



INVESTOR PRESENTATION FY 2021 & Q1 2022 FINANCIAL RESULTS

May 2022

Disclaimer

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These forward-looking statements are not guarantees of future performance. Rather, they are based on current views and assumptions and involve known and unknown risks, uncertainties and other factors, many of which are outside the control of the Company and/or its Group and are difficult to predict, that may cause actual results to differ materially from any future results or developments expressed or implied from the forward-looking statements. Such risks and uncertainties include, but are not limited to, regulatory developments, competitive conditions, technological developments and general economic conditions. The Bank assumes no responsibility to update any of the forward looking statements contained in this presentation.

Any forward-looking statement contained in this presentation based on past or current trends and/or activities of Union Bank should not be taken as a representation that such trends or activities will continue in the future. No statement in this presentation is intended to be a profit forecast or to imply that the earnings of the Company for the current year or future years will necessarily match or exceed the historical or published earnings of the Company. Each forward-looking statement speaks only as of the date of the particular statement. Union Bank expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in Union Bank’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

Union Bank at a Glance (Q1 2022)

Financial Highlights

Total Assets of N2.5tn

Total Equity of N261bn

People

7.8m Customers

2.1k Employees

Ratings

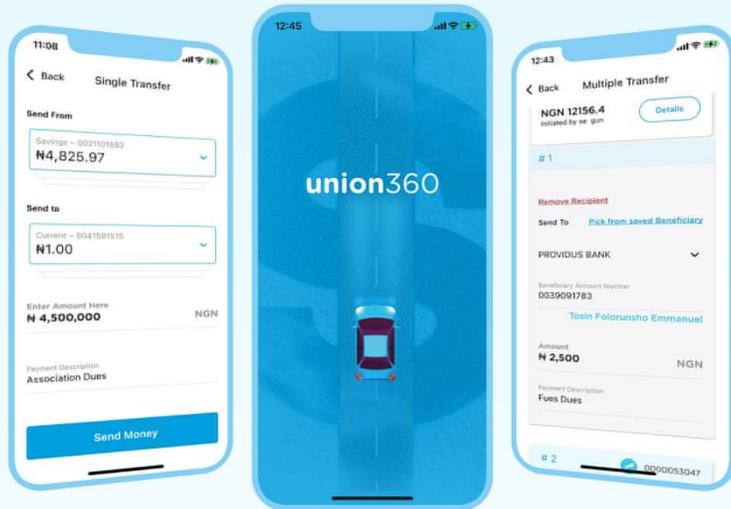
Agusto&Co A -
Research, Credit Ratings, Credit Risk Managemen

GCR BBB+

FitchRatings B -



The Union360 Mobile app is now live!



1 | **The Operating Environment**

2 | **Union Bank Update**

3 | **FY 2021 & Q1 2022 Financial
Performance**

4 | **Looking Ahead**

Macroeconomic Overview

Dec-20

Mar-21

Jun-21

Sep-21

Dec-21

Mar-22

Real GDP
Growth Rate
(%)



- The economy expanded by 3.4% in 2021, attributed to growth in the transport, finance, ICT and trade sectors
- IMF forecast Nigeria's 2022 GDP growth at 2.7%

Inflation
(%)



- Inflation rate rose further to a 5-month high at 15.92% in March 2022 from 15.70% recorded in February 2022 due to the increase in price of goods and services, following the fuel scarcity across the country

External
Reserves
(\$'bn)



- External reserves declined for the fifth consecutive month to \$39.55bn from \$40.52bn as of February 2022 despite increasing oil price largely due to the CBN's FX market intervention to stabilize the local currency

Crude Oil
(Bonny Light)
(\$/barrel)



- Oil prices continues to rise hitting the \$113/bl mark for the first time in eight years due to supply shortage arising from the Russia – Ukraine crisis.

Exchange
Rate (IEFX)
(N/\$)



- The official NAFEX rate closed at N424.1/\$ in December 2021, an 8% devaluation from January 2021. The dollar continues to gain over the Naira, closing at N416/\$1 in March 2022.



Overview of the Nigerian Economy

Macroeconomic Trends

- **Sustained positive GDP growth** over the last 4 quarters since the recession
- **Improved reserves** in 2021 boosted by **oil price recovery, IMF's Special Drawing Rights and Eurobond \$4bn inflow**
- Oil prices came off pandemic lows of ~\$20/bl **and is trending above \$110/bl in Mar. 2022** due to supply shortage arising from the Ukraine – Russia crisis
- **5-months high inflation in Mar. 2022 to 15.9%** attributed to increased prices of goods and services

Regulatory Trends

- **CBN launched the eNaira** in October 2021 with over 120k activated retail and merchant wallets and over N200m in transactions
- In Feb. 2022, CBN issued guidelines for **the RT200 scheme*** to earn more stable and sustainable inflows of FX
 - The scheme entails that CBN will pay N65 for every US\$1 repatriated and sold at the I&E window.
- In Feb. 2022, **CBN stopped FX rebates** for raw produce exporters but will provide single digit loans to farmers willing to expand.

Socio-Political Trends

- **The 2021 Finance bill was signed into law** and took effect on Jan 1
 - Changes to the bill included Science and engineering levy of 0.25% of PBT payable by companies in banking, ICT, oil & gas, etc. with turnover of >N100m
- **President Buhari signed the 2022 budget of economic growth and sustainability** of N17.13tn (N14.57tn in 2021)
- In April, the FG approved N4tn for fuel subsidy
- CBN extended interest rates on intervention facilities till March 1, 2023

Consumer Trends

- Currency pressures took a toll on commodity prices with average selected food prices up by 28% YoY in Mar. 2022
 - High air transport prices grew YoY 50% respectively in Mar. 2022
 - **Average price for refilling a 15kg cylinder for LPG (Cooking Gas)** increased by 84% YoY in Mar. 2022
- Hike in electricity tariff - NERC released a policy stating that electricity tariffs would increase every 6 months to adjust to FX and inflation requirements

*The RT200 FX Programme is a set of policies, plans and programmes for non-oil exports that will enable the country earn an attainable goal of US\$200 billion in FX repatriation, exclusively from non-oil exports, over the next 3-5 years.



Policy Evolution

- Enrollment of OFIs on the CBN CRMS
- CBN released new license requirements for payments system
- Launched the Nigerian digital currency, eNaira
- CBN issued guidelines for “The 100 for 100 PPP Policy on Production and Productivity”



- Introduction of a new framework for regulatory sandbox operations
- CBN directs banks to discontinue transactions with customers dealing in cryptocurrency
- The CBN introduced the Naira for Dollar Scheme

- CBN discontinuous sale of FX to BDCs
- CBN introduced e-Valuator and e-Invoice for all import and export transaction
- CBN released Basel III guidelines

- CBN retained all parameters
 - MPR at 11.5%
 - CRR at 27.5%
 - LR at 30%
- CBN introduced the RT200 program to raise \$200bn in FX earnings.

**100 for 100 PPP quarterly selects 100 private sector companies with projects that have potential to significantly increase domestic production and productivity, reduce imports, increase non-oil exports, and overall improvements in the foreign exchange generating capacity of the Nigerian economy.*

LOST YOUR DEVICE?

Avoid loss of funds, block your account
when you need to.

To block your account

To initiate block from
other phone number



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We Reaffirmed Our Ambition

Our Vision and Mission

OUR VISION

We are Nigeria's most **reliable** and **trusted** partner.

OUR MISSION

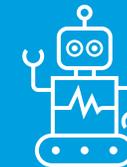
We **make lives** better by delivering the **simplest, smartest** solutions and guaranteeing **the best experience** every time

Leader in Citizenship, Sustainability and Innovation



Service Delivery

Best customer experience
Customers first, not products
Empowered and competent employees



Digital as a Differentiator

Digital first and always
Digital as a revenue driver

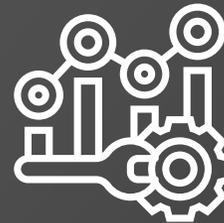
Recap of our 2021 Priorities

Turbocharge Customer Acquisition, Engagement & Transactions



- *Customer segment strategies*
- *Compelling and innovative products*
- *Transaction banking / value chain*
- *Build & monetise ecosystems*

Optimising Service & Support Delivery



- *Optimise customer experience and processes across touchpoints*
- *Optimise digital channels & platforms for growth*
- *Enhance employee productivity*

Exploring Beyond Banking Opportunities



- *Explore adjacent non-traditional banking opportunities*
- *Leverage partnerships & platforms*

2021 Highlights: Significant achievements across our priorities

Turbocharge Customer Acquisition, Engagement & Transactions

- Active customers up by 15% YoY
- Transaction value increased by 42% YoY and transaction count increased by 55% YoY
- Revenue via our digital channels up by 7% YoY to N7.4bn
- >77% of customers on our channels (vs. 75% in 2020)
- ~96% of our transactions are done via channels (vs. 94% in 2020)

Optimising Service & Support Delivery

- Increased effectiveness and efficiency in our sales model due to the optimization of our regional structure
 - Lagos and West – Deposits up 24% YoY, Loans up by 56% YoY
 - South – Deposits up 7% YoY, Loans up by 18% YoY.
 - North – Deposits up 5% YoY, Loans up by 21% YoY.
- Improved NPS* and complaints resolution

Exploring Beyond Banking Opportunities

- Launched Kula (a gigs platform) in September 2021 with over 1,600 users onboarded in the first 3 months
- Major achievements from the M36 Investment and Lifestyle application
 - Over 4k users since inception
 - >N30bn in investments uptake
 - Listing of various instruments including MTN IPOs, Commercial Papers, Nigerian bonds, etc.

