



WEEKLY WEALTH DIGEST



STOCK RECOMMENDATION



| S/N | STOCKS | LAST CLOSE | 52 WEEK HIGH | 52 WEEK LOW | EPS | BVPS | P/E RATIO | INTRINSIC VALUE | UP/DOWN SIDE | RECOMMENDATION |
|-----|------------|------------|--------------|-------------|---------|--------|-----------|-----------------|--------------|----------------|
| 1 | STERLINGNG | 7.95 | 8.97 | 4.34 | 1.57 | 8.14 | 5.06 | 9.81 | 23% | BUY |
| 2 | TOTAL | 640.00 | 745.00 | - | (50.59) | 130.23 | (12.65) | 497.53 | -22% | SELL |
| 3 | UCAP | 20.80 | 24.40 | 13.15 | 1.57 | 12.77 | 13.25 | 26.47 | 27% | BUY |
| 4 | NAHCO | 155.00 | 164.90 | 60.00 | 9.24 | 13.59 | 16.77 | 176.11 | 14% | HOLD |
| 5 | ZENITHBANK | 81.40 | 81.40 | 43.00 | 18.60 | 111.24 | 4.38 | 98.23 | 21% | BUY |
| 6 | DANGCEM | 726.30 | 739.90 | 425.00 | 43.82 | 144.36 | 16.57 | 812.75 | 12% | HOLD |
| 7 | UNILEVER | 85.50 | 85.50 | 34.65 | 5.35 | 18.45 | 15.98 | 103.65 | 21% | BUY |
| 8 | CADBURY | 66.00 | 73.90 | 22.00 | 5.30 | 7.22 | 12.45 | 82.51 | 25% | BUY |
| 9 | BUAFOODS | 798.90 | 798.90 | 373.50 | 28.21 | 39.04 | 28.32 | 889.77 | 11% | HOLD |
| 10 | FIDSON | 78.00 | 78.00 | 17.05 | 3.88 | 13.41 | 20.10 | 95.01 | 22% | BUY |

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STOCK RECOMMENDATION

Sterling Bank Plc delivered a strong FY'25 performance, with gross earnings rising by 45.80% from ₦326.82 billion in FY'24 to ₦476.50 billion in FY'25, supported by broad-based growth in interest and non-interest income. Interest income increased by 42.79% from ₦258.82 billion to ₦369.56 billion, driven by a 16.77% expansion in interest-earning assets, including a 29% growth in loans and advances to customers and a 42% increase in debt instruments at FVOCI. This growth offset the 12.2% decline in cash and cash equivalents and the 16% reduction in debt instruments at amortised cost. Consequently, overall asset yield improved to 12.11% from 9.90%.

Net interest income grew by 54.96%, from ₦134.81 billion to ₦208.89 billion, despite a 15% rise in interest expenses. Cost of funds increased moderately to 4.96% from 4.40%, while the CASA ratio improved from 76.74% to 80.40%, helping to contain funding pressures. Non-interest revenue expanded by 57.27%, from ₦68.00 billion to ₦106.94 billion, driven by significant growth in net trading income, net fee and commission income, and other operating income.

Operating income rose by 55.73%, from ₦202.81 billion to ₦315.83 billion, while operating expenses increased by 35.71% to ₦198.35 billion. Nonetheless, cost efficiency improved, with the cost-to-income ratio declining to 62.80% from 72.07%. Credit loss expense on financial assets increased by 148.05% to ₦26.75 billion, reflecting a more conservative provisioning stance.

Profit before tax surged by 97.83% to ₦90.73 billion from ₦45.86 billion. Tax expense rose to ₦12.10 billion from ₦2.19 billion, increasing the effective tax rate to 13.33% from 4.77%. Consequently, profit after tax grew by 80.04% to ₦78.63 billion. Earnings per share rose modestly by 3.97% to ₦1.57 due to an increase in outstanding shares.

Sterling Bank maintains a BVPS of ₦8.14, a P/E ratio of 5.06x, a P/BV of 0.98x, and an MBC Liquidity Factor of 16,805,818 units, reflecting solid profitability and improving balance sheet efficiency.

Market Data

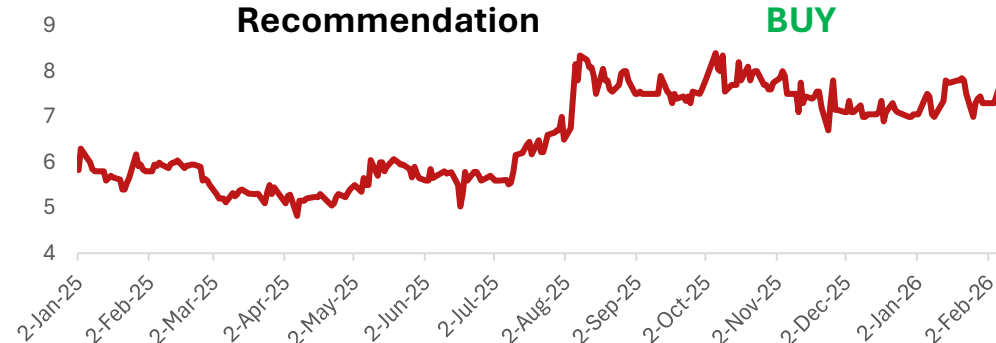
STERLING

| | |
|-----------------------------|-------------------|
| Last Close Price | 7.95 |
| 52-weeks High/Low | 8.97/4.34 |
| Target Price /Upside | 9.81/23% ↑ |
| MBC liquidity factor | 16,805,818 |
| Beta (FT) | 1.06 |

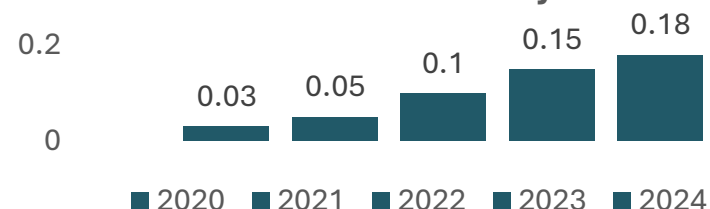


Recommendation

BUY



Dividend History



STOCK RECOMMENDATION

United Capital Plc's unaudited financial results for the nine months (9M) ended 2025 showed a strong performance across key earnings indicators. Gross earnings increased by 47.49%, rising from ₦28.17 billion in 9M 2024 to ₦41.54 billion in 9M 2025, driven by higher investment income, as well as growth in fee and commission income.

