

The financial statements were approved by the Board of Directors on 24th April, 2026 and signed on its behalf by:

HELEN DUAKA
Chief Financial Officer
FRC/2013/PRO/ICAN/001/00000002893

BLESSING OGWU
Managing Director/CEO
FRC/2021/PRO/DIR/003/00000022851

VICTOR OSADOLOR
Chairman
FRC/2016/PRO/DIR/003/00000013923

Statement of Changes in Equity

For the year ended 31 December 2025

	Share capital N'000	Retained earnings N'000	Total N'000
At 1 January 2025	**2,000,000**	**12,105,082**	**14,105,082**
Profit for the year	-	5,674,506	5,674,506
Total comprehensive income for the year	**-**	**5,674,506**	**5,674,506**
Dividend paid	-	(5,000,000)	(5,000,000)
At 31 December 2025	**2,000,000**	**12,779,588**	**14,779,588**
For the year ended 31 December 2024			
At 1 January 2024	**2,000,000**	**6,424,359**	**8,424,359**
Profit for the year	-	5,680,723	5,680,723
Total comprehensive income for the year	**-**	**5,680,723**	**5,680,723**
Dividend paid	-	-	-
At 31 December 2024	**2,000,000**	**12,105,082**	**14,105,082**

The National Pension Commission (PenCom) approved for payment as Dividend for 2024 financial year, the total sum of N5Billion.

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

Statement of Cash Flows

For the year ended 31 December 2025

	Note	31 December 2025 N'000	31 December 2024 N'000
Cash flows from operating activities			
Profit before tax		**8,598,328**	**8,646,049**
Adjustment for non-cash items:			
Depreciation of property and equipment	16	150,636	81,360
Amortisation of Intangible assets	17	7,120	15,536
Fair value gain on financial instrument measured at FVTPL	6	(148,976)	-
Interest Income	6	(3,545,295)	(3,045,951)
Expected credit loss charge on investment securities	10	17,131	-
Expected credit loss (reversal)/charge on money market placement	10	(708)	5,278
Expected credit loss reversal on receivables	10	(306)	(326)
Expected credit loss (reversal)/charge on staff loan	10	(118)	127
Write-off of known losses	9ii	11,014	10,053
Writeback of accrued expenses to profit or loss	7	(10,456)	(23,467)
Writeback of accumulated depreciation to profit or loss	7	(8,426)	-
Operating profit before changes in operating assets		**5,069,944**	**5,688,658**
Changes in operating assets and liabilities			
(Increase)/Decrease in receivables and	15	(217,603)	69,244
prepayments Increase/(Decrease) in trade and other payables	18	281,188	(96,470)
Cash generated from operations	20	5,133,529	5,661,433
Income taxes paid		(2,934,427)	(2,572,070)
Net cash flows generated from operating activities		**2,199,102**	**3,089,362**
Cash flows from investing activities			
Purchase of Investment securities	13a	(12,654,401)	-
Interest received		3,436,004	3,065,950
Purchase of property and equipment	16	(109,775)	(381,211)
Purchase of intangible assets	17	(54,228)	(46,648)
Net cash flows used in investing activities		**(9,382,400)**	**2,638,092**
Cash flows from financing activities			
Dividends paid	19	(5,000,000)	(3,500,000)
Net cash flows used in financing activities		**(5,000,000)**	**(3,500,000)**
Net increase in cash and cash equivalents		(12,183,299)	2,227,454
Cash and cash equivalents on 1 January		16,840,109	14,612,655
Cash and cash equivalents as at 31 December	12	**4,656,810**	**16,840,109**

Notes to the Financial Statements

1. Corporate information

i. Legal Form

UBA Pensions Custodian Limited ("the Company"), a wholly owned subsidiary of United Bank for Africa Plc, was incorporated on 30 September 2005. It obtained its operating license on 7 December 2005 and commenced operations on 16 February 2006.

ii. Principal Activities

The Company's principal activities include the provision of custodial services for pension assets and the holding and dealing in such assets in accordance with the directives of the Pension Fund Administrators and the National Pension Commission. The Company has its registered address at 22B, Idowu Taylor Street, Victoria Island, Lagos.

2. Basis of preparation

i. The financial statements have been prepared on a historical cost basis except for financial assets and financial liabilities that are measured at fair value and amortised cost. The financial statements were authorized for issue by the Directors on 24th April 2026

ii. Functional and presentation currency

These financial statements are presented in Nigerian Naira, which is the functional currency. Except otherwise indicated, financial information presented in Naira have been rounded to the nearest thousand.

iii. Statement of compliance

The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the international Accounting Standards Board (IASB), the requirements of Companies and Allied Act of Nigeria, the Financial Reporting Council of Nigeria (Amendment) Act, 2023, the Pension Reform Act 2014 and the National Pension Commission (PENCOM) guidelines.

iv. Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, incomes, 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 on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

3. Material accounting policies

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

(a) Custody fee

Custody fees represent fees earned by the Company for holding pension fund assets on behalf of pension fund beneficiaries and their administrators. These are recognised on accrual basis as services are rendered. The rates of custody fees to be charged are agreed with the Pension Fund Administrators and can vary with each Pension Fund Administrators. Custody fee for Retirement Savings Accounts (RSA) is charged on Net Asset Value of the fund at 0.22% per annum average. Custody fees on other funds (aside RSA) are charged on income generated by the fund at the end of every month at the agreed rate within the range of 0.1 - 0.15%. per annum.

Notes to the Financial Statements (Continued)

(b) Interest

Interest income is recognised using the effective interest method. It includes interest income from cash and cash equivalents.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

(c) Income tax

The tax expense for the period comprises current and deferred income tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

i. Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

ii. Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognised for all taxable temporary differences, except:

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Current tax and deferred tax relating to items recognised directly inequity are also recognised inequity and not in the profit or loss.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority

(d) Financial instruments

Recognition and derecognition

Financial assets and liabilities are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of

Notes to the Financial Statements (Continued)

financial assets are recognised on the settlement date. A financial asset or financial liability is measured initially at fair value, and for an item not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset.

The Company initially recognises placements, treasury bills, bonds, mutual funds and staff loans on the date on which they are originated. All other financial instruments are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Subsequent measurement of financial assets
Financial assets are measured at initial recognition at fair value and are classified and subsequently measured at fair value through profit or loss (FVTPL), fair value through other comprehensive income (FVOCI) and amortised cost. Subsequent classification and measurement for debt securities is based on the business model for managing the financial instruments and the contractual cash flow characteristics of the instruments.

Financial assets are measured at amortised cost if both of the following conditions are met and the asset is not designated as FVTPL:
(a) the asset is held within a business model that is Hold-to-Collect (HTC) as described below, and
(b) the contractual terms of the instrument give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

Financial assets are measured at FVOCI if both of the following conditions are met and the asset is not designated as FVTPL:
(a) the asset is held within a business model that is Hold-to-Collect-and-Sell (HTC&S) as described below, and
(b) the contractual terms of the instrument give rise, on specified dates, to cash flows that are SPPI.

All other debt instruments are measured at FVTPL.

Business model assessment

The Company determines the business models at the level that best reflects how portfolios of financial assets are managed to achieve its business objectives. Judgment is used in determining the business models, which is supported by relevant, objective evidence including:

- How the economic activities of our businesses generate benefits, for example through trading revenue, enhancing yields or other costs and how such economic activities are evaluated and reported to key management personnel.
- The significant risks affecting the performance of our businesses, for example, market risk, credit risk, or other risks and the activities undertaken to manage those risks.
- Historical and future expectations of sales of the securities portfolios managed as part of a business model.

The Company's business models fall into three categories, which are indicative of the key strategies used to generate returns:

- Hold-to-Collect (HTC): The objective of this business model is to hold financial assets to collect contractual principal and interest cash flows. Sales are incidental to this objective and are expected to be insignificant or infrequent.
- Hold-to-Collect-and-Sell (HTC&S): Both collecting contractual cash flows and sales are integral to achieving the objective of the business model.
- Other fair value business models: These business models are neither HTC nor HTC&S, and primarily represent business models where assets are held-for-trading or managed on a fair value basis.

Notes to the Financial Statements (Continued)

SPPI assessment

Instruments held within a HTC or HTC&S business model are assessed to determine if their contractual cash flows are comprised of solely payments of principal and interest (SPPI). Principal is defined as the fair value of the instrument at initial recognition. Interest is defined as consideration for the time value of money and the credit risk associated with the principal amount outstanding.

Where the contractual terms introduce exposure to risk or variability of cash flows that are inconsistent with underlying arrangement, the related financial asset is classified and measured at FVTPL

(e) Impairment of financial assets

The Company assesses the under listed financial instruments for impairment using Expected Credit Loss (ECL) approach:

- Amortised cost financial assets.
- Debt securities classified as at FVOCI.

Financial assets measured at FVPL are not subjected to impairment. Impairment losses on financial assets are recognized at each reporting date in accordance with the three-stage impairment model outlined below.

Allowance for credit losses

An allowance for credit losses (ACL) is established for all financial assets, except for financial assets classified or designated as FVTPL, which are not subject to impairment assessment. Assets subject to impairment assessment include debt securities, cash and cash equivalents and loans and advances to staff. These are carried at amortised cost and presented net of ACL on the Statement of Financial Position. The ACL is measured at each reporting date according to a three-stage expected credit loss impairment model which is based on changes in credit risk of financial assets since initial recognition.

In determining the ECL for receivables and other assets, the Company applies the simplified model to estimate ECLs, adopting a provision matrix, where the receivables are grouped based on the nature of the transactions, aging of the balances and different historical loss patterns, to determine the lifetime ECLs. Receivables relate to amounts due for the provision of services to customers

1) Performing financial assets:

STAGE 1: From initial recognition of a financial asset to the reporting date, where the asset has not experienced a significant increase in credit risk relative to its initial recognition, a loss allowance is recognized equal to the credit losses expected to result from defaults occurring over the 12 months following the reporting date. Interest income is calculated on the gross carrying amount of these financial assets.

2) Underperforming financial assets:

STAGE 2: Following a significant increase in credit risk relative to the initial recognition of the financial asset, a loss allowance is recognized equal to the credit losses expected over the remaining lifetime of the asset. Interest income is calculated on the gross carrying amount of these financial assets.

3) Impaired financial assets

STAGE 3: When a financial asset is considered to be credit-impaired, a loss allowance is recognized equal to credit losses expected over the remaining lifetime of the asset. The Stage 3 expected credit loss impairment model is based on changes in credit quality since initial recognition. Interest revenue is calculated based on the carrying amount of the asset, net of the loss allowance, rather than on its gross carrying amount.