2021 Highlights: Strong synergies across customer segments



Corporate

- Deposits up by 45% YoY from N313bn to N453bn in 2021
- Loans up by 20% YoY from N541bn to N651bn in 2021
- Over 200 clients onboarded on our channels.
- Launched different variations of the Distributor Financing Scheme product



Commercial

- Deposits up YoY by 30% from N180bn to N234bn in 2021
- Loans grew by 44% YoY from N118bn to N170bn in 2021



Retail

- Loans up 13% YoY from N64bn to N72bn in 2021
- Deposits up by 11% YoY from N535bn to N595bn in 2021
- Ran a successful Save & Win Promo for customers and mobilized N46bn in deposits with over 650 customers rewarded
- Launched Group lending loan Product
- Over 800k new customers onboarded in 2021

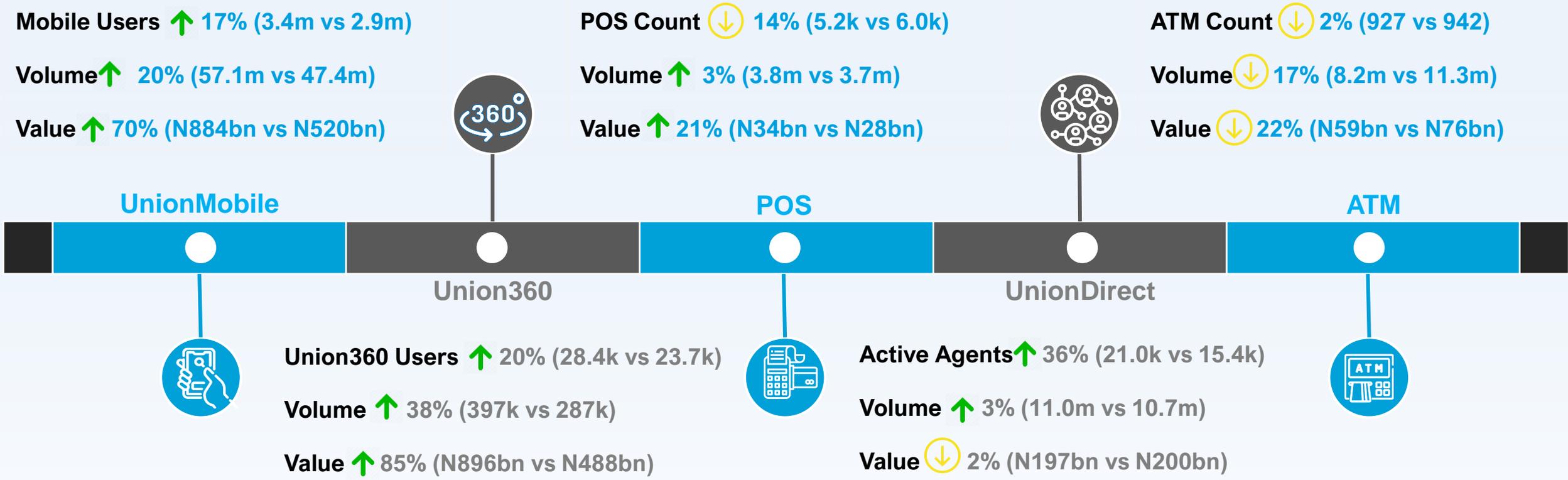


SME

- Loans increased by 264% YoY from N3.6bn to N13.1bn in Dec 2021
- Deposits increased by 13% YoY from N69bn to N79bn in Dec 2021
- Revamped Cashflow lending which grants NTB customers access immediately after onboarding
- Hosted a series of webinars for SMEs on “Building resilience post pandemic”



Sustained multi-channel growth



We are continuously upgrading our digital channels

Union360

union360

unionaccelerate

**Earn more interest,
pay less transfer charges!**

Talk to us today

**Union360 Mobile app
available on PlayStore
and iOS**

**Union360 Self-Guide
Videos**

**Download transaction
reports in multiple
formats**

**Multiple batch selection
for approval**

Bulk Draft Issuance

UnionMobile

Stay Safe 2:28 PM

Simple Banking
Easy banking for everyone across all
platforms.

Get Started

Log In

Find Us Get Help

QR Payments

Account Opening

Block Account

Dispute on the App

**Self-service limit
management**

Invite a friend – Referral

New Customer Offerings

Group Loans for SMEs



You and your friends can now come together and get a group loan for your small businesses.

No collateral required!!

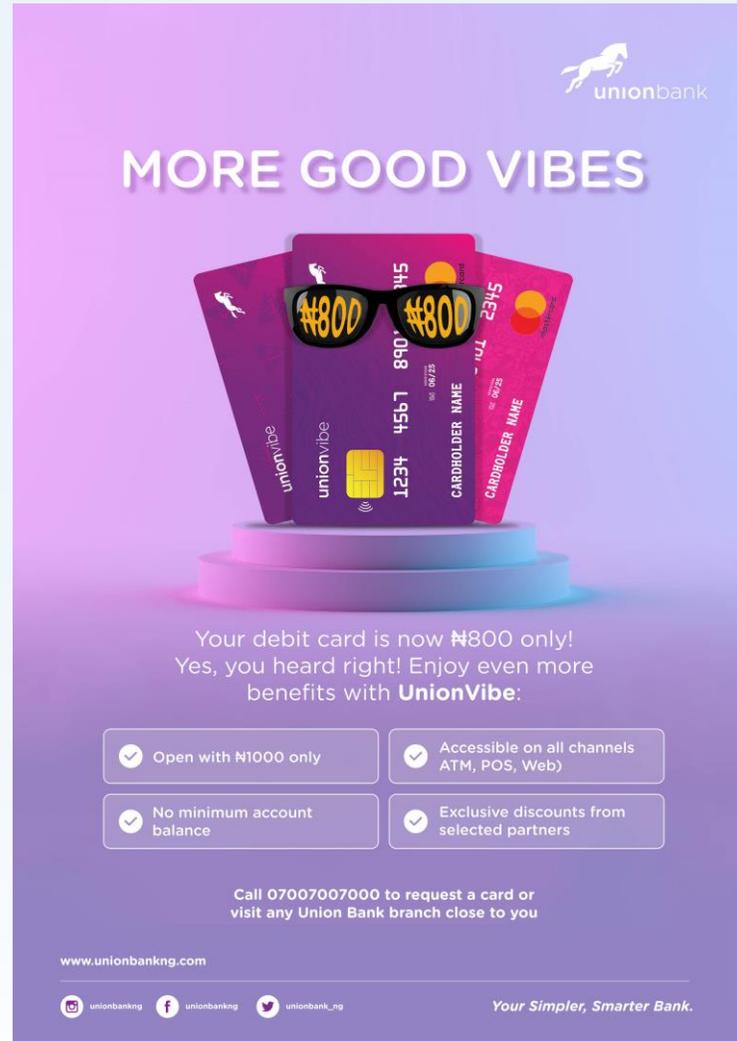
- Minimum number of group members is 5 and maximum is 7
- Maximum loan amount is ₦1,000,000
- Loan can be repaid daily, monthly or weekly.

To get started, visit any Union Bank branch close to you or call 0700 700 7000

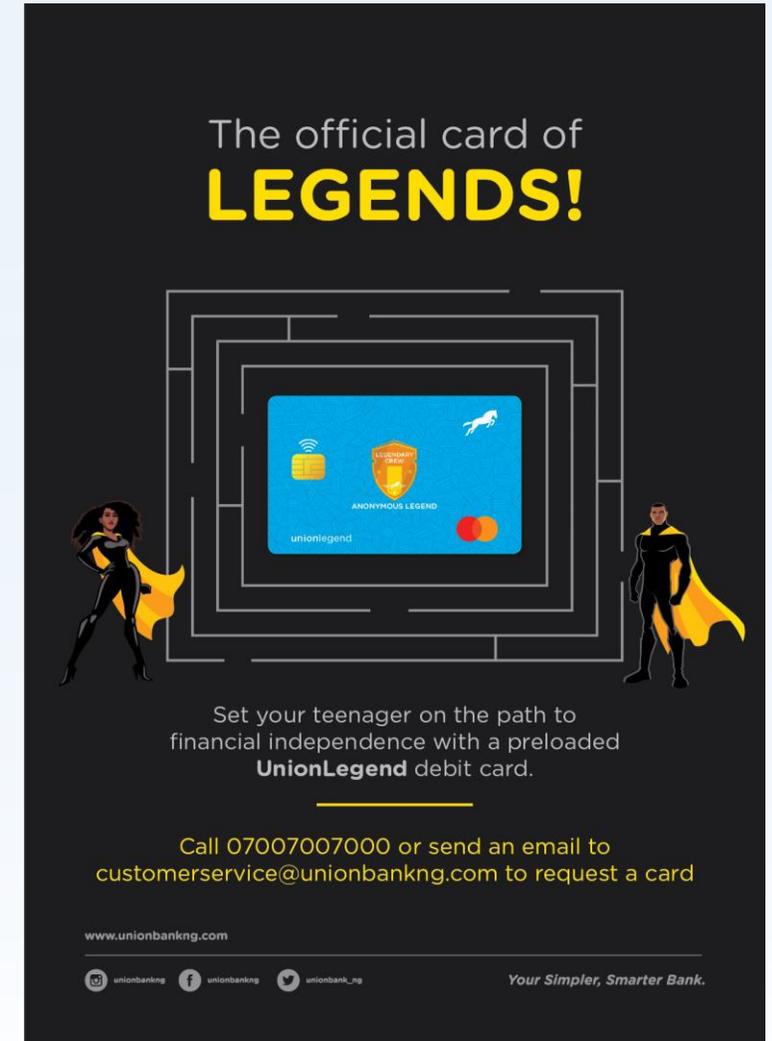


Your Simpler, Smarter Bank

UnionVibe Cards for Students



UnionLegend Cards for Teenagers



Over 1m people impacted by our CSI initiatives (1/2)

Community Impact



- Over 250k people impacted through 20 projects across education, healthcare, welfare, etc.



- Donated over 1k food boxes to communities through partnerships with Lagos Food Bank and FoodClique



- Donated N1.1bn to the Nigeria Police Force to support the Police Equipment Fund

Education and Innovation



- Over 4.5k students impacted through the Financial Literacy Day and World Savings Day initiatives



- 40 social innovators empowered through partnership with LEAP Africa



- Trained 40 students on robotics and AI in the 2nd edition of “The Next Robotics Legend Challenge”

Diversity and Inclusion



- 53% of UBN training spend expended on capacity building for female employees



- 41% of branches are accessible to physically challenged persons



- Partnerships with foundations to train ladies in financial literacy and ICT skills

Environmental Impact



- 143 solar powered branches

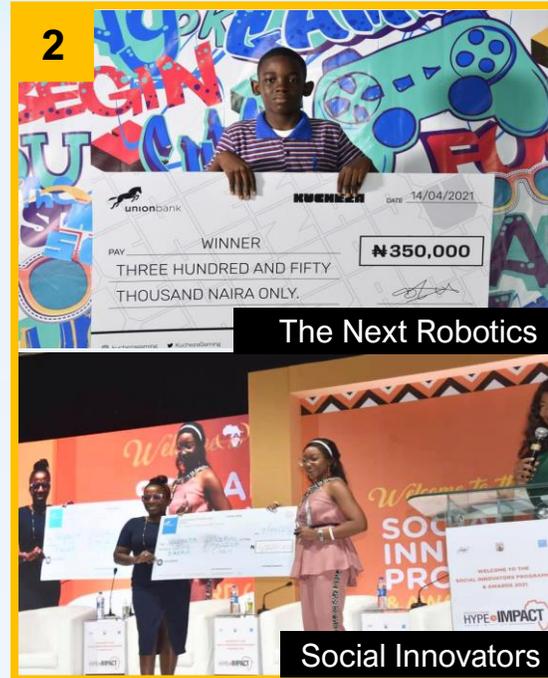


- 517 solar powered ATMs (>55% of total ATMs) vs 417 in 2020



- Planted 20 trees in 2 schools to commemorate World Environment Day 2021

FY 2021 Highlights: >1m people impacted by our CSI initiatives (2/2)



- 1** Community Impact
- 3** Diversity and Inclusion

- 2** Education and Innovation
- 4** Environmental Impact



SpaceNXT has launched!