Total expenses grew by 65.09%, from ₦11.14 billion to ₦18.40 billion, reflecting higher net operating income and other operating expenses. Profit before tax (PBT) rose by 33.54%, from ₦18.73 billion in 9M 2024 to ₦25.01 billion in 9M 2025, while profit after tax (PAT) increased by 32.46%, moving from ₦15.98 billion to ₦21.17 billion.

Earnings per share (EPS) grew by 33.05%, from ₦1.18 in 9M 2024 to ₦1.57 in 9M 2025. United Capital reported a P/E ratio of 10.96x, a P/BV ratio of 1.35x, a BVPS of ₦12.77, and an MBC Liquidity Factor of 7,057,937 units.

United Capital Plc is engaged in the business of investment banking and provides issuing house, corporate investment advisory services, project finance, debt restructuring, mergers and acquisitions, and debt capital markets activities. UCAP has been recognized for the second consecutive year, as one of Africa's fastest-growing companies by the globally acclaimed news publication, Financial Times.

Market Data

Last Close Price

UCAP

20.80

52-weeks High/Low

24.40/13.15

Target Price/upside

26.47/27%



MBC Liquidity Factor

7,057,937

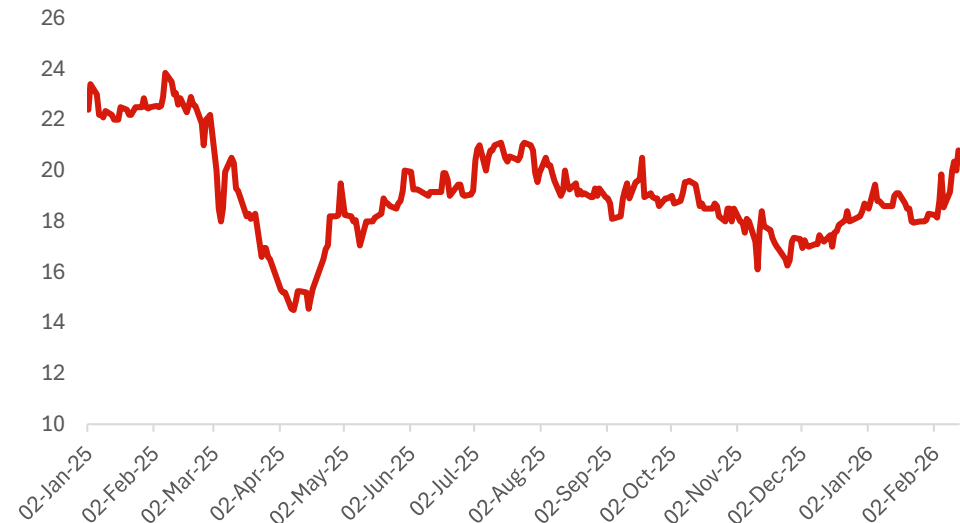
Beta (FT)

0.19

Recommendation

BUY

United Capital



Dividend History



■ 2020 ■ 2021 ■ 2022 ■ 2023 ■ 2024 ■ 2025(I)

STOCK RECOMMENDATION

TotalEnergies Marketing Nigeria PLC's unaudited financial results for the full year (FY) 2025 reflect a significant deterioration in performance compared with FY 2024, primarily driven by revenue contraction, sustained cost pressures, and higher finance expenses. Revenue declined by 26.32%, falling from ₦1.04 trillion in FY 2024 to ₦767.63 billion in FY 2025, largely due to decreased revenue generated from Premium Motor Spirit (PMS), Automotive Gas Oil (AGO), and Aviation Turbine Kerosene (ATK), indicating weaker sales volumes and pricing dynamics within the downstream segment. The cost of goods sold (COGS) margin increased slightly to 89.31% from 88.89% in the prior year, reflecting continued pressure on procurement and product acquisition costs. Consequently, gross profit declined by 29.10%, from ₦115.75 billion in FY 2024 to ₦82.07 billion in FY 2025.

Operating expenses rose by 2.38%, increasing from ₦84.69 billion to ₦86.70 billion. Although there was a 62% reduction in selling and distribution costs and no recurrence of the ₦5.2 billion foreign exchange loss recorded in FY 2024, these improvements were insufficient to offset the sharp rise in administrative expenses. Administrative expenses increased by 19.71%, from ₦64.71 billion in FY 2024 to ₦77.47 billion in FY 2025, driven mainly by a significant increase in staff costs from ₦20.5 billion to ₦27 billion, particularly salaries and wages, alongside a 47.93% increase in depreciation to ₦9.87 billion and higher insurance expenses. As a result of weaker gross performance, rising operating costs, and increased net finance costs (which rose from ₦19 billion to ₦21 billion due to higher interest on bank overdrafts), the company recorded a loss before tax of ₦12.50 billion compared to a profit before tax of ₦42.26 billion in FY 2024, representing a 129.58% decline.

Profit after tax declined further to a loss of ₦17.18 billion from a profit of ₦27.50 billion in the prior year, reflecting a 162.47% drop and underscoring the combined impact of revenue contraction, cost pressures, and higher finance charges. Earnings per share (EPS) correspondingly fell from ₦80.99 to negative ₦50.59, representing a 162.46% decline. From a profitability standpoint, return on assets (ROA) weakened significantly to -3.95% from 5.84%, indicating reduced efficiency in asset utilization, while return on equity (ROE) also declined sharply into negative territory, reflecting erosion of shareholder value as the company moved from profitability to a net loss position. The company reported a negative P/E ratio of -12.65x due to the loss position, while the price-to-book value (P/BVPS) stood at 4.91x, with a book value per share (BVPS) of ₦130.23. The MBC Liquidity Factor was 102,584 units.