The ACL is a discounted probability-weighted estimate of the cash shortfalls expected to result from defaults over the relevant time horizon. Increases or decreases in the required ACL attributable to purchases and new originations, derecognitions or maturities, and re-measurements due to changes in loss expectations or stage migrations are recorded in Provision for credit losses. Write-offs and recoveries of amounts previously written off are recorded against ACL.

Notes to the Financial Statements (Continued)

The ACL represents an unbiased estimate of expected credit losses on our financial assets as at the reporting date. Judgment is required in making assumptions and estimations when calculating the ACL, including movements between the three stages and the application of forward-looking information. The underlying assumptions and estimates may result in changes to the provisions from period to period that significantly affect our results of operations.

Measurement of expected credit losses

Expected credit losses are based on a range of possible outcomes and consider all available reasonable and supportable information including internal and external ratings, historical credit loss experience, and expectations about future cash flows. The measurement of expected credit losses is based primarily on the product of the instrument's probability of default (PD), loss given default (LGD) and exposure at default (EAD) discounted to the reporting date. Stage 1 estimates project PD, LGD and EAD over a maximum period of 12 months while Stage 2 estimates project PD, LGD and EAD over the remaining lifetime of the instrument.

Expected life

For instruments in Stage 2 or Stage 3, loss allowances reflect expected credit losses over the expected remaining lifetime of the instrument. For most instruments, the expected life is limited to the remaining contractual life.

Assessment of significant increase in credit risk

The assessment of significant increase in credit risk requires significant judgment. The following are considered as exception:

1. Outstanding obligation is a result of an amount being disputed where the dispute is not more than 90 days.
2. Outstanding obligation is an insignificant amount compared to the total amount due. Any amount not more than 10% of the total amount due is considered insignificant. Only applicable where there is no significant increase in credit risk and analysed on a case-by-case basis

The assessment is generally performed at the instrument level. If any of the factors above indicate that a significant increase in credit risk has occurred, the instrument is moved from Stage 1 to Stage 2. The assessments for significant increases in credit risk since initial recognition and credit-impairment are performed independently at each reporting period. Assets can move in both directions through the stages of the impairment model. After a financial asset has migrated to Stage 2, if it is no longer considered that credit risk has significantly increased relative to initial recognition in a subsequent reporting period, it will move back to Stage 1 after 90 days.

Similarly, an asset that is in Stage 3 will move back to Stage 2 if it is no longer considered to be credit-impaired after 90 days. An asset will not move back from stage 3 to stage 1 until after a minimum of 180 days, if it is no longer considered to be credit impaired.

For certain instruments with low credit risk as at the reporting date, it is presumed that credit risk has not increased significantly relative to initial recognition. Credit risk is considered to be low if the instrument has a low risk of default, with ability to fulfil contractual obligations both in the near term and in the longer term, including periods of adverse changes in the economic or business environment.

Use of forward-looking information

The measurement of expected credit losses for each stage and the assessment of significant increase in credit risk considers information about past events and current conditions as well as reasonable and supportable projections of future events and economic conditions. The estimation and application of forward-looking information requires significant judgment.

The PD, LGD and EAD inputs used to estimate 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

Notes to the Financial Statements (Continued)

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.

Scenarios are designed to capture a wide range of possible outcomes and weighted according to the best estimate of the relative likelihood of the range of outcomes that each scenario represents. Scenario weights take into account historical frequency, current trends, and forward-looking conditions and are updated on a quarterly basis. All scenarios considered are applied to all portfolios subject to expected credit losses with the same probabilities. 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

Definition of default
A default is considered to have occurred regarding a particular obligor when either or both of the following events have taken place.

- The Company considers that the obligor is unlikely to pay its credit obligations in full, without recourse by the Company to actions such as realising security (if held).
- The obligor is past due more than 90 days on any material credit obligation to the Company (principal or interest).
- Interest payments equal to 90 days or more have been capitalized, rescheduled, rolled over

The elements to be taken as indications of unlikeliness to pay include:
- The Company sells the credit obligation at a material credit-related economic loss.
- The Company consents to a distressed restructuring of the credit obligation where this is likely to result in a diminished financial obligation caused by the material forgiveness, or postponement, of principal or interest.

Credit-impaired financial assets (Stage 3)
Financial assets are assessed for credit-impairment at each reporting date and more frequently when circumstances warrant further assessment. Evidence of credit-impairment may include indications of significant financial difficulty, probability of bankruptcy or other financial reorganization, as well as a measurable decrease in the estimated future cash flows evidenced by the adverse changes in the payments status or economic conditions that correlate with defaults.
A financial asset is considered for transfer from stage 2 to stage 1 where there is significant improvement in credit risk and from stage 3 to stage 2 (declassified) where the asset is no longer in default. Factors that are considered in such backward transitioning include the following:
I) Declassification of the exposure by all the licensed private credit bureaux or the credit risk management;
ii) Improvement of relevant credit risk drivers for the obligor;
iii) Evidence of full repayment of principal or interest.

Where there is evidence of significant reduction in credit risk, the following probationary periods should apply before a financial asset may be moved to a lower stage (indicating lower risk):
Transfer from Stage 2 to 1:- 90 days
Transfer from Stage 3 to 2:- 90 days
Transfer from Stage 3 to Stage 1:- 180 days

Notes to the Financial Statements (Continued)

When a financial asset has been identified as credit-impaired, expected credit losses are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the instrument's original effective interest rate.

When a financial asset is credit-impaired, interest ceases to be recognised on the regular accrual basis, which accrues income based on the gross carrying amount of the asset. Rather, interest income is calculated by applying the original effective interest rate to the amortised cost of the asset, which is the gross carrying amount less the related ACL.

Following impairment, interest income is recognized on the unwinding of the discount from the initial recognition of impairment.

Write-off
Financial assets and the related ACL are written off, either partially or in full, when there is no realistic prospect of recovery. Where financial assets are secured, they are generally written off after receipt of any proceeds from the realization of collateral. In circumstances where the net realizable value of any collateral has been determined and there is no reasonable expectation of further recovery, write off may be earlier. This assessment is carried out at the individual asset level. Recoveries of amounts previously written off are included in 'impairment losses on financial instruments' in the statement of profit or loss and OCI.

However, the Company continues enforcement activities on all written-off financial assets until full recovery is achieved or such time when it is objectively evident that recovery is no longer feasible.

Investment securities
Investment securities are initially recorded at fair value and subsequently measured according to the respective classification. Investment securities carried at amortised cost are measured using the effective interest method and are presented net of any allowance for credit losses. Interest income, including the amortization of premiums and discounts on securities measured at amortised cost are recorded in interest income. Impairment gains or losses recognized on amortised cost securities are recorded in Allowance for credit losses. When a debt instrument measured at amortised cost is sold, the difference between the sale proceeds and the amortised cost of the security at the time of the sale is recorded as a fixed income securities income.

Investment securities carried at FVOCI are measured at fair value with unrealized gains and losses arising from changes in fair value included in fair value reserve in equity. Impairment gains and losses are included in allowance for credit losses and correspondingly reduce the accumulated changes in fair value included in fair value reserve. When a debt instrument measured at FVOCI is sold, the cumulative gain or loss is reclassified from fair value reserve to net trading and foreign exchange income.

Equity securities carried at FVOCI are measured at fair value. Unrealized gains and losses arising from changes in fair value are recorded in fair value reserve and not subsequently reclassified to profit or loss when realized. Dividends from FVOCI equity securities are recognized in other operating income.

The Company accounts for all securities using settlement date accounting and changes in fair value between the trade date and settlement date are reflected in income for securities measured at FVTPL, and changes in the fair value of securities measured at FVOCI between the trade and settlement dates are recorded in OCI except for changes in foreign exchange rates on debt securities, which are recorded in the income statement.

Fair value option
A financial instrument with a reliably measurable fair value is designated as FVTPL (the fair value option) on its initial recognition even if the financial instrument was not acquired or incurred principally for the purpose of selling or repurchasing. The fair value option is used for financial assets if it eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognizing related gains and losses on a different basis (an "accounting mismatch").

Notes to the Financial Statements (Continued)

The fair value option can be elected for financial liabilities if: (i) the election eliminates an accounting mismatch; (ii) the financial liability is part of a portfolio that is managed on a fair value basis, in accordance with a documented risk management or investment strategy; or (iii) there is an embedded derivative in the financial or non-financial host contract and the derivative is not closely related to the host contract. These instruments cannot be reclassified out of the FVTPL category while they are held or issued.

Financial assets designated as FVTPL are recorded at fair value and any unrealized gains or losses arising due to changes in fair value are income statement.

Financial liabilities designated as FVTPL are recorded at fair value and fair value changes attributable to changes in the Company's own credit risk are recorded in OCI. Own credit risk amounts recognized in OCI are not reclassified subsequently to net income. The remaining fair value changes not attributable to changes in the Company's own credit risk are recorded in Other operating income.

To determine the fair value adjustments on debt instruments designated at FVTPL, the Company calculates the present value of the instruments based on the contractual cash flows over the term of the arrangement by using our effective funding rate at the beginning and end of the period.

Financial assets are reclassified when and only when the business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent, and none occurred during the period.

Loans

Loans are debt instruments recognized initially at fair value and are subsequently measured in accordance with the classification of financial assets policy provided above. Loans are carried at amortised cost using the effective interest method, which represents the gross carrying amount less allowance for credit losses.

Interest on loans is recognized in interest income using the effective interest method. The estimated future cash flows used in this calculation include those determined by the contractual term of the asset and all fees that are considered to be integral to the effective interest rate. Also included in this amount are transaction costs and all other premiums or discounts.

Impairment losses on loans are recognized at each reporting date in accordance with the three-stage impairment model.

Classification and measurement of financial liabilities

The Company recognizes financial liabilities when it first becomes a party to the contractual rights and obligations in the relevant contracts. Financial liabilities are either classified as financial liabilities at amortised cost or financial liabilities at FVTPL.

The Company classifies its financial liabilities as measured at amortised cost, except for:

i. Financial liabilities at FVTPL

ii. Financial guarantee contracts and commitments.

Financial liabilities that are not classified at fair value through profit or loss are measured at amortised cost using the effective interest rate method.

Gains or losses from financial liabilities designated at fair value through profit or loss are presented partially in other comprehensive income (the amount of change in the fair value of the financial liability that is attributable to changes in the Company’s own credit risk, which is determined as the amount that is not attributable to changes in market conditions that give rise to market risk) and partially profit or loss (the remaining amount of change in the fair value of the liability). This is unless such a presentation would create, or enlarge, an accounting mismatch, in which case the gains and losses attributable to changes in the Company’s credit risk are also presented in profit or loss.