**Join us as we embark
on a fantastic voyage to SpaceNXT**

An out of this world co-creation space for visionaries, techpreneurs and innovators!

WELCOME TO THE FUTURE!



Follow us
@Spacnxt_ng

Your Simpler, Smarter Bank.



Save & Get Rewarded!

Do you want to be a millionaire?

unionkorrekt

**It could happen!
Here's how:**
Save all through the year and stand a chance to win up to ₱1 million in our annual draws.

Terms and Conditions apply*

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FY 2021 Highlights: Key Performance Indicators

		FY' 21	FY' 20	% Change
Income Statement				
	Gross Earnings (₦'bn)	175.0	160.7	↑ 8.9%
	Net Revenue after Impairments (₦'bn)	100.5	104.1	↓ 3.5%
	Profit Before Tax (PBT) (₦'bn)	20.5	25.4	↓ 19.2%
Balance Sheet				
	Customer Deposits (₦'bn)	1,361.3	1,131.1	↑ 20.4%
	Gross Loans (₦'bn)	899.1	736.7	↑ 22.0%
Key Ratios				
	Return on Average Equity (RoAE)	7.7%	10.3%	↓ 2.6%
	Return on Assets (ROA)	0.9%	1.3%	↓ 0.4%
	Capital Adequacy Ratio (CAR)	14.6%	15.8%	↓ 1.2%
	Cost to Income Ratio (CIR)	79.4%	75.1%	↓ 4.3%
	Non Performing Loans (NPL)	4.3%	4.0%	↓ 0.3%



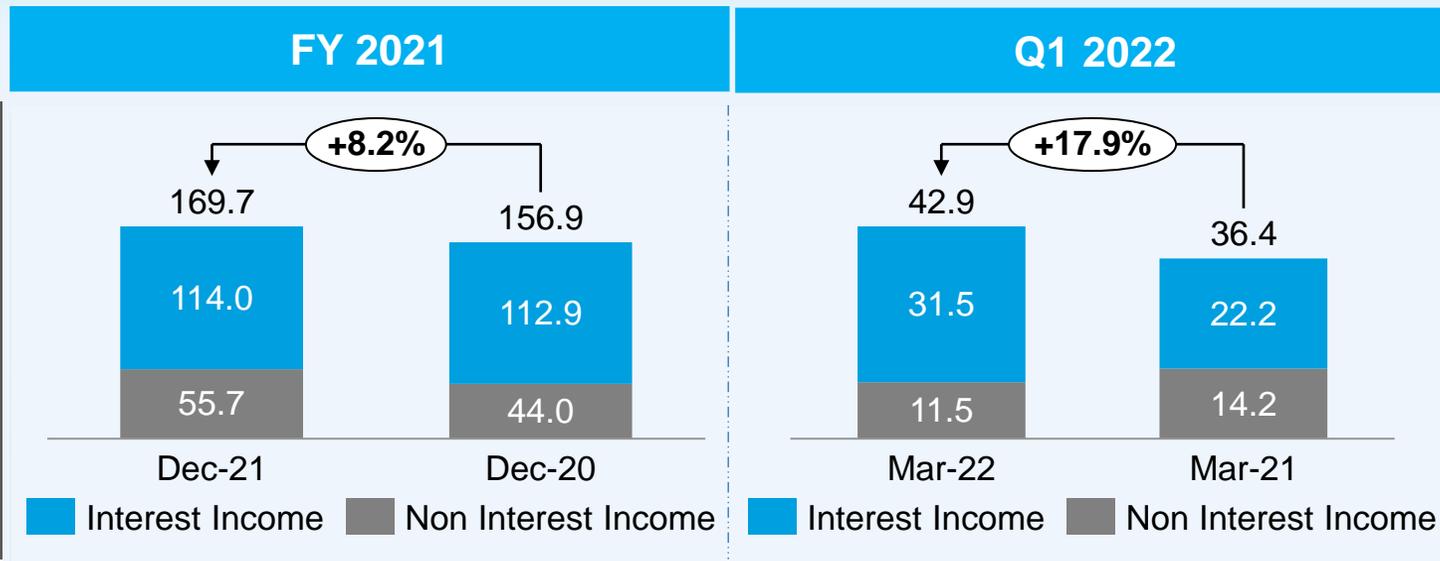
Q1 2022 Highlights

Income Statement		Q1' 22	Q1' 21	% Change
	Gross Earnings (₹'bn)	42.9	36.4	↑ 17.9%
	Net Revenue after Impairments (₹'bn)	24.3	24.3	↑ 0.2%
	Profit Before Tax (PBT) (₹'bn)	6.4	7.0	↓ 9.6%
Balance Sheet		Q1' 22	FY'21	% Change
	Customer Deposits (₹'bn)	1,313.3	1,361.3	↓ 3.5%
	Gross Loans (₹'bn)	883.0	899.1	↓ 1.8%
Key Ratios		Q1' 22	Q1' 21	% Change
	Return on Average Equity (RoAE)	9.6%	11.0%	↓ 2.6%
	Return on Assets (ROA)	1.0%	1.4%	↓ 0.4%
	Capital Adequacy Ratio (CAR)	15.6%	14.6%	↑ 1.0%
	Cost to Income Ratio (CIR)	73.9%	71.3%	↓ 2.6%
	Non-Performing Loans* (NPL)	4.3%	4.3%	↔



Earnings across key income lines

Gross Earnings (₺'bn)



Key Drivers of Non-Interest Income (₺'bn)

Recoveries



119%

(N15.9bn vs. N7.2bn)

Net Fees and Commissions



30%

(N13.7bn vs. N10.5bn)

Trading Income



53%

(N3.6bn vs. N2.4bn)

Net Fees and Commissions



11%

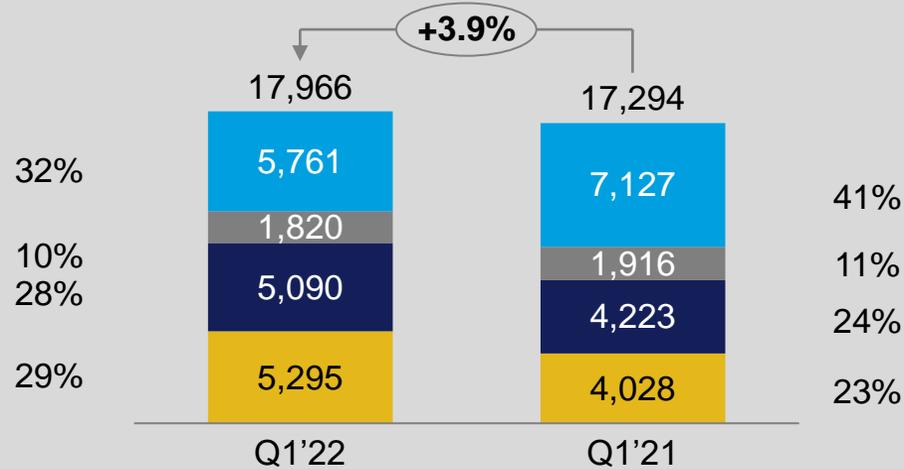
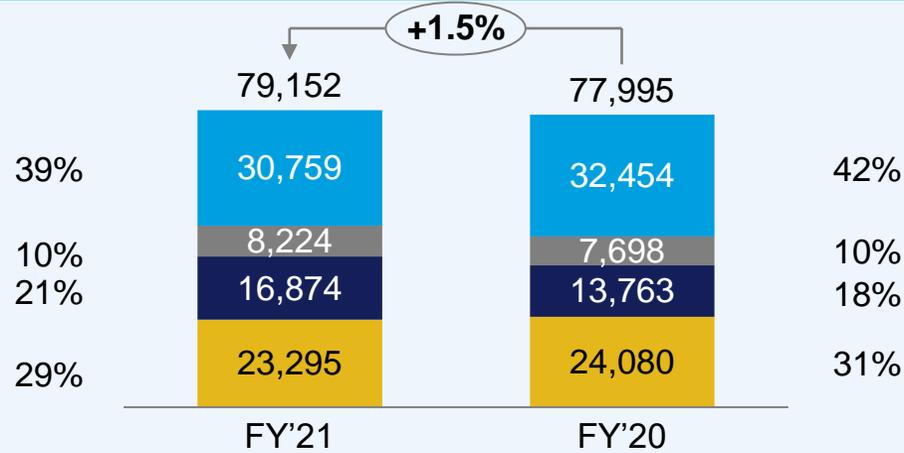
(N3.4bn vs. N3.1bn)

- Gross Earnings rose by 8% in FY'21 (up 18% YoY in Q1'22) driven by increase in earning assets, cash and recoveries
- Interest income increased by 1% YoY to N114.0bn in FY'21 (up 42% YoY to N31.5bn in Q1'22)
- Net Interest income (NII) declined in FY'21 by 22% to N44.3bn due to a 25% increase in interest expense
 - NII grew by 22% to N13.2bn in Q1'22 despite a 61% increase in interest expense due to expensive deposits
- Non-interest income increased by 27% in FY 2021 driven largely by a 30% growth in net fees and commission income and a 119% increase in recoveries.
- Non-interest income in Q1'22 declined YoY by 19% to N11.5bn due to lower recoveries. However, trading income and net fees and commissions grew by 53% YoY and 11% respectively



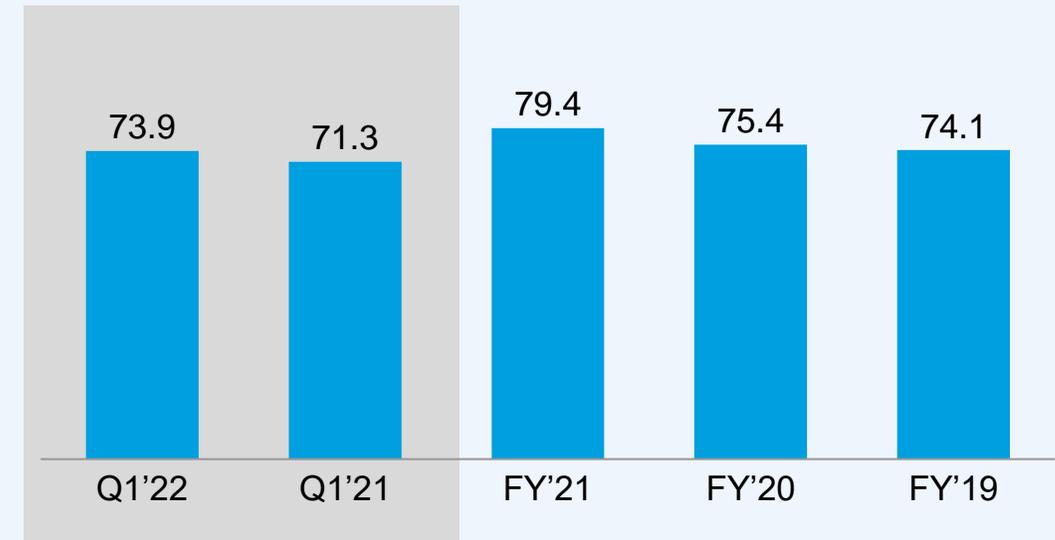
Operating Expenses

Total Expenses (₹'m)