TotalEnergies to pursue its strategy of reducing its sales of petroleum products by 40% by 2030, so that it neither sells nor refines more fuel than it produces oil.



TotalEnergies

Market Data

Last Close Price

52-weeks High/Low

Target Price/Downside

MBC liquidity Factor

Beta (FT)

Recommendation

TOTAL ENERGIES

640

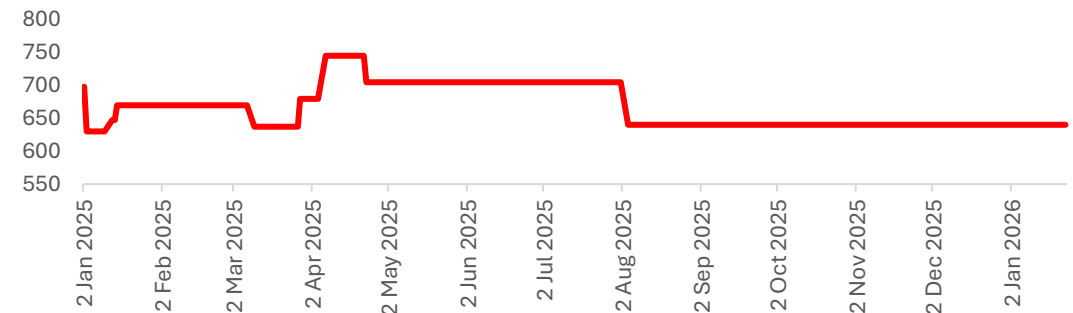
745.00/640.00

497.53/22% ↓

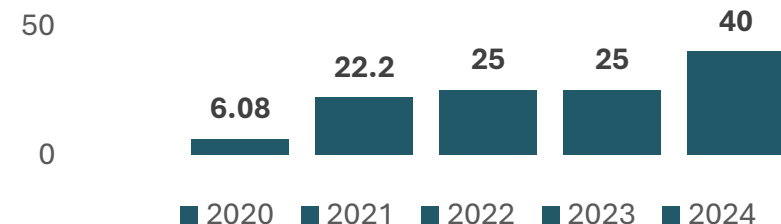
102,584

-0.07

SELL



Dividend History



STOCK RECOMMENDATION

Nigerian Aviation Handling Company Plc (NAHCO) delivered a strong financial performance in FY 2025, recording notable growth across key profitability indicators compared to FY 2024. Revenue increased by 21.79%, rising from ₦53.54 billion in FY 2024 to ₦65.21 billion in FY 2025, driven primarily by higher revenue from aircraft handling, cargo handling, equipment rental, and maintenance services. This reflects improved operational activity within the aviation sector and stronger service demand.

However, the cost margin increased to 40.79% from 38.21% in the prior year, indicating a rise in direct operating costs. As a result, gross profit grew by 16.71% to ₦38.61 billion from ₦33.08 billion in FY 2024. Although gross profit increased in absolute terms, the gross profit margin slightly compressed due to the higher cost structure during the period.

Profit from operations rose significantly by 25.18%, increasing from ₦19.84 billion in FY 2024 to ₦24.83 billion in FY 2025. The growth was achieved despite a reduction in other income (particularly sundry income), stable administrative expenses at ₦13.8 billion, and an increase in expected credit losses from ₦461 million to ₦600 million. The strong operational performance suggests improved efficiency and revenue scalability.

Profit before tax (PBT) increased by 29.69%, rising from ₦18.70 billion in FY 2024 to ₦24.26 billion in FY 2025. The improvement was largely supported by higher finance income, particularly interest income on fixed and bank deposits, alongside an overall reduction in net finance costs.

Tax expenses rose moderately by 7.18% to ₦6.26 billion from ₦5.84 billion; however, the effective tax rate declined significantly to 25.79% from 31.21% in the prior year. The reduction in effective tax rate supported stronger bottom-line growth.

Consequently, profit after tax increased by 39.91%, rising from ₦12.86 billion in FY 2024 to ₦18.00 billion in FY 2025, largely driven by improved operating performance and the lower effective tax burden. Earnings per share (EPS) grew by 40.00% from ₦6.60 to ₦9.24, reflecting enhanced shareholder returns.

From a profitability standpoint, return on assets (ROA) improved to 33.41% from 27.40%, indicating stronger asset utilization, while return on equity (ROE) increased to 67.93% from 64.08%, reflecting improved value creation for shareholders.

In terms of valuation metrics, NAHCO reported a book value per share (BVPS) of ₦13.59, a P/E ratio of 16.77x, and a price-to-book value (P/BVPS) of 11.40x, MBC Liquidity Factor stood at 1,903,621 units,