Notes to the Financial Statements (Continued)

De-recognition of financial instruments

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when the Company transfers the right to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial assets are transferred or has assumed an obligation to pay those cash flows to one or more recipients, subject to certain criteria. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

The Company may enter into transactions whereby it transfers assets but retains either all risks and rewards of the transferred assets or a portion of them. If all or substantially all risks and rewards are retained, then the transferred assets are not derecognised. In transactions where the Company neither retains nor transfers substantially all the risks and rewards of ownership of a financial asset, it derecognises the asset if control over the asset is lost.

The rights and obligations retained in the transfer are recognised separately as assets and liabilities as appropriate. In transfers where control over the asset is retained, the Company continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

(f) Cash and cash equivalents

Cash and cash equivalents include current account balances with banks and highly liquid financial assets with original maturities of less than three months, which are subject to insignificant risk of changes in their fair value and are used by the Company in the management of its short-term commitments.

Cash and bank balances are carried at amortised cost in the statement of financial position.

(g) Property and equipment

i. Recognition and measurement

Items of property and equipment are carried at cost less accumulated depreciation and impairment losses. When parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

ii. Subsequent costs

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

iii. Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property and equipment since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is derecognised or classified as held for sale in accordance with IFRS 5 Non-current Assets *Held for Sale and Discontinued Operations*.

The estimated useful lives for the current and comparative year are as follows:

Computer equipments	5 years
Furniture and fittings	5 years
Equipments	5 years
Leasehold improvements	5 years
Motor vehicles	5 years

Notes to the Financial Statements (Continued)

Depreciation methods, useful lives and residual values are reassessed at each reporting date and adjusted if appropriate. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

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

(h) Intangible assets Software
Software acquired by the Company is stated at cost less accumulated amortisation and accumulated impairment losses.

Expenditure on internally developed software is recognised as an asset when the Company is able to demonstrate its intention and ability to complete the development and use the software in a manner that will generate future economic benefits and can reliably measure the costs to complete the development. The capitalised costs of internally developed software include all costs directly attributable to developing the software and are amortised over its useful life. Internally developed software is stated at capitalised cost less accumulated amortisation and impairment.

Subsequent expenditure on software assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful life of 5 years, from the date that it is available for use. The amortisation method and useful life of software are reassessed at each financial year end and adjusted if appropriate. Derecognition is done when the software is no longer in use.
The useful lives of the assets are reviewed annually for any changes in circumstances. The assets are tested annually for impairment or at such time where there is an impairment trigger, or changes in circumstances indicate that their carrying value may not be recoverable.

(I) Leases
At contract inception the Company assesses whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Under IFRS 16, a contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. The change in definition of a lease mainly relates to the concept of control. IFRS 16 distinguishes between leases and service contracts on the basis of whether the use of an identified asset is controlled by the customer. Control is considered to exist if the customer has:

- The right to obtain substantially all of the economic benefits from the use of an identified asset; and
- The right to direct the use of that asset.

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as expense in profit or loss on a straight-line basis over the lease term.

(j) Impairment of non-financial assets
The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs to sell and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable.

Notes to the Financial Statements (Continued)

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre–tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceeds the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the income statement. Impairment losses relating to goodwill are not reversed in future periods.

(k) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability..

(l) Earnings per share

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

(m) Financial guarantee contracts

Financial guarantee contracts are contracts that require the Company (issuer) to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee liabilities are initially recognised at their fair value, which is the premium received, and then amortised over the life of the financial guarantee. Subsequent to initial recognition, the financial guarantee liability is measured at the higher of the expected credit loss provision and the unamortised premium. Financial guarantees are included within other liabilities.

(n) Employee benefits

i. Post-employment benefits - Defined contribution plans

The Company operates a defined contribution pension scheme. A defined contribution plan is a pension plan under which the Company makes fixed contributions on contractual basis. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Obligations for contributions to defined contribution plans are recognised as an expense in profit or loss when they are due.

The Company operates a contributory pension plan in accordance with the Pension Reform Act, wherein the Company contributes 10% of employees' basic salary, housing and transport allowance to the designated pension fund administrator chosen by each employee. As a part of the scheme, the Company also remits employees' contribution of 8% of the relevant compensation to the same account, as provided by the Pension Reform Act, as amended.

Notes to the Financial Statements (Continued)

ii. Short term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term employee benefits if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(o) Fiduciary assets

The Company provides trust and other fiduciary services that result in the holding or investing of assets on behalf of its clients. Assets held in a fiduciary capacity are not reported in the financial statements, as they are not the assets of the company.

(p) Dividends on ordinary shares

Dividend on ordinary shares is recognised as a liability and deducted from equity when they are approved by the Company's shareholders. Interim dividends are deducted from equity when they are declared and no longer at the discretion of the Company.

Dividends for the year that are approved after the reporting date are disclosed as an event after the reporting date.

(q) Application of New and Amended Standards

Except for the following new standard, the Company has consistently applied the accounting policies as set out in Notes 3- 5 to all periods presented in these financial statements.

✓ **Standards and interpretations issued/amended for annual reporting periods beginning on or after 1 January 2025**

i) Lack of exchangeability - Amendments to IAS 21

The IASB's amendments to IAS 21. The Effects of Changes in Foreign Exchange Rates require disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable. This is applied to annual reporting periods beginning on or after 1 January 2025 and can be applied earlier.

The amendment specifies when a currency is exchangeable into another currency and when it is not, how an entity determines the exchange rate to apply when a currency is not exchangeable and require the disclosure of additional information when a currency is not exchangeable. The amendments did not have any impact on the Company's financial statements.

✓ **Standards and interpretations issued/amended but not yet effective**

The standards listed below have been issued or amended by the IASB but are yet to become effective for annual periods beginning on or after 1 January 2026. The Company has not applied the following new or amended standards in preparing these financial statements as it plans to adopt these standards at their respective effective dates if applicable.

i) Sale of Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28

The amendments address the conflict between the requirements in IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures when accounting for the sale or contribution of a subsidiary to a joint venture or associate (resulting in the loss of control of the subsidiary).

In December 2015, the IASB decided to defer the effective date of the amendments until such time as it has finalised any amendments that result from its research project on the equity method. Early application of the amendments is still permitted. The amendments must be applied prospectively.

This amendment will not have any impact on the company financial statements.

Notes to the Financial Statements (Continued)

ii) IFRS 18 – Presentation and Disclosure in the Financial Statements

On 9 April 2024, the International Accounting Standard Board (the IASB or the Board) issued IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) which replaces IAS 1 Presentation of Financial Statements (IAS 1). The new IFRS accounting standard is a result of the IASB's Primary Financial Statements project, which is aimed at improving comparability and transparency of communication in financial statements.

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

IFRS 18 introduces three defined categories of income and expenses in the statement of profit or loss:

- Operating
- Investing
- Financing

Entities are required to classify income and expenses into these categories to improve consistency and comparability across financial statements. The standard also introduces mandatory subtotals, including:

- Operating profit or loss
- Profit or loss before financing and income taxes.

These subtotals are intended to enhance transparency and provide users with clearer insight into an entity's financial performance.

The standard further introduces new guidance on the aggregation and disaggregation of information in the financial statements and notes. Entities are required to present material items separately and provide more structured disclosures to ensure that financial information is not obscured by excessive aggregation.

In addition, IFRS 18 establishes specific requirements for Management-Defined Performance Measures (MPMs). An MPM is defined as a subtotal of income and expenses that is used in public communications outside the financial statements to communicate management's view of an aspect of the entity's financial performance. Where such measures are presented, entities will be required to disclose in a single note:

- a description of the measure
- how the measure is calculated
- an explanation of why the measure provides useful information
- a reconciliation of the MPM to the most directly comparable subtotal specified by IFRS

For the purpose of classifying income and expenses into the required categories, an entity must also assess whether it has a main business activity of investing in assets or providing financing to customers, as specific. The standard also introduces enhanced requirements for the presentation of expenses by nature or function, including additional disclosures when expenses are presented by function in the statement of profit. The Company is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements. While the standard is not expected to affect the recognition or measurement of items in the financial statements, it may result in changes to the presentation, structure and disclosures within the Company's financial statements when implemented.

iii) Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7

In May 2024, the Board issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7), which:

- Clarifies that a financial liability is derecognised on the 'settlement date', i.e., when the related obligation i discharged, cancelled, expires or the liability otherwise qualifies for derecognition. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met.
- Clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features.

Notes to the Financial Statements (Continued)

- Clarifies the treatment of non-recourse assets and contractually linked instruments
- Requires additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income

This is applied to annual reporting periods beginning on or after 1 January 2026 and can be applied earlier. The Company is currently assessing the impact of this amendment to the financial statements.

iv) IFRS 19 - Subsidiaries without Public Accountability: Disclosures
In May 2024, the Board issued IFRS 19 Subsidiaries without Public Accountability: Disclosures (IFRS 19), which allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. Unless otherwise specified, eligible entities that elect to apply IFRS 19 will not need to apply the disclosure requirements in other IFRS accounting standards.

An entity applying IFRS 19 is required to disclose that fact as part of its general IFRS accounting standards compliance statement. IFRS 19 requires an entity whose financial statements comply with IFRS accounting standards including IFRS 19 to make an explicit and unreserved statement of such compliance.

This standard is effective to annual reporting periods beginning on or after 1 January 2027. The company is not eligible to elect to apply IFRS 19 due to regulatory requirements.

v) Power Purchase Agreements - Amendments to IFRS 9 and IFRS 7
In December 2024, the Board issued Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7). The amendments include:
- Clarifying the application of the 'own-use' requirements
- Permitting hedge accounting if these contracts are used as hedging instruments
- Adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. Early adoption is permitted but will need to be disclosed. This amendment will not have any impact on the company financial statements.

vi) Annual Improvements to IFRS Accounting Standards—Volume 11
In July 2024, the International Accounting Standards Board (IASB) issued Annual Improvements to IFRS Accounting Standards—Volume 11. The IASB's annual improvements project provides a streamlined process for dealing efficiently with a collection of amendments to IFRSs. The primary objective of the process is to enhance the quality of standards, by amending existing IFRSs to clarify guidance and wording, or to correct for relatively minor unintended consequences, conflicts or oversights. Amendments are made through the annual improvements process when the amendment is considered non-urgent but necessary.

The amendments contained in the Annual Improvements relate to::

- IFRS 1 First-time Adoption of International Financial Reporting Standards - Hedge Accounting by a First-time Adopter
- IFRS 7 Financial Instruments: Disclosures:
  - Gain or loss on derecognition
  - Disclosure of differences between the fair value and the transaction price
  - Disclosures on credit risk
- IFRS 9 Financial Instruments:
  - Derecognition of lease liabilities
  - Transaction price
- IFRS 10 Consolidated Financial Statements - Determination of a 'de facto agent'
- IAS 7 Statement of Cash Flows - Cost Method.