■ Staff Cost ■ Regulatory Costs
■ Depreciation and Amortisation ■ Other Operating Expenses

Cost to Income Ratio (%)

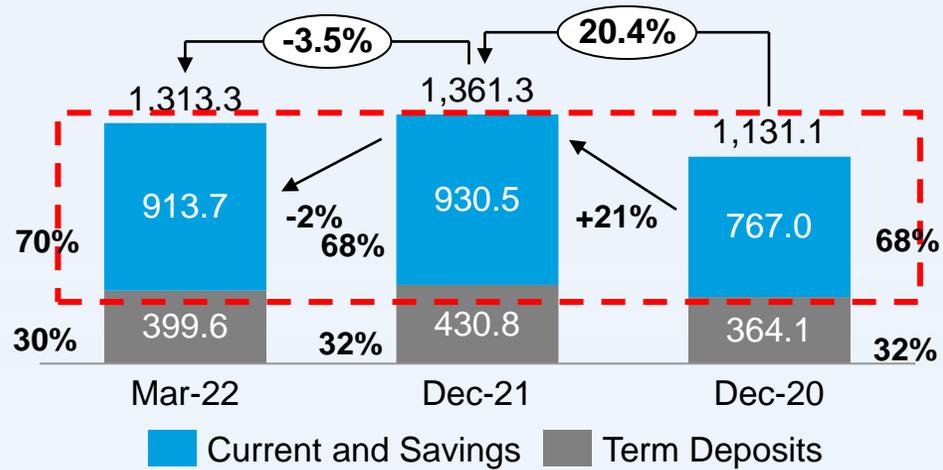


- Despite inflation rate of ~16%, OPEX increased marginally by 1.5% in FY 2021, as a result of our strong cost management strategy.
- Other operating expenses (excluding regulatory costs) reduced by 3.4% YoY in 2021
- In Q1 2022, OPEX grew by 3.9% YoY, driven by a 21% increase in non-discretionary regulatory costs.

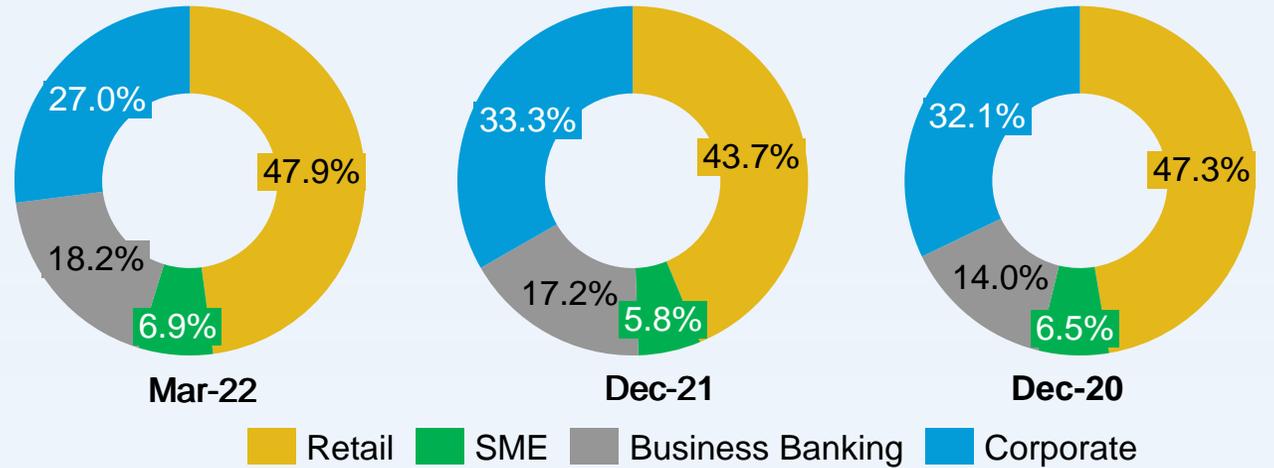


Funding mix continues to be bolstered by stable customer deposits

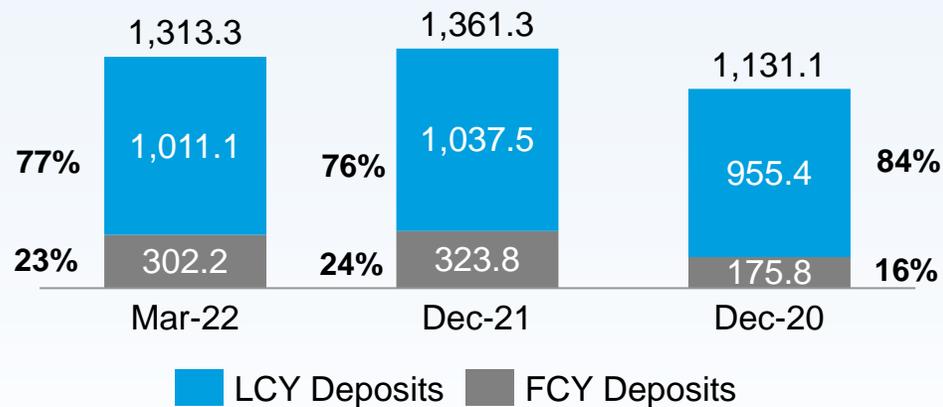
Customer Deposits (₹'bn)



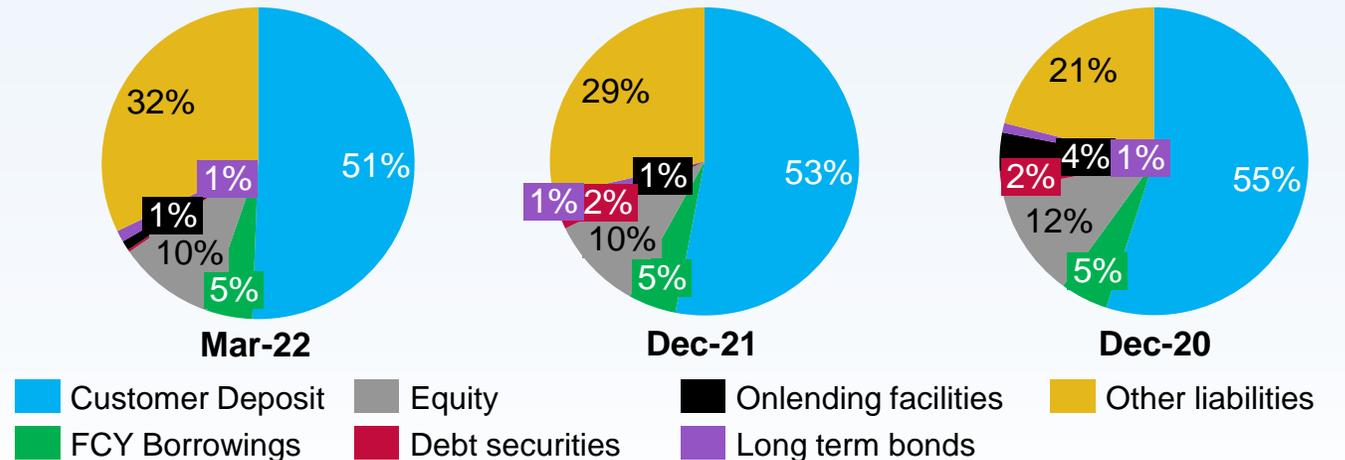
Deposits by Segment (₹'bn)



Deposits by Currency (₹'bn)