Market Data

NAHCO



Last Close Price

155.00

52-weeks High/Low

164.90/60.00

Target Price/upside

176.11/13% ↑

MBC Liquidity Factor

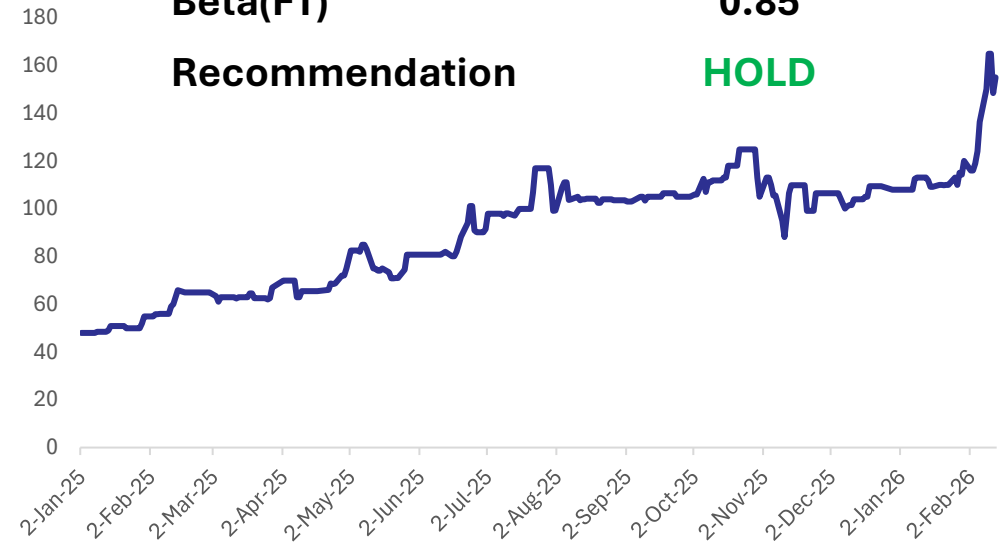
1,903,621

Beta(FT)

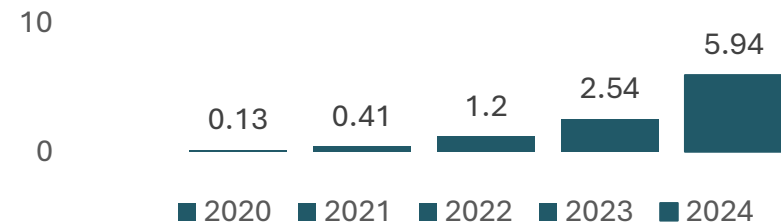
0.85

Recommendation

HOLD



Dividend History



STOCK RECOMMENDATION

Zenith Bank Plc delivered its nine-month (9M) 2025 results, showing a 40.77% increase in interest income, rising from ₦1.95 trillion in 9M 2024 to ₦2.74 trillion in 9M 2025, driven by higher income from loans and advances to customers, treasury bills, and placements with banks and discount houses. Net interest income grew by 50.45%, from ₦1.28 trillion to ₦1.93 trillion. Net interest income after impairment loss on financial and non-financial assets increased by 42.63%, from ₦802.91 billion to ₦1.15 trillion, reflecting higher impairment charges due to CBN regulatory requirements on loan forbearance.

Net fee and commission income rose by 16.46%, from ₦174.26 billion to ₦202.94 billion, supported by higher income from financial guarantee contracts, foreign currency transaction fees, and account maintenance fees. Profit before tax (PBT) declined by 8.52%, from ₦1.00 trillion to ₦917.41 billion, due to higher operating expenses, particularly the AMCON levy and information technology costs, and a decrease in trading gains from ₦754 billion to ₦260 billion. Profit after tax (PAT) fell by 7.62%, from ₦827.28 billion to ₦764.20 billion, partly due to lower income tax expenses. Earnings per share (EPS) declined by 29.38%, from ₦26.34 to ₦18.60, reflecting a 31% increase in the number of shares.

Zenith Bank maintains a BVPS of ₦111.24, a P/E ratio of 4.38x, a P/BV of 0.73x, and an MBC Liquidity Factor of 24,110,714 units.

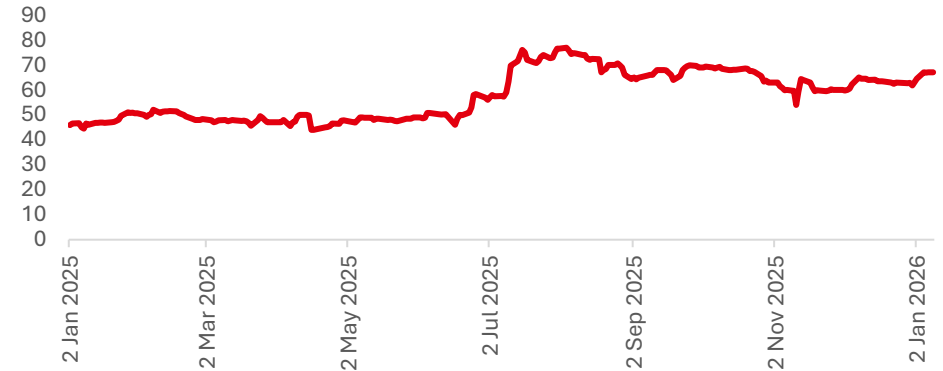
We believe earnings momentum for ZENITHBANK will primarily be dictated by the progression of the bank's core banking business. Revenue from this source is expected to offset declines in FX-related incomes and, subsequently, non-interest revenue. ZENITHBANK is making significant strides in enhancing its operations and supporting its vertical rollout with the implementation of the comprehensive IT infrastructure project. As part of its strategic vision, ZENITHBANK is committed to expanding its international presence into new territories, as evidenced by its upcoming opening of a country branch in Paris. This new addition will increase the bank's total geographical exposure (excluding Nigeria) to 6 countries

Market Data

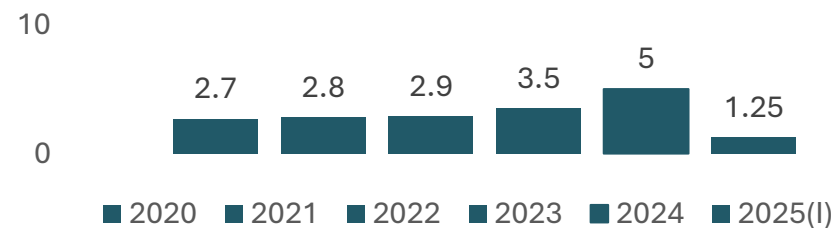
ZENITHBANK



| | |
|------------------------------|--------------------|
| Last Close Price | 81.40 |
| 52-weeks High/Low | 81.40/43.00 |
| Target Price / Upside | 98.23/21% ↑ |
| MBC Liquidity Factor | 24,110,714 |
| Beta(FT) | 0.52 |
| Recommendation | BUY |



Dividend History



STOCK RECOMMENDATION

DANGCEM Plc delivered strong nine-month (9M) 2025 financial results, reflecting solid growth across key performance metrics. Revenue rose by 23.21%, from ₦2.56 trillion in 9M 2024 to ₦3.15 trillion, driven by higher cement selling prices despite a slight decrease in sales volume. Cost of sales increased marginally by 4.03%, from ₦1.24 trillion to ₦1.29 trillion, due to higher production costs.