These amendments are mandatory for financial years beginning on or after 1 January 2026; earlier application is permitted. The Company is currently assessing the impact of this amendment to the financial statements.

Notes to the Financial Statements (Continued)

vii) Translation to a Hyperinflationary Presentation Currency- Amendments to IAS 21

The amendments provide guidance on the accounting treatment where an entity translates the financial statements of a foreign operation with a non-hyperinflationary functional currency into a presentation currency that is hyperinflationary.

An entity whose functional currency and presentation currency are the currency of a hyperinflationary economy, restates the comparative amounts of a foreign operation, whose functional currency is that of a non- hyperinflationary economy, by applying the general price index, in accordance with paragraph 34 of IAS 29, to the foreign operation's comparative figures.

The amendments apply for annual reporting periods beginning on or after 1 January 2027 and earlier application is permitted. This amendment will not have any impact on the company financial statements

4 Financial Risk Management

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management programme seeks to minimise potential adverse effects on the Company's financial performance.

Risk management is carried out by the credit risk department under policies approved by the board of directors. The risk department identifies and evaluates financial risks in close co-operation with all operating units. The board provides written principles for overall risk management, as well as written policies covering specific areas, such as interest rate risk, credit risk, use non-derivative financial instruments, and investment of excess liquidity.

a. Credit Risk

Credit risk arises from cash and cash equivalents, fees receivable from Pension Fund Administrators under the Company's management as well as debt instruments (Treasury bills). For cash or fixed deposits with banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. If funds are independently rated, these ratings are used. If there is no independent rating, risk control assesses the credit quality of the fund considering its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The utilisation of credit limits is regularly monitored. Custody fees are affected against the net assets of the fund.

No credit limits were exceeded during the reporting period, and management does not expect any losses from non-performance by any fund under the Company's management. The maximum exposure to credit risk as at 31 December 2025 is the carrying amount of the financial assets (cash and bank balances, Investment in debt securities and fee receivables) set out in the statement of financial position.

I. **Credit quality of receivables** held by the Company consists of management fee and admin fee receivables which are all classified as neither past due nor impaired. The risk of default is considered as low.

31 Dec 2025	**Receivables from PFAs**					
	Current N'000	**<30 days N'000**	**30-60 days N'000**	**61-90 days N'000**	**>91 days N'000**	**Total N'000**
Expected credit loss rate	-	0.15%	-	-	0.26%	
Total gross carrying amount	-	764,827	-	-	489	**765,316**
Expected credit loss	-	1,127	-	-	1	**1,128**

31 Dec 2024	**Receivables from PFAs**					
	Current N'000	**<30 days N'000**	**30-60 days N'000**	**61-90 days N'000**	**>91 days N'000**	**Total N'000**
Expected credit loss rate	-	0.26%	-	-	0.26%	
Total gross carrying amount	-	545,909	-	-	489	**546,398**
Expected credit loss	-	1,433	-	-	1	**1,434**

Notes to the Financial Statements (Continued)

ii. The table below shows the credit quality by class of asset for all financial assets exposed to credit risk.

31 December 2025	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Cash and bank balances:				
- Cash	26,672	-	-	26,672
- Money market placements	4,630,138	-	-	4,630,138
Loans and advances	44,587	-	-	44,587
Investment securities at amortised cost	12,912,111	-	-	12,912,111
Gross financial assets	**17,613,508**	-	-	**17,613,508**

31 December 2025	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Allowance for credit loss on financial assets is as follows	**12 month ECL**	**Lifetime ECL**	**Lifetime ECL**	
Cash and bank balances	4,949	-	-	4,949
Loans and advances	191	-	-	191
Investment securities at amortised cost	17,131	-	-	17,131
	22,271	-	-	**22,271**
Net amount	**17,591,237**	-	-	**17,591,237**

31 December 2024	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Cash and bank balances:				
- Cash	46,553	-	-	46,553
- Money market placements	16,793,556	-	-	16,793,556
Loans and advances	66,590	-	-	66,590
Investment securities at amortised cost	-	-	-	-
Gross financial assets	**16,906,699**	-	-	**16,906,699**

31 December 2024	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Allowance for credit loss on financial assets is as follows	**12 month ECL**	**Lifetime ECL**	**Lifetime ECL**	
Cash and bank balances	5,657	-	-	5,657
Loans and advances	309	-	-	309
Investment securities at amortised cost	-	-	-	-
	5,966	-	-	**5,966**
Net amount	**16,900,733**	-	-	**16,900,733**

The credit quality of cash and bank balances are neither past due nor impaired. The banks which are the depositories have a credit rating of "A" as assessed by Augusto & Co rating agency; and this rating is adopted by the Company. The risk of default is considered as low.

Notes to the Financial Statements (Continued)

iii. The following table summarises the company's maximum exposure to credit risk related to financial instruments.

	Note	31 December 2025 N'000 AMORTIZED COST	31 December 2025 N'000 IMPACT ON SOFP/SOPLOCI
Other assets	15	809,903	1,319
Cash and cash equivalents	12	4,656,810	4,949
Investment securities	13a	12,912,111	17,131
		18,378,824	**23,400**

	Note	31 December 2024 N'000 AMORTIZED COST	31 December 2024 N'000 IMPACT ON SOFP/SOPLOCI
Other assets	15	612,988	1,743
Cash and cash equivalents	12	16,840,109	5,657
		17,453,097	**7,400**

Credit risk is also mitigated by investing in free risk investment. Loans granted to staff are deducted directly at source from their monthly salary.

Notes to the Financial Statements (Continued)

b. Liquidity Risk

Liquidity risk is the risk that the entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. This risk could arise from mismatches in the timing of cash flows. In extreme circumstances, lack of liquidity could result in reductions in the statement of financial position and sales of assets, or potentially an inability to fulfil lending commitments.

The table below shows the undiscounted cashflow on the Company's financial liabilities and on the basis of the earliest possible contractual maturity. The cash and bank balances, receivables, treasury bill, dividend payable and trade payables carrying amount approximates fair value due to the short-term nature.

Year ended 31 December 2025	Carrying amount	0>6months	6months>1year	Gross amount
Financial asset				
Cash and cash equivalents	4,651,861	4,656,810	-	4,656,810
Investment securities	12,894,980	12,912,111	-	12,912,111
Fees receivables from PFAs	764,188	764,827	489	765,316
Loans and advances to staff	44,396	-	44,587	44,587
Financial liabilities				
Trade and other payables	(603,252)	(603,252)	-	(603,252)
	17,752,173	**17,730,496**	**45,076**	**17,775,572**

Year ended 31 December 2024	Carrying amount	0>6months	6months>1year	Gross amount
Financial asset				
Cash and cash equivalents	16,834,452	16,840,109	-	16,840,109
Fees receivables from PFAs	544,964	545,909	489	546,398
Loans and advances to staff	66,281	-	66,590	66,590
Financial liabilities				
Trade and other payable	(438,404)	(438,404)	-	(438,404)
	17,007,293	**16,947,614**	**67,079**	**17,014,693**

Management of Liquidity Risk

The Company's liquidity management process ensures that the following are carried out:

i. Active monitoring of the timing of cash flows and maturity profiles of assets and liabilities to ensure mismatches are within stipulated limits.

ii. Managing the concentration and profile of debt maturities.

Financial instruments measured at fair value

IFRS 7 paragraph 25 requires the disclosure of the fair value of financial assets and financial liabilities by class in a way that permits it to be compared with its carrying amount for each class of financial asset and financial liability. The Company's financial instruments are carried and the amortised cost of the instruments closely approximates the fair value Instrument.

Notes to the Financial Statements (Continued)

Capital management.

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the number of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital based on the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the statement of financial position). Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt.

During 2025,the Company's strategy, which was unchanged, was to maintain the gearing ratio of 0%. The Company achieved this gearing ratio in 2025 and 2024 as it had no borrowings.

	31 December 2025 N'000	31 December 2024 N'000
Total borrowings	-	-
Total equity	14,779,588	14,105,082
Gearing ratio	-	-

c. Market Risk

Market risk is the risk that fair value of future cashflows of financial instrument will fluctuate because of changes in market factors which include three types of risks: currency risk, interest rate risk (including related inflation) and equity risk. The only risk applicable to the company is interest rate risk.

Interest rate risk (including related inflation)

Below is the sensitivity analysis of interest rate risk which might have impact on the financial instruments of the Company..

Interest rate risk	**31 December 2025**	**31 December 2024**
Investment securities	12,912,111	-
Cash & cash equivalent	4,656,810	16,840,109
	17,568,921	**16,840,109**
Impact on profit or loss and equities:		
Favourable change @ 2% increase in interest rate	351,378	336,802
Unfavourable change @ 2% reduction in interest rate	(351,378)	(336,802)

Notes to the Financial Statements (Continued)

5 Custody fee

	31 December 2025 N'000	31 December 2024 N'000
Fund Type		
Retirement Savings Accounts (RSA)	6,801,129	7,279,964
Retiree account	426,194	310,811
Closed Pension Fund Account (CPFA)	-	187,920
Approved existing scheme (AES)	564,085	236,052
	7,791,408	**8,014,747**
Geographical markets		
Nigeria	**7,791,408**	**8,014,747**
Services transferred over time	**7,791,408**	**8,014,747**

Custody fee for Retirement Savings Accounts (RSA) is charged on Net Asset Value of the fund at 0.26% per annum, average rate. Custody fee on other funds (aside RSA) is charged on income generated by the fund at the agreed rate within the range of 0.1 - 0.15% per annum.

The rates of custody feeto be charged are agreed with the Pension Fund Administrators and can vary with each Pension Fund Administrators.

6 Interest income

	31 December 2025 N'000	31 December 2024 N'000
Cash and cash equivalents (6i)	3,276,373	2,999,230
Loans and advances to staff (6ii)	11,212	14,648
Investment securities-amortised cost (6iii)	257,710	32,073
	3,545,295	**3,045,951**
Investment securities - FVTPL (6iv)	**148,976**	**-**

6i. Cash and balances with banks represents interest earned on balances with bank and term deposits.

6ii. Represents interest income charged on personal, vehicle, insurance and mortgage loans granted to staff. The Company grants loans to staff in accordance with the Company's human resources policy at the rate of 5% per annum. These loans were granted at below market interest rate. Under IFRS 9, the difference between the rate granted and a market related rate is an employee benefit, which must be deferred and recognised as an employee expense over the period of the loan. The loans have been fair valued at an annual interest rate of 28.5% per annum which management believes fairly represents the market lending rate. The resultant difference in interest charged is included in staff cost.