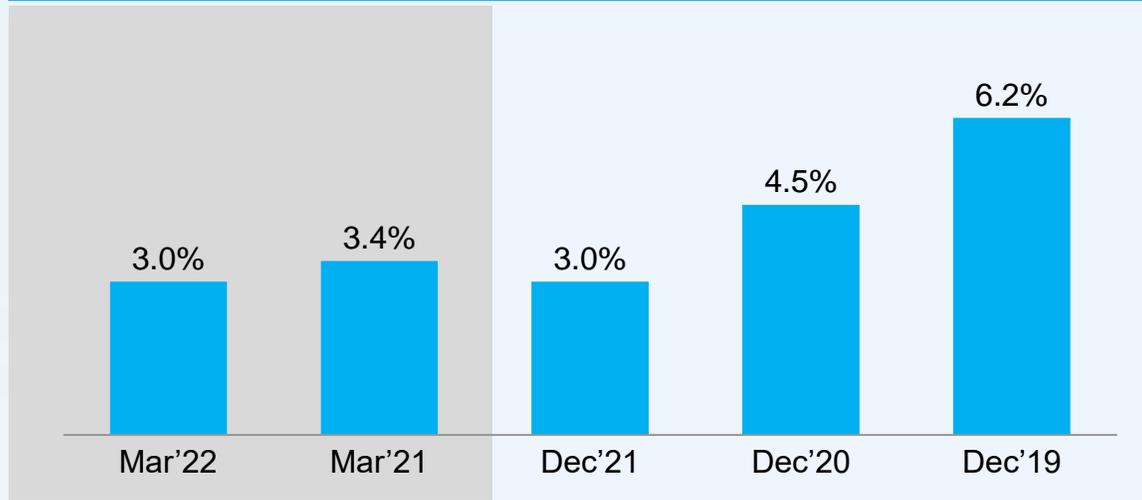


Funding Mix

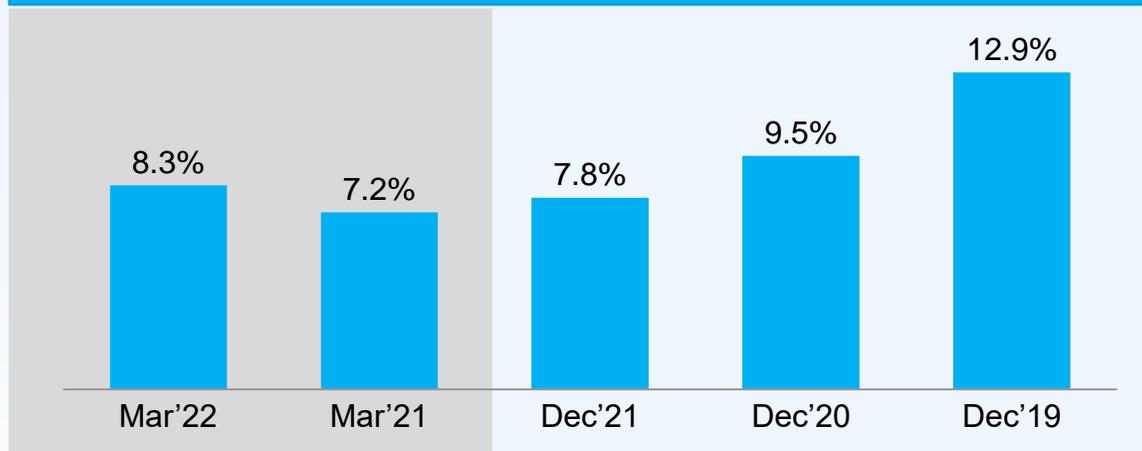


Margins

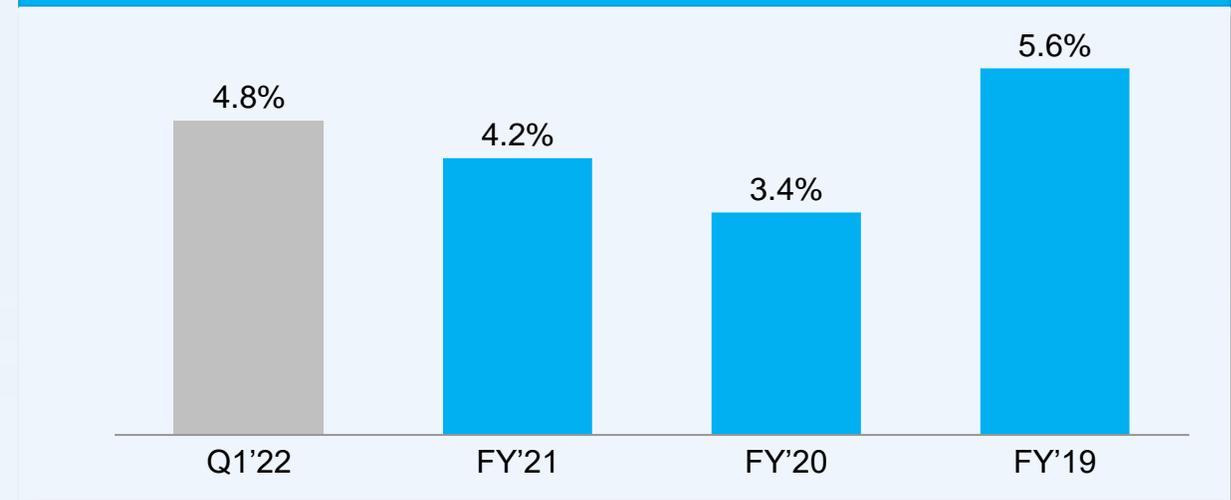
Net Interest Margin



Yield on Interest Earning Assets



Cost of Funds

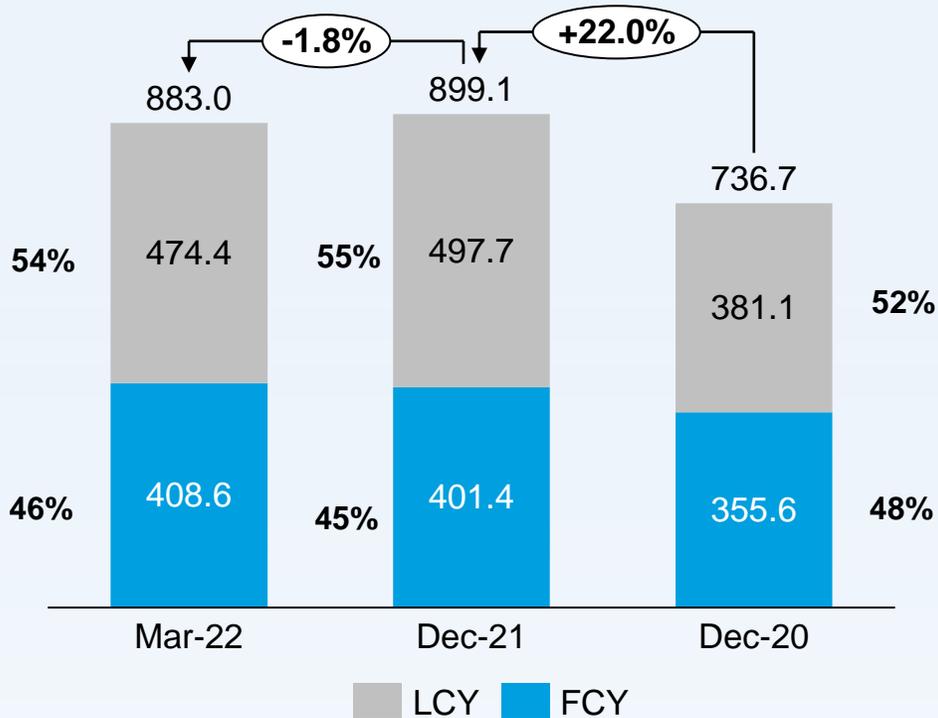


- The upward trajectory on yield on interest earning assets is as a result of asset repricing and the bank leveraging intervention loans
- The moderation of cost of funds in 2021 reflects continued adverse CRR environment. Current repricing of assets will reflect in future quarters



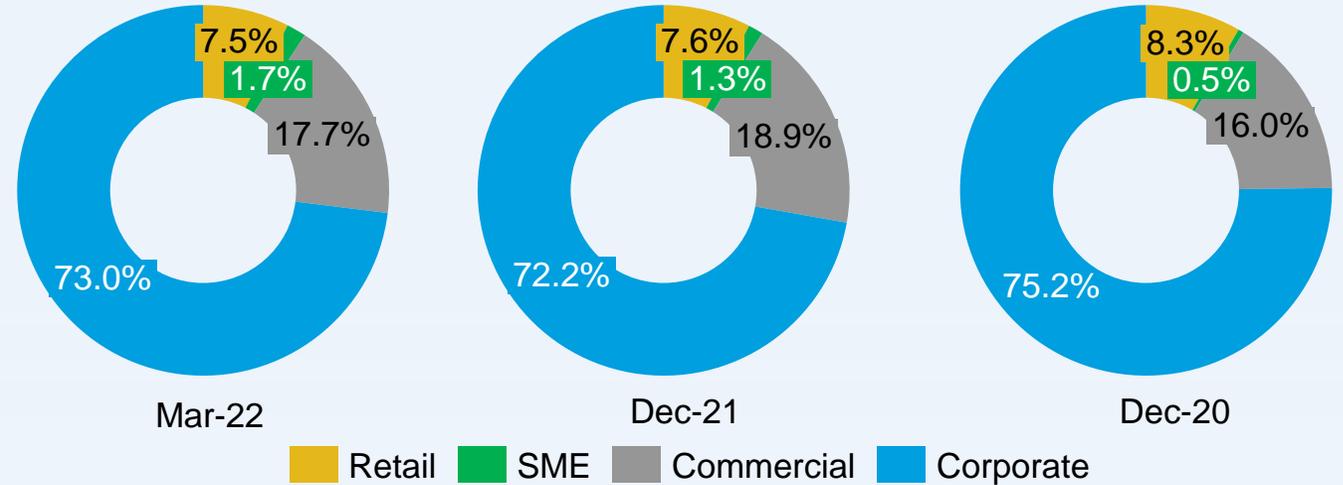
Gross loans

Gross Loans By Currency (₦'bn)

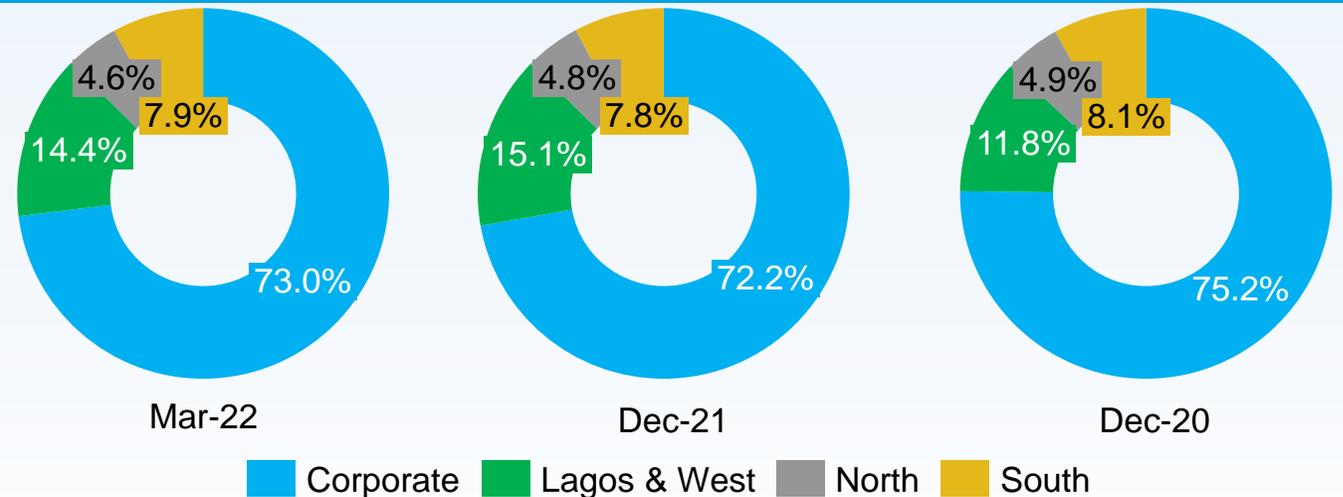


- Gross loans to customers increased by 22.0% YoY in 2021 following significant growth across all our business segments.
- Increase in SME loan portfolio as we continue to prioritize small businesses.