Gross profit grew by 41.11%, from ₦1.32 trillion to ₦1.87 trillion, supported by improved pricing and efficient cost management. Operating profit rose by 63.49%, from ₦750.40 billion to ₦1.23 trillion, despite increases in administrative, selling, and distribution expenses. Profit before tax (PBT) surged by 156.15%, from ₦406.39 billion to ₦1.04 trillion, bolstered by a foreign exchange gain and higher interest income, although partially offset by increased interest expenses.

Profit after tax (PAT) climbed by 166.31%, from ₦279.10 billion to ₦743.26 billion, while earnings per share (EPS) rose by 164.77%, from ₦16.55 to ₦43.82, reflecting strong shareholder value creation. DANGCEM maintains a Book Value Per Share (BVPS) of ₦144.36, a Price-to-Book (P/BV) ratio of 5.03x, a Price-to-Earnings (P/E) ratio of 16.57x, and an MBC Liquidity Factor of 864,482 units.

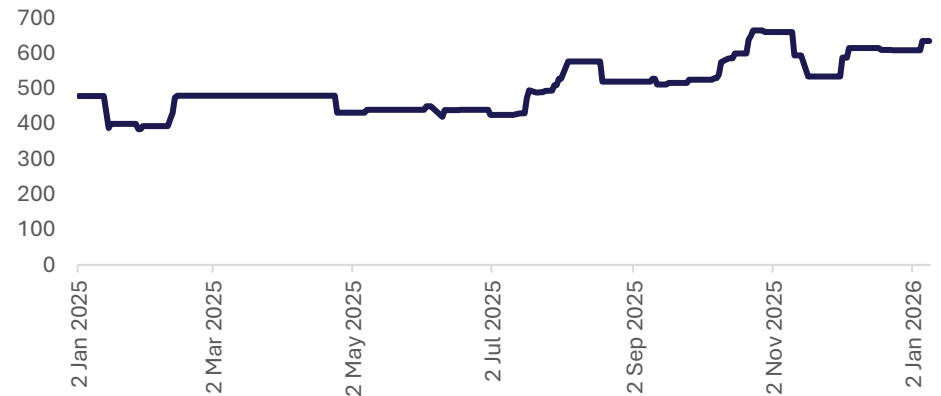
Aliko Dangote steps down as Chairman of Dangote Cement Plc, Ikazoboh takes over



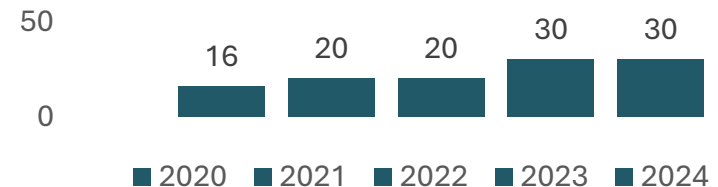
Market Data

DANGCEM

| | |
|----------------------|---------------|
| Last Close Price | 726.30 |
| 52-weeks High/Low | 739.80/425.00 |
| Target Price /upside | 812.75/12% ↑ |
| MBC Liquidity Factor | 864,482 |
| Beta (FT) | 2.52 |
| Recommendation | HOLD |



Dividend History



STOCK RECOMMENDATION

Unilever Nigeria Plc’s audited financial results for the full year (FY) 2025 show strong growth across major performance indicators when compared with FY 2024. Revenue increased by 43.57%, rising from ₦149.52 billion in FY 2024 to ₦214.67 billion in FY 2025, driven by higher income generated from the Food Products, Personal Care, and Beauty & Wellbeing segments. The cost of goods sold margin improved to 58.25% in FY 2025 from 63.12% in FY 2024, reflecting better cost efficiency.

Gross profit rose by 62.52%, increasing from ₦55.15 billion in FY 2024 to ₦89.63 billion in FY 2025, as a result of the reduction in the cost of generating revenue, with the cost margin declining from 63% to 58%. Operating profit recorded a significant growth of 132.30%, rising from ₦18.36 billion in FY 2024 to ₦42.65 billion in FY 2025. This improvement was mainly driven by higher other income and an impairment write-back on trade and other receivables.

Profit before tax increased by 128.71%, climbing from ₦22.65 billion in FY 2024 to ₦51.80 billion in FY 2025, supported by higher finance income during the year.

Tax expenses rose sharply by 180.59%, increasing from ₦7.51 billion in FY 2024 to ₦21.06 billion in FY 2025, which led to an increase in the effective tax rate to 40.66% from 33.14% in the prior year. Profit after tax grew by 102.99%, rising from ₦15.14 billion in FY 2024 to ₦30.74 billion in FY 2025, reflecting the strong improvement in operating performance despite higher tax charges.

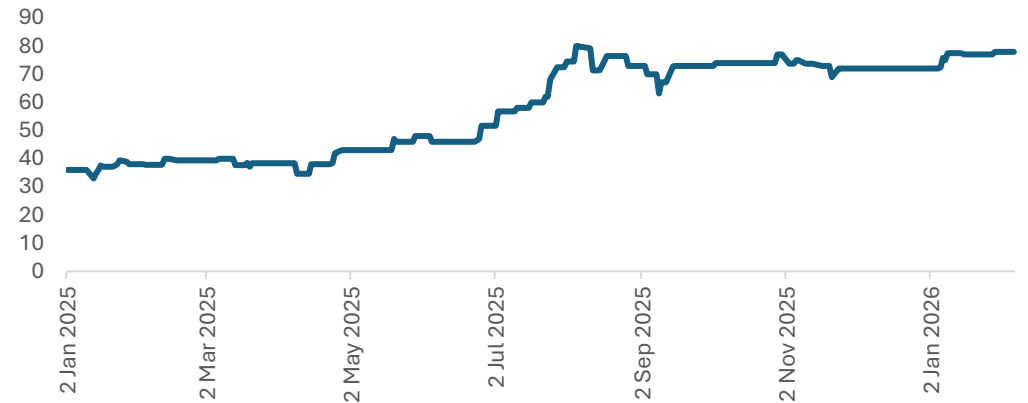
Earnings per share (EPS) increased by 102.65%, from ₦2.64 in FY 2024 to ₦5.35 in FY 2025. Return on assets (ROA) improved to 17.19% from 10.69%, while return on equity (ROE) rose to 29.00% from 17.79%. Unilever Nigeria Plc reported a P/E ratio of 15.98x, a P/BV ratio of 4.63x, a BVPS of ₦18.45, and an MBC Liquidity Factor of 1,046,819 units.