6iii. Represents interest earned on term deposits with tenor of over 90 days.

6iv. Represents interest earned on Mutual Funds.

Notes to the Financial Statements (Continued)

7 Other income

	31 December 2025 N'000	31 December 2024 N'000
Recoveries of other write-offs	2,559	-
Recoveries of loss on asset under custody	15,000	5,000
Accrued expenses written back	10,456	23,467
Accumulated depreciation written back (7i)	8,426	-
Other operating Income (7ii)	9,254	4,788
	45,695	**33,255**

7i This is in respect to cost of fixed assets reversed in prior years still being depreciated

7ii Other operating income mostly comprises of revenue generated from sources other than custody fee and investment income. All income streams are recognised when the right to receive income is established.

8 Personnel expenses

	31 December 2025 N'000	31 December 2024 N'000
Staff cost	868,252	667,564
Contribution to contributory pension scheme	32,000	30,301
Employees benefits (8i)	9,000	12,974
Others (8ii)	365,644	271,776
	1,274,896	**982,615**

Staff cost comprises of staff emoluments for the year ended 31 December 2025.

8i. This represents day one difference on loans granted to employees at below market interest rates

	31 December 2025 N'000	31 December 2024 N'000
8ii Other staff costs comprise of the following:		
Management support	2,166	900
Staff incentive bonus (8iii)	344,952	257,609
Long service award	18,526	13,267
	365,644	**271,776**

8iii Staff incentive bonus represents accruals for discretionary bonus payable to staff.

9 Other operating expenses

	31 December 2025 N’000	31 December 2024 N’000
Other premises and equipment costs (9i)	259,179	189,046
Auditors’ remuneration	21,500	16,125
Professional fees	27,804	46,585
General administrative expenses (9ii)	1,333,667	1,208,454
	1,642,150	**1,460,210**

Notes to the Financial Statements (Continued)

		31 December 2025 N'000	31 December 2024 N'000
9i	**Other premises and equipment costs includes:**		
	Depreciation of property and equipment	150,636	81,360
	Amortisation of intangible assets	7,120	15,536
	Repairs and Maintenance	85,792	76,046
	Motor running expenses	1,574	1,491
	Diesel and water	14,057	14,613
		259,179	**189,046**

		31 December 2025 N'000	31 December 2024 N'000
9ii	**General administrative expenses**		
	Pre-employment expenses	250	1,602
	Travel and hotel bills	40,297	77,555
	Training	34,787	26,847
	Security and cleaning services	8,405	5,167
	Directors' expenses	252,519	183,876
	Printing and stationaries	5,297	7,134
	Postages and telephone	1,174	2,388
	Advertisement and business promotion	43,779	25,400
	Entertainment, office and computer consumables	15,960	15,350
	Subscription	30,258	29,419
	Insurance	40,620	22,965
	Support services (9iii)	218,382	174,447
	CSCS, stamp duties and bank charges	32,167	4,343
	Industrial training fund	20,486	9,894
	Rent and service charge (9iv)	211,920	168,058
	Pension protection fund	233,742	240,442
	PenCare fund	132,611	-
	Write-off (note 9v)	11,014	10,053
	Statutory fees (note 9vi)	-	203,515
		1,333,667	**1,208,454**

9 iii. Support services of N218m represents the cost of technical and other ancillary services rendered to UBA Pensions Custodian Limited by the Parent Company during the year. Of the total amount N181m was paid and N37m accrued for and included in current liabilities.

9 iv Included is N110m paid to United Bank for Africa Plc as rent for the year. This is a short-term lease as it has a lease term of 12months, hence the payments are recognised as expense in profit or loss on a straight-line basis over the lease term.

9 v. This represents interest income receivable booked but later expensed because actual interest income received was less. (2024: represents un-utilised WHT receivable).

9 vi. The Statutory fees of N203m represent payment to FIRS in respect of 2016-2021 Backduty Tax audit exercise. (Additional tax for Value Added Tax (VAT) and Withholding Tax (WHT) - N66m and Interest & penalty - N137m).

Notes to the Financial Statements (Continued)

10 Credit loss expense

	31 December 2025 N'000	31 December 2024 N'000
Cash and cash equivalents	(708)	5,278
Fee receivables from PFAs (10i)	(306)	(326)
Loans and advances to staff	(118)	127
Investment securities	17,131	-
	16,000	**5,079**

10i The Company adopted the simplified approach in estimating the credit loss for fee receivables

a) **Movement in ECL Impairment**

2025	At 1 January N'000	Charge/(write back) in the year N'000	At 31 December N'000
Cash and cash equivalents (note 12)	5,657	(708)	4,949
Fee receivables from PFAs	1,434	(306)	1,128
Loans and advances to staff	309	(118)	191
Investment securities	-	17,131	17,131
	7,400	**16,000**	**23,400**

2024	At 1 January N'000	Charge/(write back) in the year N'000	At 31 December N'000
Cash and cash equivalents (note 12)	379	5,278	5,657
Fee receivables from PFAs	1,760	(326)	1,434
Loans and advances to staff	182	127	309
	2,321	**5,079**	**7,400**

Notes to the Financial Statements (Continued)

11 Income tax expense

Recognised in the statement of profit or loss	31 December 2025 N'000	31 December 2024 N'000
a) Current tax expense		
Current year tax	2,575,038	2,561,167
Education tax	262,204	263,828
Information technology tax	85,983	86,561
Police trust fund levy	430	433
Current income tax expenses	2,923,655	2,911,989
Deferred tax expense	167	53,337
Total income tax expense	**2,923,822**	**2,965,326**

b) Reconciliation of effective tax rate

The tax on the profit before tax differ from the theoretical amount that would arise using the tax rate applicable to profit of the company. The reconciliation of amount reported are tax expense in the statement of profit or loss to the income tax using the domestic corporation tax rate is presented below.

	31 December 2025 N'000	31 December 2024 N'000
Domestic corporate tax rate	**30%**	**30%**
Profit before tax	**8,598,328**	**8,646,049**
Income tax using the domestic corporate tax rate	2,579,498	2,593,815
tax effect of:		
Information technology tax	85,983	86,561
Education tax	262,204	263,828
Police trust fund levy	430	433
Deferred education tax	(648)	58
Effect of permanent differences		
Tax exempt income	(4,500)	(23,493)
Non-deductible expenses	854	44,126
Total Income tax expenses in profit or loss	**2,923,822**	**2,965,326**
Effective tax rate	34.00%	34.30%

12 Cash and cash equivalents

	31 December 2025 N'000	31 December 2024 N'000
Cash and balances with banks	26,672	46,553
Money market placements (12i)	4,630,138	16,793,556
For the purpose of the statement of cash flows	4,656,810	16,840,109
Allowance for expected credit loss (note 10a)	(4,949)	(5,657)
	4,651,861	**16,834,452**

12i. The money market placements were the short-tenured fixed term deposits, with maturities below 90 days, with United Capital PLC.

Notes to the Financial Statements (Continued)

13a Investment securities at amortised cost

	31 December 2025 N'000	31 December 2024 N'000
Money market placements (13i)	12,912,111	-
Allowance for Expected credit loss (note 10a)	(17,131)	-
	12,894,980	**-**

13i. The money market placements were fixed term deposits, with maturities above 90 days, with United Capital PLC.

13b Investment securities - FVTPL

	31 December 2025 N'000	31 December 2024 N'000
Opening balance	-	-
Purchases	8,731,727	-
Fair value gains	148,976	-
Redemption	(8,880,703)	-
Closing balance	**-**	**-**

Investment securities include interest earned on mutual fund (Fixed Income Fund) for the period.

United Capital PLC is a leading financial and investment services company in Nigeria that focuses in investment banking, asset management, trusteeship, securities and wealth management. The Company has an acceptable credit rating of "A-" from Agusto & Co and "A" from DataPro.

14 Deferred tax assets

	31 December 2025 N'000	31 December 2024 N'000
At 1 January	434	53,771
Charge for the year	(167)	(53,337)
At 31 December	**267**	**434**

a) **Movement in deferred tax**

2025	**N'000 At 1 January**	**N'000 Recognised in profit or loss**	**N'000 At 31 December**
Accelerated depreciation for tax purpose	91,378	4,048	95,426
Provisions	(91,237)	(4,008)	(95,245)
Losses	(575)	127	(448)
	(434)	**167**	**(267)**

2024	**At 1 January**	**Recognised in profit or loss**	**At 31 December**
Accelerated depreciation for tax purpose	38,675	52,703	91,378
Provisions	(91,805)	568	(91,237)
Losses	(641)	66	(575)
	(53,771)	**53,337**	**(434)**

Notes to the Financial Statements (Continued)

b) Deferred tax assets and liabilities are attributable to the following:

	31 December 2025 N'000	31 December 2024 N'000
Deferred tax liabilities		
Property and equipment	**95,426**	**91,378**
Deferred tax assets		
Expected credit loss on staff loans and advances	(65)	(102)
Provision for staff incentive	(87,737)	(85,911)
Provision for other known losses	-	(3,459)
Expected credit loss on fee receivable from PFA	(384)	(473)
Provision for cash and cash equivalent	(7,507)	(1,867)
	(95,693)	**(91,812)**
Net deferred tax assets	**(267)**	**(434)**

15 Other assets

	31 December 2025 N'000	31 December 2024 N'000
Financial:		
Fee receivables from PFAs	765,316	546,398
Loans and advances to staff (15i)	44,587	66,590
Gross amount	809,903	612,988
Allowances for expected credit loss (note 10a)	(1,319)	(1,743)
	808,584	**611,245**
Non-financial:		
Prepayments	109,256	88,568
	917,840	**699,813**

15i. The company grants loans to staff in accordance with the company's human resources policy at the rate 5% per annum. The loans have been fair valued at an annual interest rate which management believes fairly represents the market lending rate. The resultant difference in interest charged is included in staff cost.

15ii. Prepayments represents tenored payments made in advance and amortised for the year. This includes directors fees, consultancy fees and cash in lieu of status car.