Loans by Segments



Loans by Region





Loan portfolio

	Mar'22	Dec'21	Dec'20
 Oil and Gas	28.3%	28.4%	30.7%
 Manufacturing	23.7%	22.3%	19.0%
 General Commerce	11.7%	11.8%	12.0%
 *Retail	7.5%	7.6%	8.3%
 Power	7.2%	7.4%	8.3%
 Real Estate	4.9%	5.2%	4.9%
 Communication	3.1%	3.6%	5.2%
 Agriculture	5.6%	3.5%	1.9%
 Others	8.3%	10.0%	9.6%

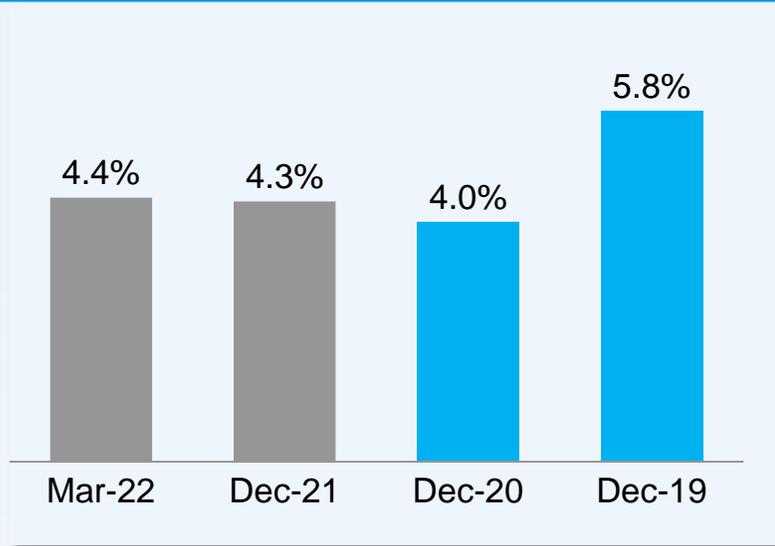
1. Others includes, Education, Finance and Insurance, SME, Hospitality, Human health and Social work, Public Utilities, Real Estate, Transportation and Storage

2. *Retail – Consumer Credit



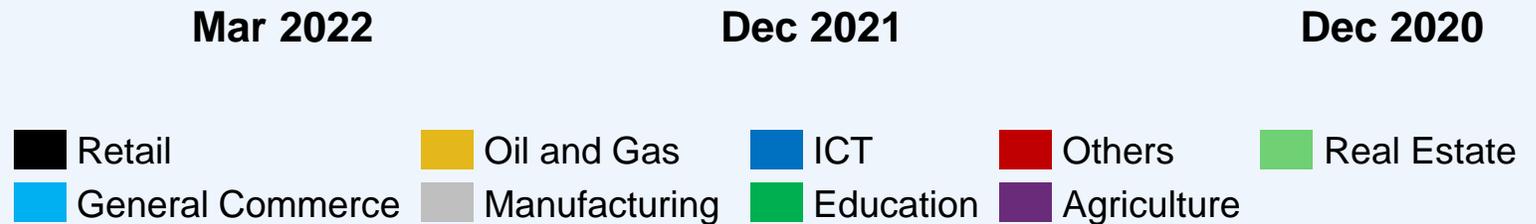
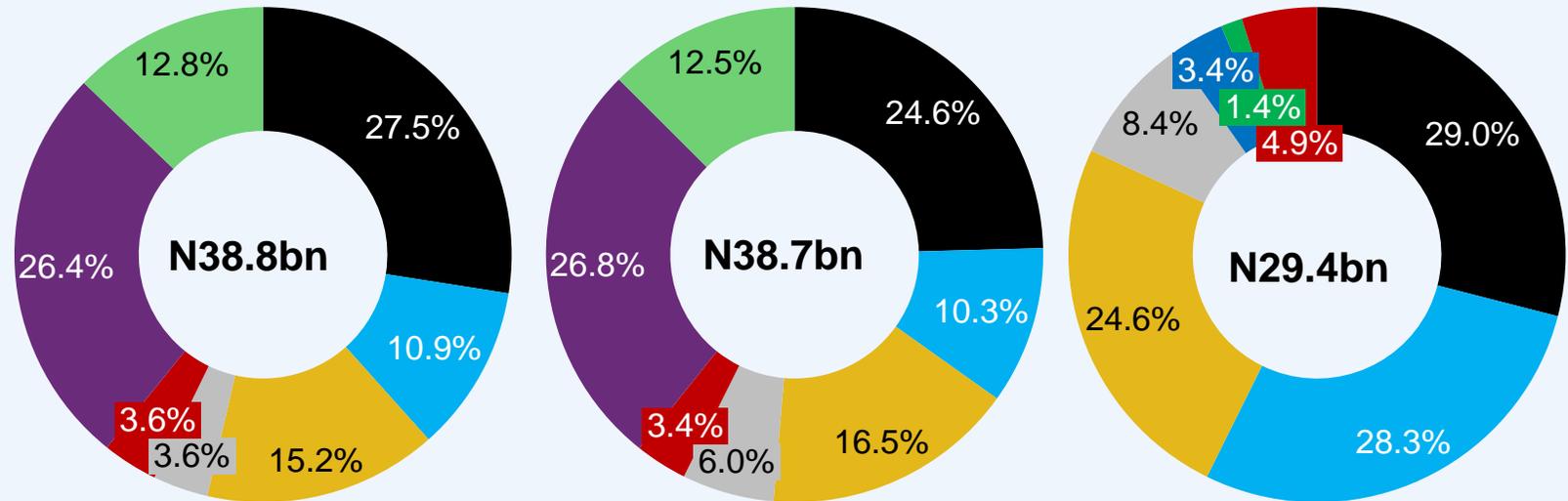
Asset quality

NPL Ratio



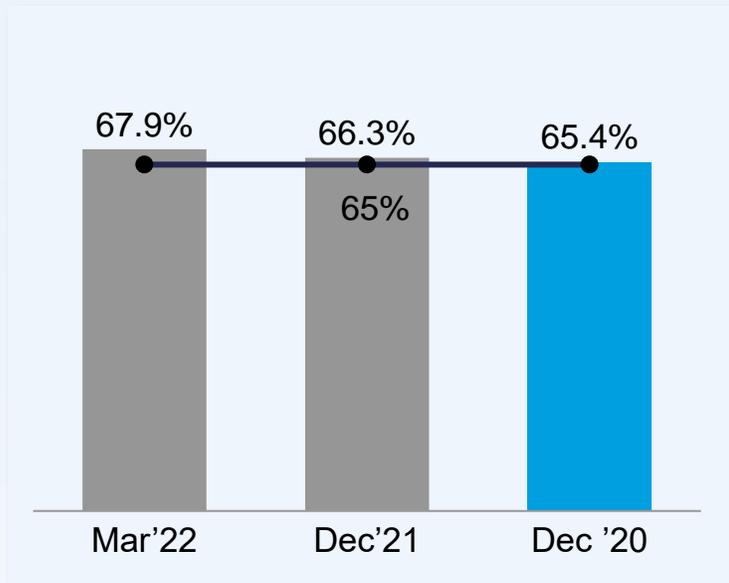
- NPL ratio relatively flat at 4.4%.
- The uptick in NPLs in the Agriculture and Real Estate sectors are concentrated on two customers and resolution of these loan books are in progress.

NPL Breakdown



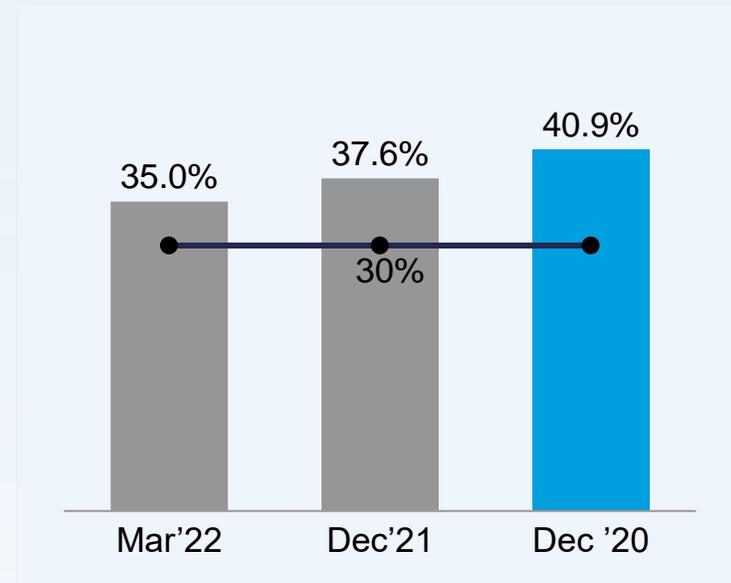
Key ratios

Loan to Deposit Ratio



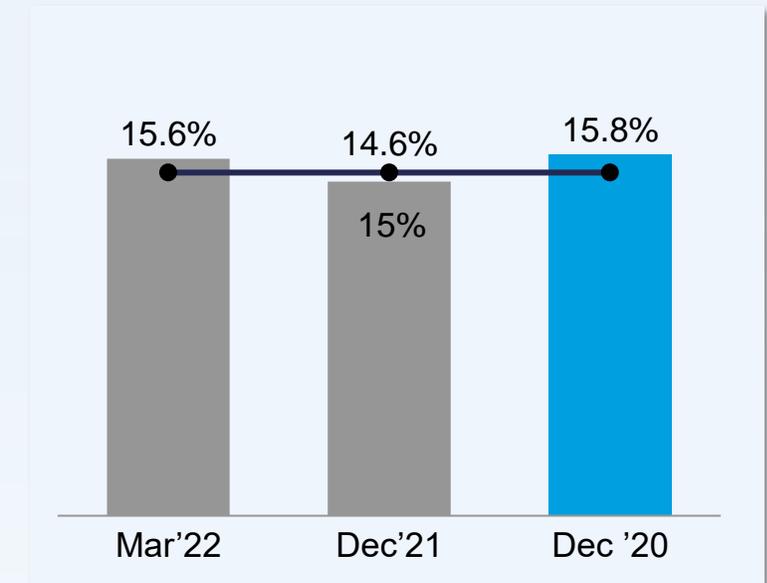
●—● CBN Minimum

Liquidity Ratio



●—● CBN Minimum

Capital Adequacy Ratio



●—● CBN Minimum



LEVEL
UP!!!



Get your generators and cars today
through our asset financing loans.