Unilever Nigeria is committed to ensuring continuous investment in Nigeria through its brands and operations. As the longest serving manufacturing company in Nigeria with over hundred years of existence. Unilever Nigeria PLC. is a Nigeria-based company, which is principally involved in the manufacture and marketing of nutrition, beauty and wellbeing and personal care products. The Company's segments include Food Products (FP), Beauty & Wellbeing (B&W) and Personal Care (PC).

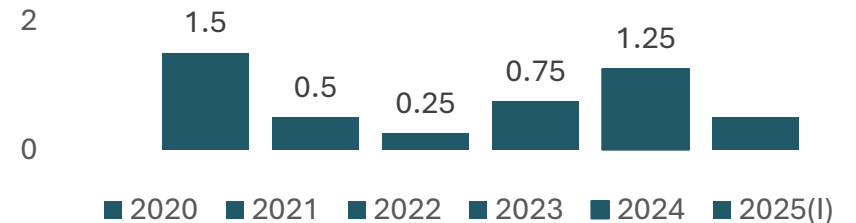


Market Data

| | |
|-----------------------------|----------------------|
| Last Close Price | 85.50 |
| 52-weeks High/Low | 85.50/34.65 |
| Target Price/UpSide | 103.65/ 21% ↑ |
| MBC Liquidity Factor | 1,046,819 |
| Beta (FT) | 0.87 |
| Recommendation | BUY |



Dividend History



STOCK RECOMMENDATION

Cadbury Nigeria Plc's audited financial results for the full year (FY) 2025 show a strong improvement in performance when compared with FY 2024. Revenue increased by 31.49%, rising from ₦129.17 billion in FY 2024 to ₦169.84 billion in FY 2025, driven by an increase in domestic sales. The cost of goods sold margin improved to 78.45% in FY 2025 from 85.89% in FY 2024, reflecting better cost efficiency and pricing discipline.

Gross profit rose by 100.79%, increasing from ₦18.23 billion in FY 2024 to ₦36.60 billion in FY 2025. This improvement was achieved as the company effectively managed its cost of goods sold by reducing the cost margin from 85% to 78%. Operating profit expanded significantly by 244.73%, rising from ₦5.96 billion in FY 2024 to ₦20.55 billion in FY 2025. This was supported by a sharp reduction in administrative expenses, even though selling and distribution expenses increased during the year.

Profit before tax recorded a strong turnaround, rising from a loss of ₦28.33 billion in FY 2024 to a profit of ₦17.27 billion in FY 2025, representing a 160.96% improvement. This was largely due to a significant reduction in foreign exchange losses, which declined from about ₦28 billion in the prior year to a foreign exchange gain of about ₦2.1 billion in FY 2025. Profit after tax also reversed from a loss of ₦22.22 billion in FY 2024 to a profit of ₦12.09 billion in FY 2025, reflecting a 154.39% improvement in performance.

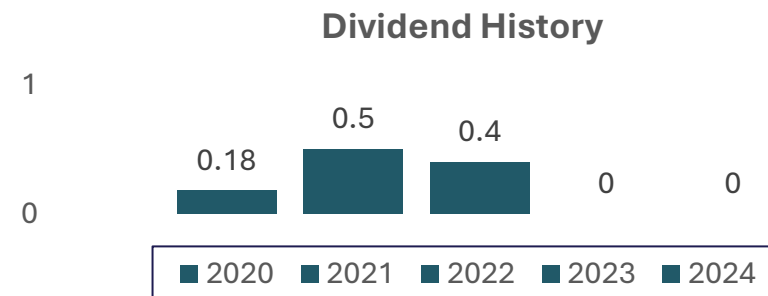
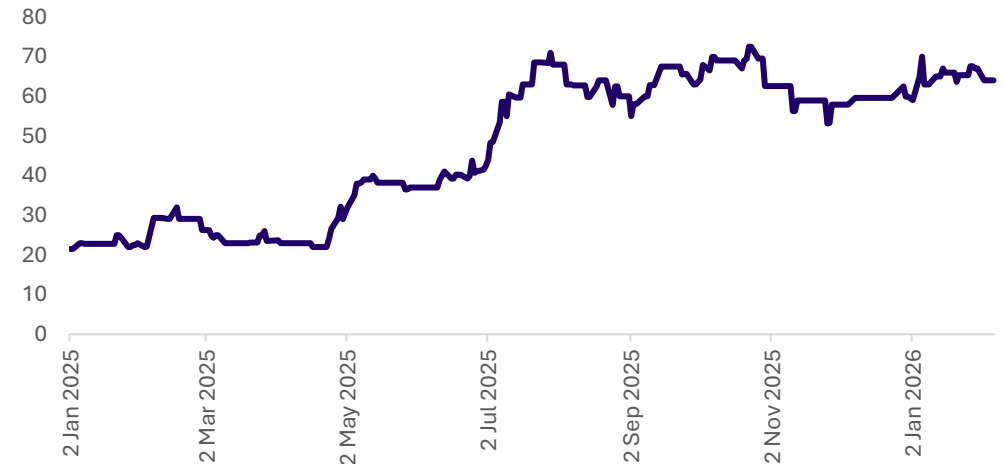
Earnings per share (EPS) rebounded from -₦9.75 in FY 2024 to ₦5.30 in FY 2025, representing a 154.36% improvement. Return on assets (ROA) improved to 14.72% from -30.68%, while return on equity (ROE) increased to 73.41% from -507.51%. Cadbury Nigeria Plc reported a P/E ratio of 12.45x, a P/BV ratio of 9.14x, a BVPS of ₦7.22, and an MBC Liquidity Factor of 1,695,155 units.