Notes to the Financial Statements (Continued)

16 Property and equipment

a) 31 December 2025

	Leasehold Improvement N'000	Motor Vehicle N'000	Furniture & Fittings N'000	Computer Equipment N'000	Equipment N'000	Work in Progress N'000	Total N'000
Cost							
At 1 January 2025	74,585	467,040	122,570	235,815	22,703	41,929	964,642
Additions	-	96,750	413	12,612	-	-	109,775
Transfers	39,144	-	2,785	-	-	(41,929)	-
At 31 December 2025	**113,729**	**563,790**	**125,768**	**248,427**	**22,703**	**-**	**1,074,417**
Accumulated Depreciation and impairment losses							
At 1 January 2025	74,585	84,891	102,909	144,449	6,074	-	412,908
Charge for the year	5,197	104,122	6,207	30,626	4,484	-	150,636
Transfers	-	-	(639)	-	639	-	-
Writeback	-	-	(231)	(8,195)	-	-	(8,426)
At 31 December 2025	**79,782**	**189,013**	**108,246**	**166,880**	**11,197**	**-**	**555,118**
Carrying amounts							
At 31 December 2025	**33,947**	**374,777**	**17,522**	**81,547**	**11,506**	**-**	**519,299**
At 31 December 2024	**-**	**382,149**	**19,661**	**91,366**	**16,629**	**41,929**	**551,734**

None of these assets were encumbered as at 31 December 2025 (2024: Nil).

b) 31 December 2024

	Leasehold Improvement N'000	Motor Vehicle N'000	Furniture & Fittings N'000	Computer Equipment N'000	Equipment N'000	Work in Progress N'000	Total N'000
Cost							
At 1 January 2024	74,585	180,692	113,789	191,662	22,703	-	583,431
Additions	-	286,348	8,781	44,153	-	41,929	381,211
At 31 December 2024	**74,585**	**467,040**	**122,570**	**235,815**	**22,703**	**41,929**	**964,642**
Accumulated Depreciation and impairment losses							
At 1 January 2024	74,585	38,170	98,507	118,695	1,591	-	331,548
Charge for the year	-	46,721	4,402	25,754	4,483	-	81,360
At 31 December 2024	**74,585**	**84,891**	**102,909**	**144,449**	**6,074**	**-**	**412,908**
Carrying amounts							
At 31 December 2025	**-**	**382,149**	**19,661**	**91,366**	**16,629**	**41,929**	**551,734**
At 31 December 2024	**-**	**142,522**	**15,282**	**72,967**	**21,112**	**-**	**251,883**

Notes to the Financial Statements (Continued)

17 Intangible assets

a) 31 December 2025	Software N'000	Software Work in Progress N'000	Total N'000
Cost			
At 1 January 2025	394,766	36,152	430,918
Additions	54,228	-	54,228
Transfers	36,152	(36,152)	-
At 31 December 2025	**485,146**	**-**	**485,146**
Accumulated Amortization and impairment losses			
At 1 January 2025	384,520	-	384,520
Amortisation for the year	7,120	-	7,120
At 31 December 2025	**391,640**	-	**391,640**
At 31 December 2025	**93,506**	**-**	**93,506**
At 31 December 2024	**10,246**	**36,152**	**46,398**

Intangible assets represent core computer software purchased for business operations. The following applications are currently in use by the company:

i. Microsoft Dynamics (Business Central)
ii. Automatic Converter

b) 31 December 2024	Software N'000	Software Work in Progress N'000	Total N'000
Cost			
At 1 January 2024	384,270	-	384,270
Additions	10,496	36,152	46,648
At 31 December 2024	**394,766**	**36,152**	**430,918**
Accumulated Amortization and impairment losses			
At 1 January 2024	368,984	-	368,984
Amortisation for the year	15,536	-	15,536
At 31 December 2024	**384,520**	-	**384,520**
At 31 December 2024	**10,246**	**36,152**	**46,398**
At 31 December 2023	**15,286**	**-**	**15,286**

Notes to the Financial Statements (Continued)

18 Trade and other payables

	31 December 2025 N'000	31 December 2024 N'000
Financial		
Payable to employees (18i)	290,833	285,301
Professional fee payable	53,198	45,135
Other accrued expenses (18ii)	259,221	107,968
	603,252	**438,404**
Non financial		
Statutory Pension Protection Fund (18iii)	233,742	240,442
Statutory PenCare (18iv)	132,611	-
Indirect tax and regulatory payables	66,885	68,721
ITF Payable	12,633	20,368
	445,871	**329,531**
	1,049,123	**767,935**
Non-current	42,464	50,959
Current	1,006,659	716,976
	1,049,123	**767,935**

18i. The figure includes accruals for incentive bonus payable to staff.

18ii. The figure includes accruals for transfer pricing charge, software license and maintenance, consultancy fees, service charge and UBA Plc SLA charges.

18iii. This relates to provision for a fund established and maintained in respect of guarantee minimum pension as stipulated by the National Pension Commission. The assessment was based on the approved custody fees by the Commission.

18iv. The Pension Industry Healthcare Initiative (PenCare) is a Corporate Social Responsibility (CSR) programme as stipulated by the National Pension Commission to support the well-being and financial security of retirees under the Contributory Pension Scheme (CPS).

19 Dividend

	31 December 2025 N'000	31 December 2024 N'000
At 1 January	-	3,500,000
Final dividend declared (2024)	5,000,000	-
Dividend paid during the year	(5,000,000)	(3,500,000)
At 31 December	**-**	**-**
Number of shares in issue and ranking for Dividend	2,000,000	2,000,000
Dividend declared Per Share (Naira) 2024	**2.50**	**-**

Notes to the Financial Statements (Continued)

20 Current income tax payable

	31 December 2025 N'000	31 December 2024 N'000
At 1 January	3,259,814	2,919,895
Tax paid	(2,934,427)	(2,451,068)
Back Duty Tax 2016-2021	-	(121,002)
Income tax charge (note 11)	2,923,655	2,911,989
At 31 December	**3,249,042**	**3,259,814**

The charge for income tax in these financial statements is based on the provisions of the Companies Income Tax Act CAP C21 LFN 2004 as amended, while Education Tax is based on Education Tax Act CAP E4 LFN 2004.

21 Share capital

		31 December 2025 N'000	31 December 2024 N'000
	Share capital comprises:		
(i)	Minimum issued share capital - 2,000,000,000 Ordinary shares of N1 each	**2,000,000**	**2,000,000**
(ii)	Issued and fully paid - 2,000,000,000 ordinary share of N1 each	**2,000,000**	**2,000,000**

22 Retained earnings

At 1 January	12,105,082	6,424,359
Final dividend declared	(5,000,000)	-
Transfer from profit or loss	5,674,506	5,680,723
At 31 December	**12,779,588**	**12,105,082**

Retained earnings are the carried forward recognised income net of expenses plus current year profit attributable to shareholders.

23 Earnings per share

	31 December 2025 N'000	31 December 2024 N'000
Profit attributable to shareholders	5,674,506	5,680,723
Number of Ordinary shares of N1 each	2,000,000	2,000,000
Earnings per share (kobo}	**284**	**284**

Notes to the Financial Statements (Continued)

24 Related party transactions

UBA Pensions Custodian is a wholly owned subsidiary of United Bank for Africa Plc. During the year, the Company had business transactions with related companies. The transactions were in the normal course of business and the amounts recognised in the financial statements from these transactions are as stated below:

		31 December	31 December
		2025	2024
		N'000	N'000
Interest income			
United Bank for Africa Plc	Parent Company	3,140	2,450
Support Services			
United Bank for Africa Plc	Parent Company	218,382	174,447
Cash and cash equivalent			
United Bank for Africa Plc	Parent Company	26,672	46,553
Payable			
United Bank for Africa Plc	Parent Company	36,958	20,691
Rent			
United Bank for Africa Plc	Parent Company	110,140	55,820
Insurance			
Heirs Insurance Limited	Director Related	40,620	22,965
Health Care			
Avon Medical Practice	Director Related	250	1,602

Compensation to Employees and Directors

Key management personnel constitute those individuals who have the authority and the responsibility for planning, directing, and controlling the activities of UBA Pensions Custodian Limited, directly or indirectly, including any director (whether executive or non-executive). The individual who comprises the key management personnel are the Board of Directors as well as certain key management staff and officers.

The following table describes all compensation paid to, awarded to, or earned by each of the key management personnel for services rendered in all capacities to the company.

		31 December 2025	31 December 2024
	Employees		
i	The number of persons in the employment as at year end is as follows;	**Number**	**Number**
	MD/CEO & Executive Director	2	2
	Management Staff	9	14
	Non - Management Staff	75	78
		86	**94**

ii	Compensation for the above personnel	**N'000**	**N'000**
	Salaries & Wages	868,252	667,564
	Contribution Pension Scheme	32,000	30,301
		900,252	**697,865**

Notes to the Financial Statements (Continued)

	31 December 2025 N'000	31 December 2024 N'000
iii The number of employees other than Directors who received emoluments in the following ranges (Excluding pension contribution) were	Number	Number
N300,001 - N2,000,000	-	-
N2,000,001 - N3,500,000	-	51
N3,500,001 - N5,500,000	36	18
N5,500,001 - N6,500,000	21	8
N6,500,001 - N7,800,000	-	1
N7,800,001 - above	29	16
	86	**94**

Directors

i Renumeration paid to Directors were	N'000	N'000
Fees and sitting allowance	252,519	183,876
Executive compensation	218,156	168,720
	470,675	**352,596**
	Number	**Number**
ii Executive Directors	2	2
Non-executive Directors	6	6
	8	8
iii Fees and other emoluments disclosed above includes amounts paid to	N'000	N'000
The Chairman	64,833	28,500
The highest paid sitting Director	121,868	88,343
iv The number of Directors who received fees and other emoluments (excluding pension contribution) in the following ranges	Number	Number
N1,000,001 - N3,000,000	-	-
N3,000,001 - N5,000,000	-	-
N5,000,001 and above	6	6
	6	**6**

25 Critical Accounting Estimates and Significant judgements

The Company makes estimates and assumptions in determining the carrying amounts of certain assets and liabilities. The estimates and assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances. The resulting estimate seldom equal the related actual results.

Judgements made by management in the application of IFRSs that have significant effect on the financial statements and estimates with a significant risk of material adjustment are disclosed as follows:

Deferred tax assets

Deferred tax assets are recognised in respect of tax losses to the extent that it is probable that future taxable profit will be available against which the losses can be utilised. Judgement is required to determine the amount of deferred tax that can be recognised, based upon the likely timing and level of future taxable profits, together with future tax-planning strategies.

Notes to the Financial Statements (Continued)

Fair value of financial instruments

Where the fair values of financial assets and liabilities recorded on the statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of mathematical models. The inputs to these models are derived from observable market data where possible, but if this is not available, judgement is required to establish fair values.

Measurement of the expected credit loss allowance

Assets accounted for at amortised cost and FVOCI are evaluated for impairment on a basis described in the measurement of the expected credit loss (ECL) allowance for financial assets measured at amortised cost and FVOCI is an area that requires the use of complex models and significant assumptions about future economic conditions. Details of the inputs, assumptions and estimation methodologies used in measuring ECL are described in note 3(e).