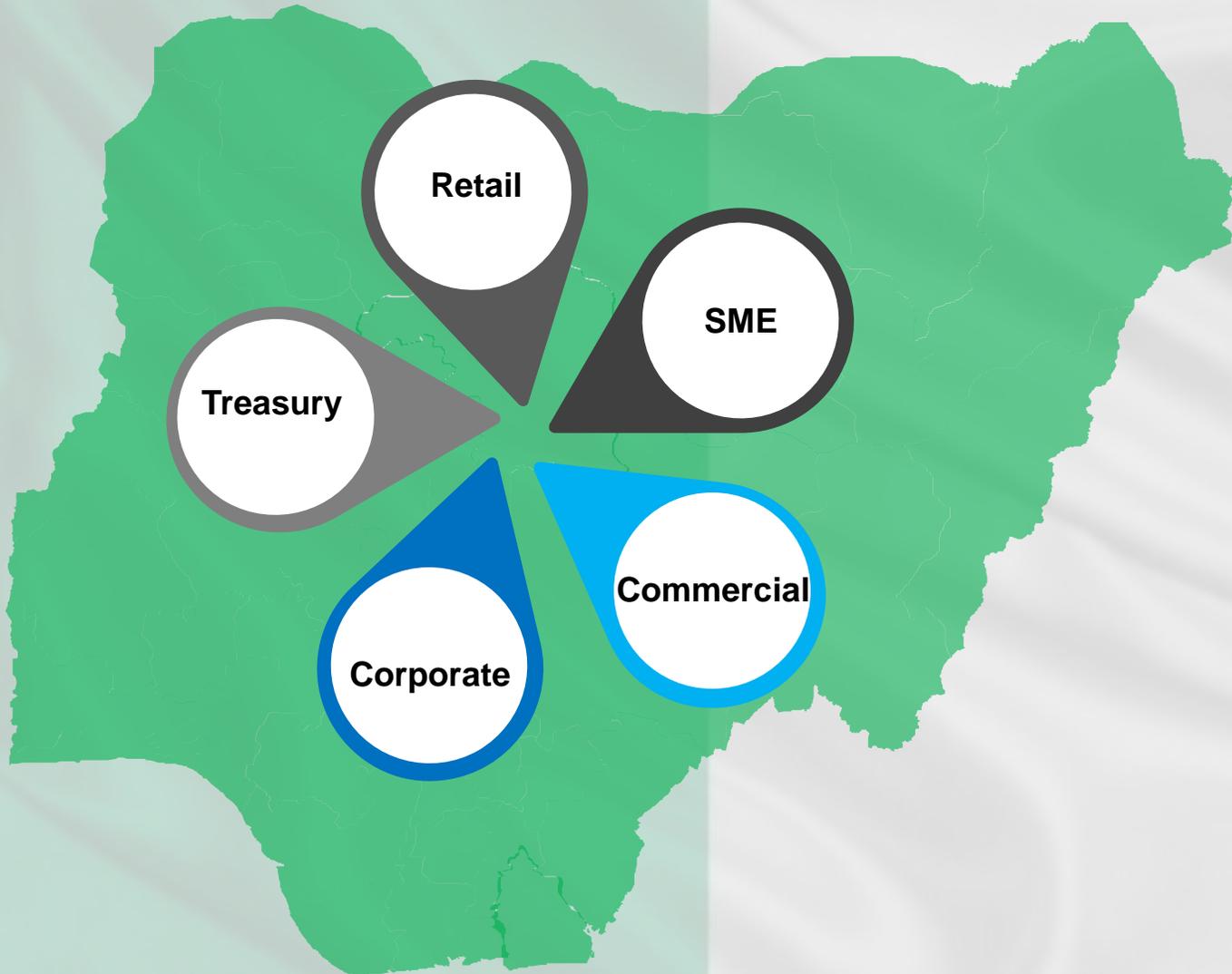
Go to a Union Bank branch close to you or call 0700 700 7000 to get started.

Terms and conditions apply

Your Simpler, Smarter Bank

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UBN as a partner that supports & amplifies “All Things Nigeria-Centric”



Local Manufacturing
“Made in Nigeria and by Nigerians”

Education & Learning
“Learn and Earn”

Digital First and Always



In 2022, we have prioritized four focus areas to turbocharge productivity



Deepening our Core Business



Digital Ventures as a “True Business”



Enhancing Employee Experience



Branding & Positioning

Change in shareholding structure

1

In December 2021, the Bank announced that it has received a notification of an agreement by Union Global Partners Limited, Atlas Mara Limited and other majority shareholders to divest shareholding in Union Bank to Titan Trust Bank

2

Majority shareholders in Union Bank will transfer an aggregate of 89.39% of the issued share capital of Union Bank held to Titan Bank.

3

The proposed acquisition of shares is subject to obtaining applicable regulatory approvals and the fulfilment of certain conditions precedent.



Appendix

1 | **Bank Financials**

2 | **Group Financials**

FY 2021 Performance: Bank Profit and Loss Statement

#'million	FY'21	FY'20	Δ
Gross earnings	175,006	160,656	9%
Interest income	114,049	112,920	1%
Interest expense	(69,799)	(56,024)	25%
Net interest income	44,250	56,896	-22%
Impairment charge for credit loss	34	2,253	-129%
Net interest income after impairment charge	44,284	59,149	-26%
Net trading income	8,627	11,156	-23%
Net Fees and commissions Income	13,698	10,501	30%
Cash Recoveries	15,866	7,240	119%
Net income from other financial instruments at fair value through profit or loss	8,183	7,597	8%
Other operating Income	9,345	7,471	25%
Non interest income	55,719	43,965	27%
Operating Income	100,003	103,114	-4%
Operating expenses	(79,152)	(77,995)	1%
Net impairment write-back on other financial assets	(302)	306	24%
Profit before tax	20,532	25,425	-19%
Profit after tax	19,180	24,653	-22%

FY 2021 Performance: Bank Balance Sheet

₹'million	Dec-21	Dec-20	Δ
Assets			
Cash and Cash equivalents	445,804	262,730	70%
Financial assets at fair value through profit or loss	1,485	52,212	-97%
Pledged assets	110,226	100,007	10%
Derivative assets held for risk management	9,640	520	>100%
Loans and advances to customers	868,840	692,803	25%
Investment securities	387,508	351,862	10%
Trading properties	187	187	0%
Investment in subsidiaries	2,195	2,195	0%
Property and equipment	57,653	57,342	1%
Intangible assets	3,782	5,211	-27%
Right of Use Assets	2,777	2,740	1%
Deferred tax assets	95,875	95,875	0%
Cash reserve requirement	454,801	356,452	28%
Other assets	116,734	83,775	43%
Defined benefit assets	1,561	1,475	6%
Assets classified as held for sale	8,372	8,372	0%
Total Assets	2,567,441	2,073,758	24%

FY 2021 Performance: Bank Balance Sheet (Cont'd)

#'million	Dec-21	Dec-20	Δ
Liabilities			
Derivative liabilities held for risk management	8,684	2	>100%
Deposits from banks	0	4,018	-100%
Deposits from customers	1,361,323	1,131,116	20%
Current tax liabilities	1,356	778	74%
Other liabilities	697,996	425,117	64%
Lease Liabilities	1,895	1,812	5%
Employee benefit obligations	1,068	996	7%
Debt securities issued	32,261	48,629	-34%
Long term subordinated bond	29,716	29,546	1%
Other borrowed funds	175,118	184,223	-5%
Total Liabilities	2,315,954	1,826,237	27%
Equity			
Share Capital	14,632	14,632	0%
Share premium	133,458	133,458	0%
Retained earnings/(accumulated losses)	24,112	31,403	-8%
Other reserves	79,285	68,028	10%
Total Equity	251,487	247,521	2%
Total Liabilities and Equity	2,567,411	2,073,758	24%

Q1 2022 Performance: Bank Profit and Loss Statement

#'million	Q1'22	Q1'21	Δ
Gross earnings	42,905	36,396	18%
Interest income	31,452	22,235	42%
Interest expense	(18,212)	(11,326)	61%
Net interest income	13,240	10,909	21%
Impairment charge for credit loss	(374)	(802)	-53%
Net interest income after impairment charge	12,866	10,107	27%
Net trading income	3,608	2,351	53%
Net Fees and commissions Income	3,381	3,057	11%
Cash Recoveries	1,546	3,382	-54%
Net income from other financial instruments at fair value through profit or loss	3,522	3,030	16%
Other operating Income	(603)	2,340	-126%
Non interest income	11,454	14,160	-19%
Operating Income	24,320	24,268	0%
Operating expenses	(17,966)	(17,294)	4%
Net impairment write-back on other financial assets	-	(4)	-100%
Profit before tax	6,354	6,970	-9%
Profit after tax	6,076	6,719	-10%

Q1 2022 Performance: Bank Balance Sheet

₹'million	Mar-22	Dec-21	Δ
Assets			
Cash and Cash equivalents	337,743	445,804	-24%
Financial assets at fair value through profit or loss	12,005	1,485	>100%
Pledged assets	113,243	110,226	3%
Derivative assets held for risk management	13,445	9,640	39%
Loans and advances to customers	853,232	868,840	-2%
Investment securities	347,040	387,508	-10%
Trading properties	187	187	0%
Investment in subsidiaries	2,195	2,195	0%
Property and equipment	57,703	57,653	0%
Intangible assets	3,338	3,782	-12%
Right of Use Assets	2,938	2,777	6%
Deferred tax assets	95,875	95,875	0%
Cash reserve requirement	467,964	454,801	3%
Other assets	206,823	116,734	77%
Defined benefit assets	1,561	1,561	0%
Assets classified as held for sale	8,372	8,372	0%
Total Assets	2,523,664	2,567,441	-2%

Q1 2022 Performance: Bank Balance Sheet (Cont'd)

#'million	Mar-22	Dec-21	Δ
Liabilities			
Derivative liabilities held for risk management	10,566	8,684	22%
Deposits from banks	7,977	0	-
Deposits from customers	1,313,316	1,361,323	-8%
Current tax liabilities	1,634	1,356	20%
Other liabilities	717,827	697,996	12%
Lease Liabilities	1,806	1,895	-5%
Employee benefit obligations	1,060	1,068	-1%
Debt securities issued	6,295	6,536	-4%
Commercial Papers	-	32,261	-100%
Long term subordinated bond	30,926	29,716	4%
Other borrowed funds	171,046	175,118	-2%
Total Liabilities	2,262,454	2,315,954	-2%
Equity			
Share Capital	14,632	14,632	0%
Share premium	133,458	133,458	0%
Retained earnings	30,619	24,112	27%
Other reserves	82,501	79,285	4%
Total Equity	261,210	251,487	4%
Total Liabilities and Equity	2,523,664	2,567,411	-2%

Appendix

1 | **Bank Financials**

2 | **Group Financials**

FY 2021 Highlights: Bank Financial Summary

		Dec-21	Dec-20	Variance
Balance Sheet (₹ 'bn)	Assets	2,567.4	2,073.8	493.7
	Gross Loans and Advances	899.1	736.7	162.4
	Customer Deposits	1,361.3	1,131.1	230.2
Key Ratios	NPL Ratio	4.3%	4.0%	0.3%
	Capital Adequacy Ratio	14.6%	15.8%	-2.4%
	Coverage Ratio*	145.1%	175.2%	-30.1%
		FY'21	FY'20	Variance
Income Statement (₹ 'bn)	Gross Earnings	175.0	160.7	14.4
	Net Interest Income	44.3	56.9	-12.6
	Non-Interest Income	55.7	44.0	11.8
	Credit/Other Impairment Charge	0	2.2	-2.2
	Operating Expenses	(79.2)	(78.0)	-1.2
	Profit Before Tax	20.5	25.4	-4.9
	Profit After Tax	19.2	24.7	-5.5
Key Ratios	Net Interest Margin	3.0%	4.5%	-1.5%
	Cost to Income Ratio	79.4%	75.4%	-4.0%
	Return on Equity	7.7%	10.3%	-2.6%
	Return on Assets	0.9%	1.3%	-0.4%
	Net Asset Value per share	₹8.6	₹8.5	₹0.1
	Earnings Per Share	66k	84k	-18k