Cadbury's cocoa processing factory in Ondo State, sourcing 100% of its cocoa powder locally, provides a strategic advantage amid rising global cocoa prices. Despite risks like high input costs and a 27.50% Monetary Policy Rate increasing borrowing costs, Cadbury's improved cost management, leaner balance sheet, and export potential position it for sustained growth.

Market Data

CADBURY

| | |
|-----------------------------|--------------------|
| Last Close Price | 66.00 |
| 52-weeks High/Low | 73.90/22.00 |
| Target Price/upside | 82.51/25% ↑ |
| MBC Liquidity Factor | 1,695,155 |
| Beta (FT) | 0.64 |
| Recommendation | BUY |



STOCK RECOMMENDATION

BUA Foods delivered a strong financial performance in FY 2025, with turnover rising by 18.1% YoY to ₦1.80 trillion from ₦1.53 trillion in FY 2024. This topline expansion was driven by broad-based growth across product segments, particularly the significant increase in sales from Head Rice and bakery flour, reflecting improved capacity utilization and stronger consumer demand.

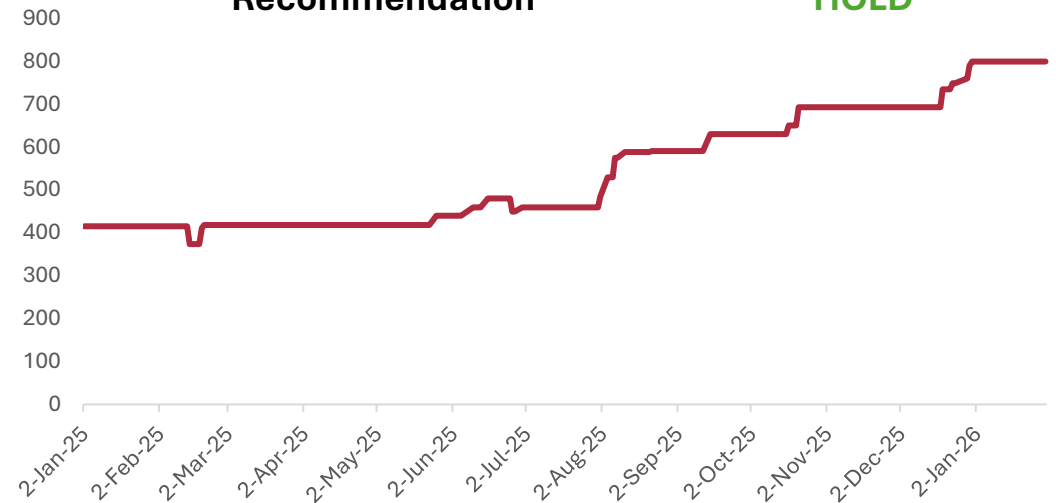
Gross profitability improved markedly during the year as gross profit grew by 24.3% YoY to ₦672.2 billion. This was supported by a reduction in the cost of goods sold margin to 62.7% from 64.6%, indicating better cost management and operational efficiency. This reflects management's focus on protecting margins through scale benefits and improved product mix.

At the operating level, operating profit increased by 19.8% YoY to ₦565.4 billion, although operating expenses expanded significantly. Administrative expenses rose from ₦28 billion to ₦40 billion, while selling and distribution costs increased from ₦40 billion to ₦68 billion, reflecting higher logistics costs and intensified market penetration efforts. Nevertheless, the impact of these cost pressures was partly offset by growth in other income from ₦1.1 billion to ₦2.3 billion, and the absence of any financial write-backs.

Profit before tax recorded an 88.1% YoY growth to ₦534.9 billion, largely due to a sharp improvement in below-the-line items. The company reported zero foreign exchange losses in FY 2025 compared to ₦173 billion in the prior year, while net finance costs declined substantially from ₦187 billion to ₦14 billion.

Tax expenses increased by 48.1% YoY to ₦27.1 billion, though the effective tax rate moderated to 5.1% from 6.5%. The improved tax efficiency supported bottom-line growth, with profit after tax rising by 90.9% YoY to ₦507.7 billion. Consequently, earnings per share doubled to ₦28.21 from ₦14.78, reflecting the substantial value creation for shareholders. Profitability ratios also strengthened, with ROA improving to 36.6% from 24.3% and ROE rising to 72.3% from 62.0%, indicating more efficient utilization of assets and equity capital.

Bua food has a P/E ratio of 28.32x and a P/BV of 20.46x, reflecting the market's strong growth expectations. BVPS expanded significantly to ₦39.04 from ₦23.84, underscoring the improvement in shareholders' equity base. Liquidity remains robust with an MBC Liquidity Factor of 132,942 units, supporting trading activity and investor confidence.