26 Compliance with regulatory bodies

The Company complied with all laws and regulations during the year under review.

27 Capital commitments

Capital commitments are irrevocable contractual commitments for the acquisition of items of property and equipment or intangible assets. At the balance sheet date, the Company had capital commitments amounting to N27.114m in respect of software upgrade from Microsoft Dynamics Navision to Microsoft Business Central (31 December 2024: N54.228m)

28 Litigations and contingent liabilities

The Company in its ordinary course of business is involved in two ongoing court cases. The cases involve ex-staff seeking redress for alleged unlawful suspension and termination of employment. This is in relation to the fraud that occurred in the Company in 2020FY. In one of the cases which was instituted by Celestine Igwe, judgement was given against the Company in 2023 in the sum of N7,453,991.05 and the judgment sum was paid into Court, pending determination of the Company's appeal against the judgment.

In the other case (Abiodun Adedokun V. UBA Pensions Custodian) judgment was given against the Company in January 2026, in the sum of N3,503,036.42. The Company is also appealing against that decision.

Based on legal advice, there is no other pending or threatened claims and litigation against the Company. Hence no provision has been recognised in these financial statements related to legal proceedings.

29 Events after the reporting period

There were no subsequent events which could have a material effect on financial position of the Company as at 31 December 2025 or on the other comprehensive income for the year then ended that have not been adequately provided for or disclosed in these financial statements.

30 Non-audit services

During the year, the Company's external auditor, Ernst and Young, rendered the following non-audit service to the Company.

- Review and attestation of Internal Control over Financial Reporting (ICFR). The fees paid for this service was N5m.

Notes to the Financial Statements (Continued)

31 Assets under custody

	31 December 2025 N'000	31 December 2024 N'000
Bonds	2,996,567,567	2,497,242,771
Money market instruments	501,923,319	207,041,566
Equities	661,792,945	454,208,199
Treasury bills	144,401,674	147,558,502
Mutual funds	104,085,708	44,943,041
Bank balances	63,119,071	31,355,253
Receivables	6,191,961	7,630,812
Investment properties	-	528,950
	4,478,082,245	**3,390,509,094**

05 OTHER NATIONAL DISCLOSURES

Statement of Value Added
for the year ended 31 December 2025

	31 December 2025 N'000	%	31 December 2024 N'000	%
Gross earnings	11,531,374	115	11,093,953	115
Impairment (charge)/Write back	(16,000)	(0)	(5,079)	0
Bought-in materials and services - Local	(1,484,728)	(15)	(1,469,988)	(15)
VALUED ADDED	**10,030,646**	**100**	**9,618,886**	**100**
Applied as follows:				
In payment of employees:				
Salaries, bonuses and benefits	1,274,896	12	982,615	10
In payment to government:				
Current year tax	2,575,038	26	2,561,167	27
Education tax	262,204	3	263,828	3
Information technology tax	85,983	1	86,561	1
Police Trust Fund levy	430	0	433	0
Retained for future replacement of assets and expansion of business:				
Deferred tax	(167)	0	(53,337)	(1)
Depreciation on fixed assets	157,756	1	96,896	1
Profit for the year	5,674,506	57	5,680,723	59
	10,030,646	**100**	**9,618,886**	**100**

Value added represents the additional wealth which the company has been able to create by its own and employees' efforts.

Five Year Financial Summary

Statement of Financial Position

	31 Dec 2025 N'000	31 Dec 2024 N'000	31 Dec 2023 N'000	31 Dec 2022 N'000	31 Dec 2021 N'000
ASSETS					
Cash and cash equivalents	4,651,861	16,834,452	14,612,276	13,606,583	11,113,741
Investment securities-amortised cost	12,894,980	-	-	-	-
Investment securities - FVPL	-	-	-	-	-
Property and equipment	519,299	551,734	251,884	115,864	129,022
Intangible assets	93,506	46,398	15,285	40,145	65,004
Other assets	917,840	699,813	778,912	784,395	1,085,485
Deferred tax assets	267	434	53,771	68,692	52,245
Total assets	**19,077,753**	**18,132,831**	**15,712,128**	**14,615,679**	**12,445,497**
LIABILITIES					
Trade and other payables	1,049,123	767,935	867,864	874,143	594,749
Current tax liabilities	3,249,042	3,259,814	2,919,895	2,812,263	2,490,953
Other liabilities	-	-	3,500,000	-	3,300,000
Total liabilities	**4,298,165**	**4,027,749**	**7,287,759**	**3,686,406**	**6,385,702**
EQUITY AND RESERVE					
Share capital	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Retained earnings	12,779,588	12,105,082	6,424,369	8,929,273	4,059,795
Total equity	14,779,588	14,105,082	8,424,369	10,929,273	6,059,795
Total Liabilities and Equity	**19,077,753**	**18,132,831**	**15,712,128**	**14,615,679**	**12,445,497**
Assets under custody	**4,478,082,245**	**3,390,509,094**	**3,790,407,402**	**3,320,513,808**	**3,237,737,622**

STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME

	31 Dec 2025 N'000	31 Dec 2024 N'000	31 Dec 2023 N'000	31 Dec 2022 N'000	31 Dec 2021 N'000
GROSS EARNINGS	**11,531,374**	**11,093,953**	**9,069,033**	**7,141,947**	**6,839,856**
Personnel expenses	(1,274,896)	(982,615)	(624,371)	(486,961)	(513,039)
Expected credit loss reversal / (charges)	(16,000)	(5,079)	(2,246)	427	24,597
Other operating expenses	(1,642,150)	(1,460,210)	(1,111,304)	(882,627)	(826,267)
Profit before tax	8,598,328	8,646,049	7,331,112	5,772,786	5,525,147
Income tax expense	(2,923,822)	(2,965,326)	(2,536,017)	(1,871,731)	(1,752,697)
Profit after tax	**5,674,506**	**5,680,723**	**4,795,096**	**3,901,055**	**3,772,450**
Total comprehensive income for the	**5,674,506**	**5,680,723**	**4,795,096**	**3,901,055**	**3,772,450**

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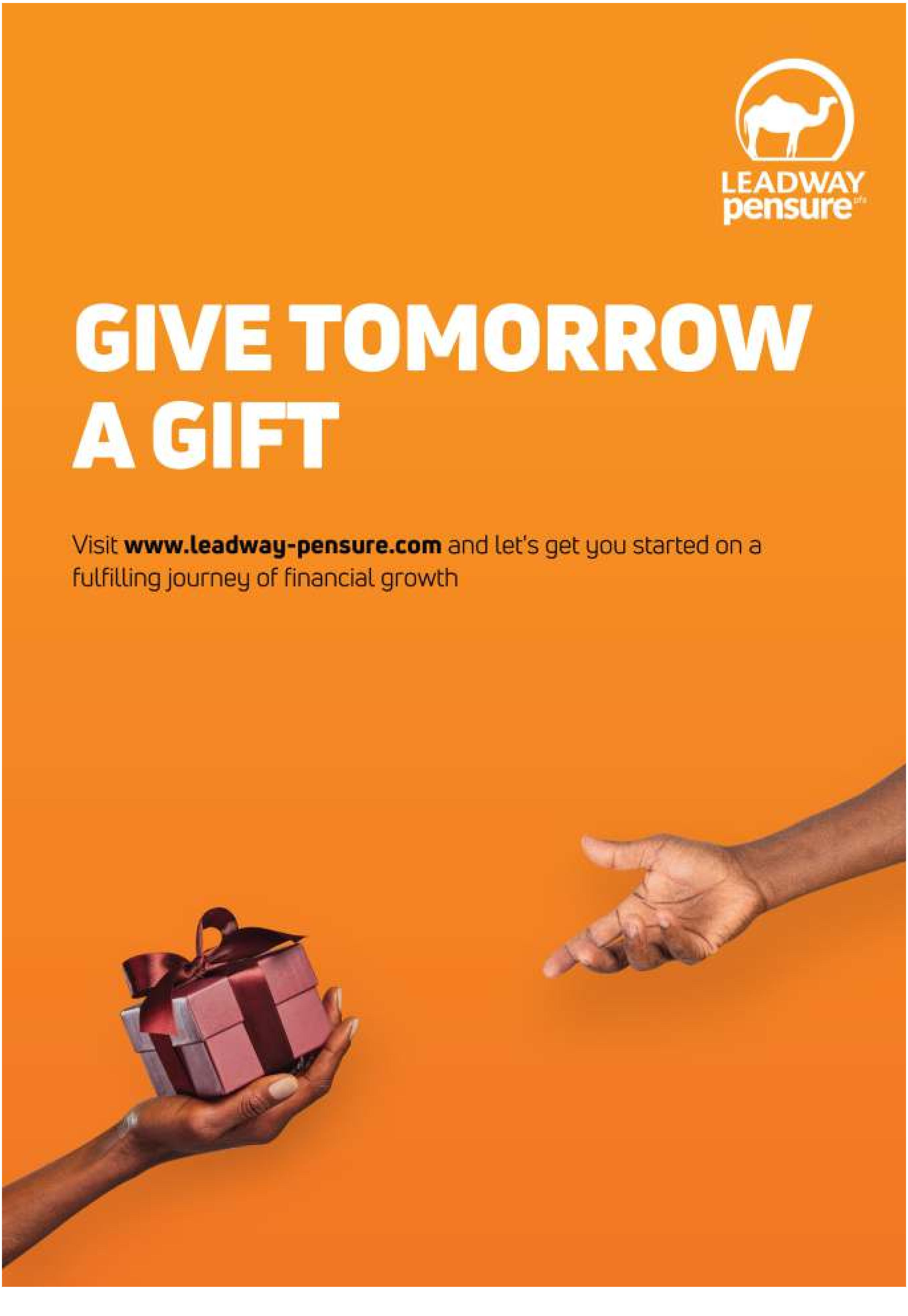
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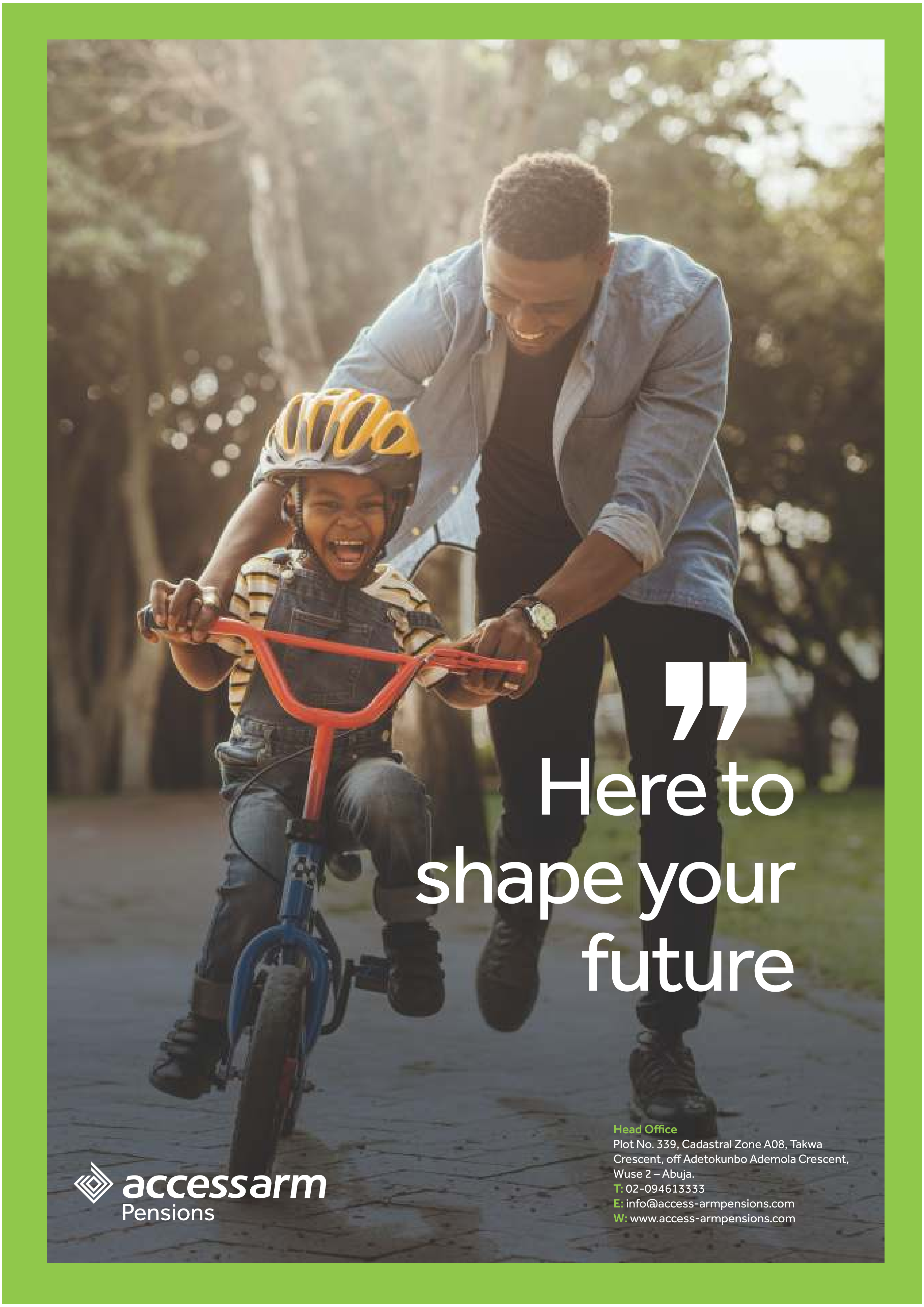