FY 2021 Highlights: Group Financial Summary

		Dec-21	Dec-20	Variance
Balance Sheet (₹ 'bn)	Assets	2,596.8	2,190.7	405.0
	Gross Loans and Advances	899.1	736.7	162.4
	Customer Deposits	1,355.9	1,126.3	229.6
Key Ratios	NPL Ratio	4.3%	4.0%	0.3%
	Capital Adequacy Ratio	14.6%	15.8%	-2.4%
	Coverage Ratio*	145.1%	175.2%	-30.1%
		FY'21	FY'20	Variance
Income Statement (₹ 'bn)	Gross Earnings	177.3	160.3	17.0
	Net Interest Income	44.5	57.4	-12.9
	Non-Interest Income	56.0	44.5	11.5
	Credit/Other Impairment Charge	0	2.3	-2.3
	Operating Expenses	(79.3)	(78.5)	-0.9
	Profit Before Tax	20.8	26.0	-5.2
	Profit After Tax	19.4	25.1	-5.8
Key Ratios	Net Interest Margin	3.0%	4.8%	-1.8%
	Cost to Income Ratio	79.2%	75.1%	-4.1%
	Return on Equity	7.3%	10.3%	-3.0%
	Return on Assets	0.9%	1.3%	-0.4%
	Net Asset Value per share	₹9.1	₹9.0	₹0.1
	Earnings Per Share	66k	85k	-19k

Q1 2022 Highlights: Bank Financial Summary

		Mar-22	Dec-21	Variance
Balance Sheet (₹ 'bn)	Assets	2,523.7	2,567.4	-43.7
	Gross Loans and Advances	883.0	899.1	-16.1
	Customer Deposits	1,313.3	1,361.3	-48.0
Key Ratios	NPL Ratio	4.4%	4.3%	0.1%
	Capital Adequacy Ratio	15.6%	14.6%	1.0%
	Coverage Ratio*	141.4%	145.1%	-3.7%
		Q1'22	Q1'21	Variance
Income Statement (₹ 'bn)	Gross Earnings	42.9	36.4	6.5
	Net Interest Income	13.2	10.9	2.3
	Non-Interest Income	11.5	14.2	2.7
	Credit/Other Impairment Charge	(0.3)	(0.8)	0.5
	Operating Expenses	(18.0)	(17.3)	-0.7
	Profit Before Tax	6.4	7.0	-0.6
	Profit After Tax	6.1	6.7	-0.6
Key Ratios	Net Interest Margin	2.6%	3.4%	-0.8%
	Cost to Income Ratio	73.9%	71.4%	2.5%
	Return on Equity	9.6%	10.9%	-1.3%
	Return on Assets	1.0%	1.3%	-0.3%
	Net Asset Value per share	₹8.9	₹8.5	₹0.4
	Earnings Per Share	22k	23k	-1k

Q1 2022 Highlights: Group Financial Summary

		Mar-22	Dec-21	Variance
Balance Sheet (₹ 'bn)	Assets	2,577.2	2,596.8	-19.6
	Gross Loans and Advances	883.0	899.1	-16.1
	Customer Deposits	1,313.3	1,355.9	-42.6
Key Ratios	NPL Ratio	4.4%	4.3%	0.1%
	Capital Adequacy Ratio	15.6%	14.6%	1.0%
	Coverage Ratio*	141.4%	145.1%	-3.7%
		Q1'22	Q1'21	Variance
Income Statement (₹ 'bn)	Gross Earnings	43.4	36.8	6.6
	Net Interest Income	13.3	11.0	2.3
	Non-Interest Income	11.5	14.2	-2.7
	Credit/Other Impairment Charge	-0.3	(0.8)	0.5
	Operating Expenses	(18.0)	(17.3)	-0.7
	Profit Before Tax	6.4	7.0	-0.6
	Profit After Tax	6.1	6.8	-0.7
Key Ratios	Net Interest Margin	2.6%	3.4%	-0.8%
	Cost to Income Ratio	73.9%	71.4%	2.5%
	Return on Equity	9.6%	10.9%	-1.3%
	Return on Assets	1.0%	1.3%	-0.3%
	Net Asset Value per share	₹9.4	₹9.1	₹0.3
	Earnings Per Share	22k	23k	-1k

FY 2021 Performance: Group Profit and Loss Statement

₹'million	FY'21	FY'20	Δ
Gross earnings	177,269	160,292	7%
Interest income	114,049	113,157	1%
Interest expense	(69,580)	(55,755)	25%
Net interest income	44,469	57,402	-23%
Impairment charge for credit loss	34	2,253	>100%
Net interest income after impairment charge	44,503	59,655	-27%
Net trading income	8,627	11,156	-23%
Net Fees and commissions Income	13,698	10,501	30%
Cash Recoveries	15,866	7,240	>100%
Net income from other financial instruments at fair value through profit or loss	8,183	7,597	8%
Other operating Income	9,589	7,855	22%
Non interest income	55,963	44,479	26%
Operating Income	100,466	104,134	-4%
Operating expenses	(79,346)	(78,467)	1%
Net impairment write-back on other financial assets	(325)	307	22%
Profit before tax	20,690	25,974	-20%
Profit after tax	19,371	25,129	-23%

FY 2021 Performance: Group Balance Sheet

₹'million	Dec-21	Dec-20	Δ
Assets			
Cash and Cash equivalents	407,143	270,707	50%
Financial assets at fair value through profit or loss	1,485	52,212	-97%
Pledged assets	110,226	100,007	10%
Derivative assets held for risk management	9,640	520	>100%
Loans and advances to customers	868,840	692,803	25%
Investment securities	387,508	351,862	10%
Trading properties	187	187	0%
Investment Properties	5,226	4,817	8%
Property and equipment	57,673	57,364	1%
Right of Use Assets	3,783	5,212	-27%
Intangible assets	2,777	2,740	1%
Deferred tax assets	95,875	95,875	0%
Cash reserve requirement	454,801	356,452	28%
Other assets	116,752	83,500	40%
Defined benefit assets	1,561	1,475	6%
Assets classified as held for sale	72,479	115,293	-37%
Total Assets	2,595,769	2,190,746	19%

FY 2021 Performance: Group Balance Sheet (Cont'd)

#'million	Dec-21	Dec-20	Δ
Liabilities			
Derivative liabilities held for risk management	8,684	2	>100%
Deposits from banks	-	4,018	-
Deposits from customers	1,355,910	1,126,287	20%
Current tax liabilities	1,420	797	78%
Other liabilities	699,819	425,718	64%
Lease Liabilities	1,895	1,812	5%
Employee benefit obligations	1,069	996	7%
Debt securities issued	38,798	48,629	-20%
Long term subordinated bond	29,716	29,546	1%
Other borrowed funds	175,118	184,223	-5%
Liabilities classified as held for sale	16,473	104,400	-84%
Total Liabilities	2,329,560	1,926,428	21%
Equity			
Share Capital and Share Premium	148,090	148,090	0%
Retained earnings/(accumulated losses)	13,723	23,399	-21%
Other reserves	98,250	86,149	8%
Non-Controlling Interest	6,804	6,680	2%
Total Equity	266,867	264,318	1%
Total Liabilities and Equity	2,595,769	2,190,746	19%

Q1 2022 Performance: Group Profit and Loss Statement

₹'million	Q1'22	Q1'21	Δ
Gross earnings	43,011	39,097	10%
Interest income	31,524	22,249	42%
Interest expense	(17,989)	(11,253)	60%
Net interest income	13,535	10,996	23%
Impairment charge for credit loss	(374)	(802)	-53%
Net interest income after impairment charge	13,160	10,194	29%
Net trading income	3,609	2,352	53%
Net Fees and commissions Income	3,382	3,060	11%
Cash Recoveries	3,382	3,382	-54%
Net income from other financial instruments at fair value through profit or loss	3,522	3,030	16%
Other operating Income	(584)	2,369	>-100%
Non interest income	11,475	14,193	-19%
Operating Income	24,634	24,387	1%
Operating expenses	(18,001)	(17,346)	4%
Net impairment write-back on other financial assets	-	(4)	-100%
Profit before tax	6,634	7,036	-6%
Profit after tax	6,350	6,785	-6%

Q1 2022 Performance: Group Balance Sheet

₹'million	Mar-22	Dec-21	Δ
Assets			
Cash and Cash equivalents	343,634	407,143	-17%
Financial assets at fair value through profit or loss	12,005	1,485	>100%
Pledged assets	113,243	110,226	3%
Derivative assets held for risk management	13,445	9,640	39%
Loans and advances to customers	853,232	868,840	-2%
Investment securities	347,040	387,508	-10%
Trading properties	187	187	0%
Investment Properties	5,291	5,226	3%
Property and equipment	57,726	57,673	0%
Right of Use Assets	3,337	3,783	-12%
Intangible assets	2,938	2,777	6%
Deferred tax assets	95,688	95,875	0%
Cash reserve requirement	467,964	454,801	3%
Other assets	206,877	116,752	77%
Defined benefit assets	1,561	1,561	0%
Assets classified as held for sale	53,020	72,479	-18%
Total Assets	2,577,188	2,595,769	-1%

Q1 2022 Performance: Group Balance Sheet (Cont'd)

#'million	Mar-22	Dec-21	Δ
Liabilities			
Derivative liabilities held for risk management	10,566	8,684	22%
Deposits from banks	7,977	-	-
Deposits from customers	1,313,316	1,355,910	-8%
Current tax liabilities	1,706	1,420	19%
Commercial Papers	-	32,261	-100%
Other liabilities	720,157	700,290	12%
Lease Liabilities	1,806	1,895	-5%
Employee benefit obligations	1,061	1,069	-1%
Debt securities issued	6,295	6,536	-
Long term subordinated bond	30,926	29,716	-4%
Other borrowed funds	171,046	175,119	-2%
Liabilities classified as held for sale	44,829	16,473	>100%
Total Liabilities	2,301,440	2,329,560	-1%
Equity			
Share Capital and Share Premium	148,090	148,090	0%
Retained earnings	19,661	13,723	80%
Other reserves	101,149	98,250	-2%
Non-Controlling Interest	6,848	6,804	0%
Total Equity	275,748	266,867	3%
Total Liabilities and Equity	2,577,188	2,595,769	-1%



Thank You

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