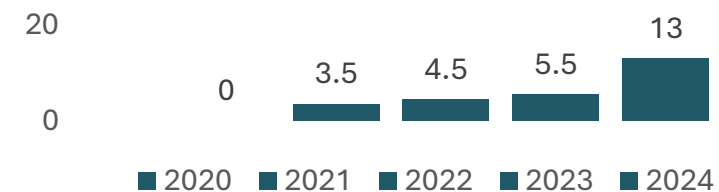


Market Data

BUA FOODS

| | |
|-----------------------------|----------------------|
| Last Close Price | 798.90 |
| 52-weeks High/Low | 798.90/373.50 |
| Target Price/upside | 889.77/11% ↑ |
| MBC Liquidity Factor | 132,942 |
| Beta (FT) | 0.58 |
| Recommendation | HOLD |

Dividend History



STOCK RECOMMENDATION

FIDSON delivered a strong earnings performance in FY'25, supported by robust revenue growth, improved product-level margins, and higher operating profitability, despite rising operating and finance costs. Revenue increased 41.42% YoY to N119.06 billion (FY'24: N84.19 billion), driven by higher sales across consumer healthcare products, ethical products, consumer healthcare lines and the company is now exporting. Despite the strong revenue growth, Cost of Goods Sold (CoGS) margin edged slightly higher to 58.72% from 58.30% in FY'24, reflecting marginal cost pressures. Nonetheless, the impact was offset by significant improvements in product-level margins. Gross profit rose 40.00% YoY to N49.15 billion (FY'24: N35.10 billion), supported by improved margins in ethical products (46.89% to 49.89%) and over-the-counter products (47.23% to 49.89%).

Operating expenses increased 29.36% YoY to N29.21 billion, reflecting higher administrative and selling expenses. The rise was largely driven by increased personnel costs, which climbed from N3.39 billion to N4.98 billion, alongside higher selling and distribution expenses, which rose from N8.11 billion to N9.96 billion. Despite these cost pressures, operating leverage remained strong due to faster revenue and gross profit growth.

Consequently, operating profit increased by 58.74% YoY to N20.85 billion (FY'24: N13.13 billion), supported by improved core profitability and a modest increase in other income from N611 million to N915 million. At the bottom line, Profit Before Tax surged 80.41% YoY to N13.89 billion, despite a significant increase in finance costs. Interest expense rose sharply, with interest on bank loans increasing by 122% from N2.0 billion to N4.47 billion, while interest on commercial paper declined from N3.12 billion to N2.40 billion. Overall, finance costs rose 29.25% YoY to N7.10 billion, partially offset by a 144% increase in finance income from N60.02 million to N144.32 million.

Tax expense increased substantially by 138.64% YoY to N4.58 billion, reflecting a higher effective tax rate of 33.0%, up from 24.95% in FY'24. Despite this, profit after tax rose 61.05% YoY to N9.31 billion, demonstrating resilient earnings growth.

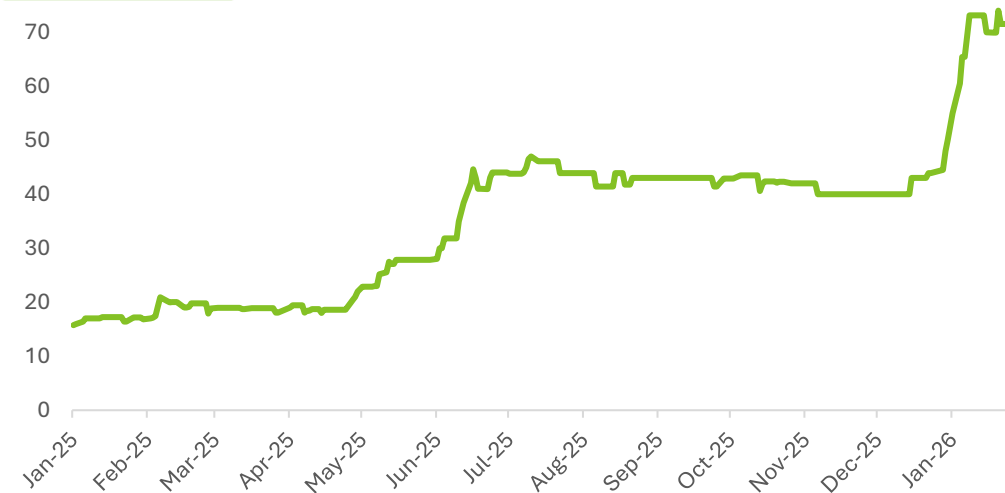
Earnings per share improved to N3.88, from N2.52 in FY'24. Return on Assets (ROA) improved to 11.57% from 7.86%, with Return on Equity (ROE) improving to 30.24% from 24.36%. Book Value Per Share (BVPS) increased to N13.41 from N10.34, while the stock trades at a Price-to-Book value ratio of 5.82x and a Price-to-Earnings ratio of 20.10x, reflecting market confidence in earnings sustainability. MBC Liquidity Factor of 904,672 units.



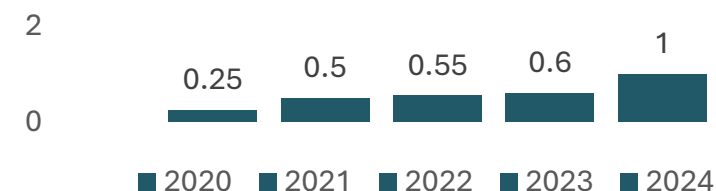
Market Data

FIDSON

| | |
|-----------------------------|--------------------|
| Last Close Price | 78.00 |
| 52-weeks High/Low | 78.00/17.05 |
| Target Price/upside | 95.01/36% ↑ |
| MBC Liquidity Factor | 904,672 |
| Beta (FT) | 0.56 |
| Recommendation | BUY |



Dividend History



FIXED INCOME RECOMMENDATION

| TYPE | SECURITY | PRICE | COUPON | YIELD |
|----------|-------------|-------|--------|-------|
| FGN BOND | 18-APR-2037 | 90.00 | 16.249 | 16.29 |

| TYPE | SECURITY | PRICE | COUPON | YIELD |
|-----------|----------|-------|--------|-------|
| EURO BOND | FGN 2051 | 98.94 | 8.25 | 8.35 |

| TYPE | SECURITY | TTM | RATE |
|------|-----------|-----|-------|
| NTB | 07-JAN-27 | 328 | 15.95 |

CONTACT US

Market update: ACCESS BANK OF NIGERIA PLC N6.10 ↓ AFRICA PRUDENTIAL REGISTRARS PLC N3.60 ↔ AIICO INSURANCE PLC N0.69 ↑ ASSOCIATED BUS COMPANY PLC N0.27 ↔ AXAMansard Insurance

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