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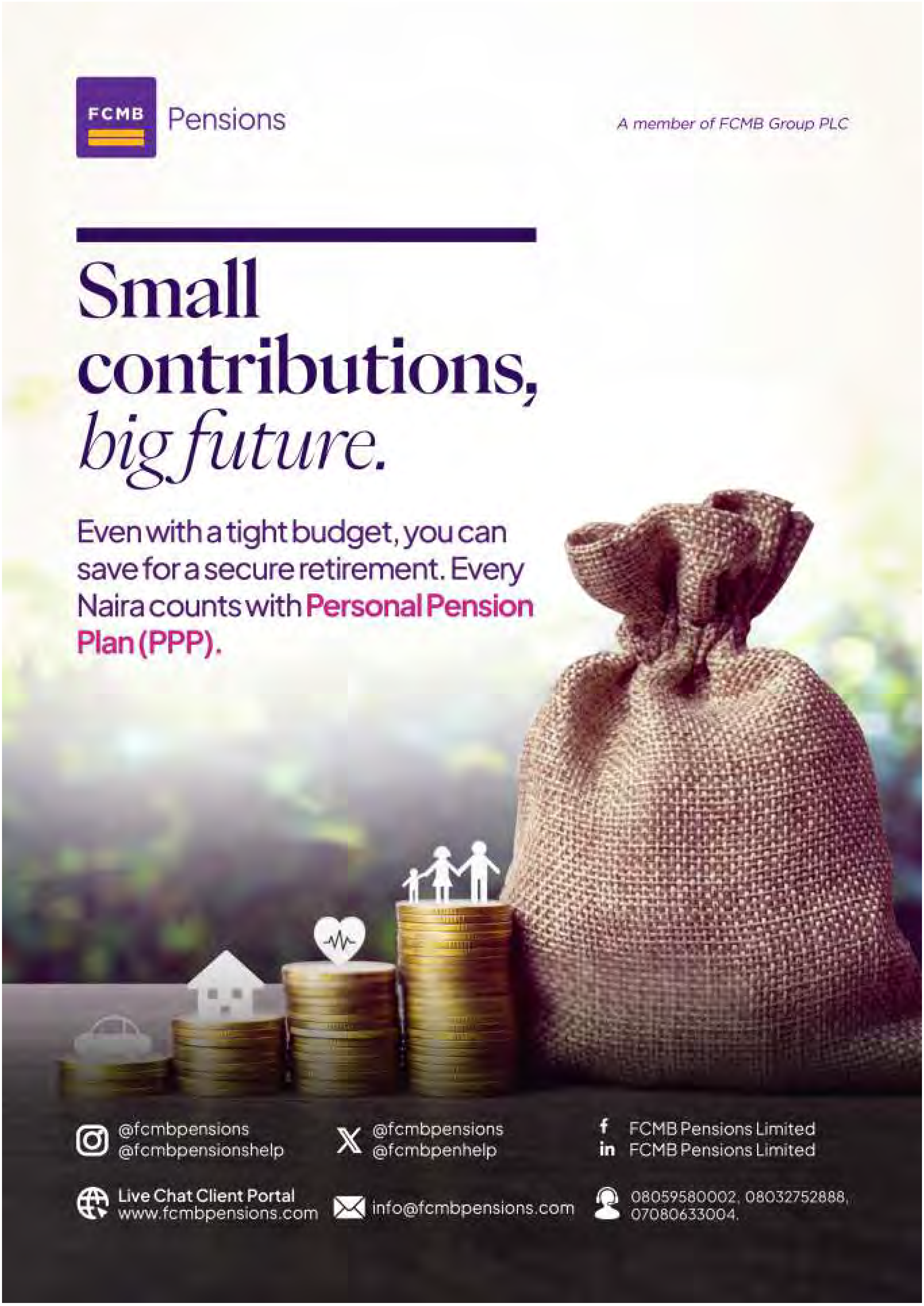
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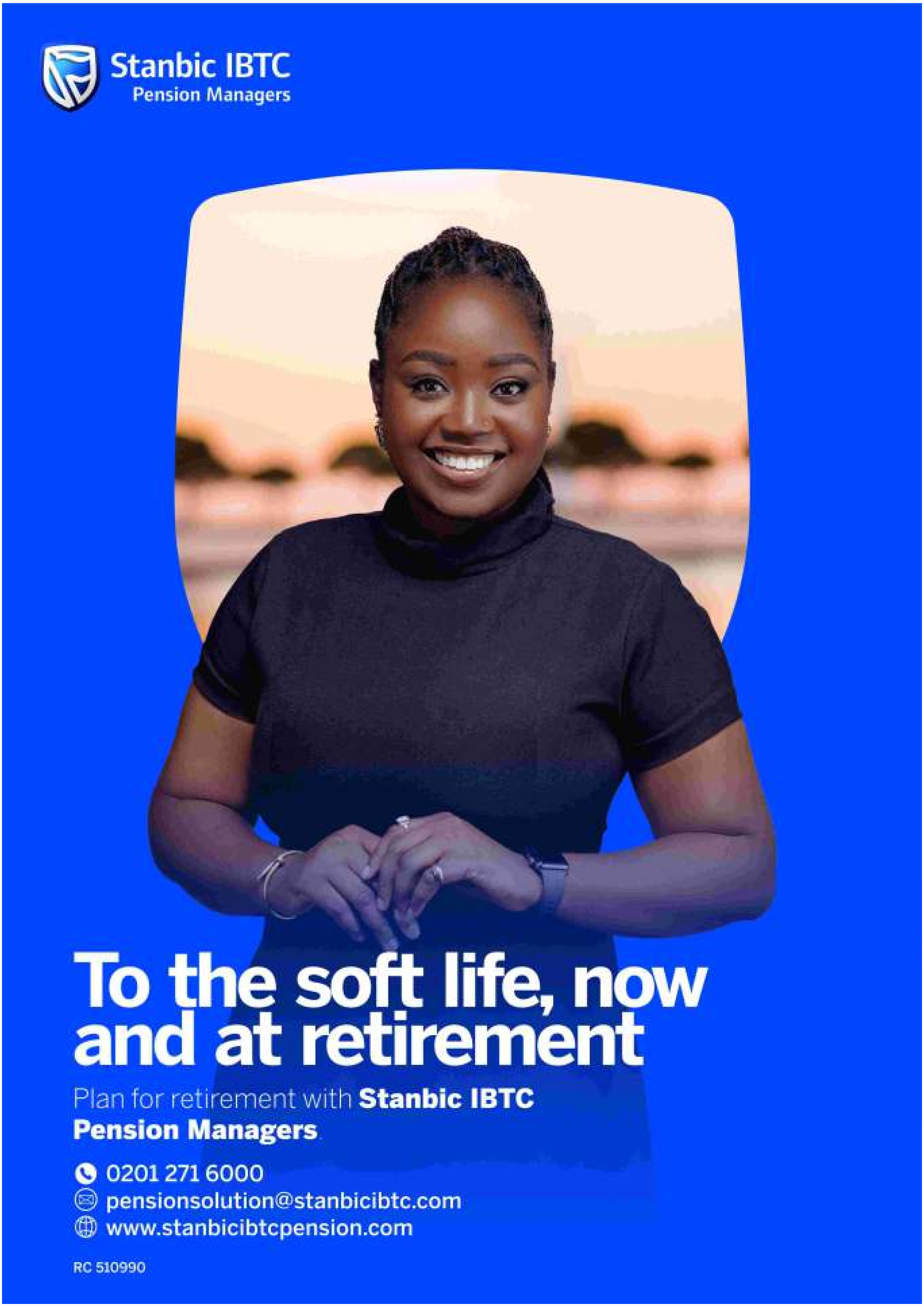
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