



**Union Bank of Nigeria Plc  
UNAUDITED  
FINANCIAL STATEMENTS  
30 June 2022**

## Consolidated and Separate Statements of Profit or Loss and Other Comprehensive Income

For the period ended 30 June 2022


		Group				Bank				
		Notes	June 2022		June 2021		Q2 2022		Q2 2021	
			₦ million	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million
<b>Gross earnings</b>	1	87,725	77,798	43,788	52,832	87,390	77,682	43,590	41,062	
Interest income	1	64,534	47,751	32,974	33,486	64,334	47,689	32,883	25,454	
Interest expense	1	(35,636)	(27,260)	(17,647)	(20,332)	(35,636)	(27,334)	(17,425)	(16,008)	
<b>Net interest income (NRFF)</b>		<b>28,898</b>	<b>20,491</b>	<b>15,327</b>	<b>13,154</b>	<b>28,698</b>	<b>20,355</b>	<b>15,458</b>	<b>9,445</b>	
Net impairment (charge)/write back for credit losses	6	(199)	(153)	176	649	(199)	(153)	175	649	
<b>Net interest income after impairment charge for credit losses</b>		<b>28,699</b>	<b>20,338</b>	<b>15,503</b>	<b>13,803</b>	<b>28,499</b>	<b>20,202</b>	<b>15,633</b>	<b>10,094</b>	
Fee and commission income	2	8,161	8,829	3,887	6,088	8,162	8,829	3,887	5,547	
Fees and commission expenses	2	(1,990)	(2,239)	(1,097)	(1,483)	(1,990)	(2,239)	(1,097)	(2,015)	
Net trading income	3	6,404	4,121	2,795	2,438	6,404	4,120	2,796	1,769	
Recoveries		3,107	8,645	1,561	6,802	3,107	8,645	1,561	5,263	
Net income from other financial instruments at fair value through profit or loss	4	5,172	4,568	1,650	2,231	5,172	4,568	1,650	1,538	
Other operating income	5	346	3,885	921	1,786	210	3,831	813	1,491	
<b>Non interest income (NII)</b>		<b>21,202</b>	<b>27,810</b>	<b>9,717</b>	<b>17,863</b>	<b>21,064</b>	<b>27,754</b>	<b>9,611</b>	<b>13,593</b>	
<b>Operating income</b>		<b>49,901</b>	<b>48,147</b>	<b>25,220</b>	<b>31,667</b>	<b>49,563</b>	<b>47,956</b>	<b>25,244</b>	<b>23,688</b>	
Net impairment write-back on other financial assets	6	-	340	-	344	-	340	-	344	
<b>Net operating income after net impairment write-back/(loss) on other financial assets</b>		<b>49,901</b>	<b>48,487</b>	<b>25,220</b>	<b>32,011</b>	<b>49,563</b>	<b>48,296</b>	<b>25,244</b>	<b>24,032</b>	
Personnel expenses	7	(11,945)	(14,740)	(6,147)	(10,064)	(11,872)	(14,670)	(6,111)	(7,543)	
Depreciation and amortisation	21	(3,573)	(3,754)	(1,751)	(2,474)	(3,569)	(3,749)	(1,749)	(1,833)	
Other operating expenses	8	(21,875)	(18,399)	(11,473)	(13,429)	(21,839)	(18,369)	(11,454)	(10,118)	
<b>Total expenses</b>		<b>(37,393)</b>	<b>(36,893)</b>	<b>(19,371)</b>	<b>(25,967)</b>	<b>(37,280)</b>	<b>(36,788)</b>	<b>(19,314)</b>	<b>(19,494)</b>	
<b>Profit before income tax from continued operations</b>		<b>12,508</b>	<b>11,594</b>	<b>5,849</b>	<b>6,044</b>	<b>12,284</b>	<b>11,507</b>	<b>5,930</b>	<b>4,537</b>	
Income tax expense	9	(582)	(492)	(296)	(311)	(559)	(491)	(281)	(240)	
<b>Profit for the year from continued operations</b>		<b>11,926</b>	<b>11,101</b>	<b>5,553</b>	<b>5,733</b>	<b>11,725</b>	<b>11,016</b>	<b>5,649</b>	<b>4,297</b>	
<b>Discontinued operations</b>										
Gross income from discontinued operations	35	497	745	345	527	-	-	-	-	
Gross expense from discontinued operations	35	(1,349)	(2,011)	(377)	(1,431)	-	-	-	-	
Loss before tax from discontinued operations	35	(852)	(1,266)	(32)	(904)	-	-	-	-	
Loss for the year from discontinued operations	35	(852)	(1,266)	(32)	(904)	-	-	-	-	
<b>Continuing and discontinued operations:</b>										
<b>Profit before tax</b>		<b>11,656</b>	<b>10,328</b>	<b>5,818</b>	<b>5,140</b>	<b>12,284</b>	<b>11,507</b>	<b>5,930</b>	<b>4,537</b>	
Income tax		(582)	(492)	(296)	(311)	(559)	(491)	(281)	(240)	
<b>Profit after tax</b>		<b>11,074</b>	<b>9,836</b>	<b>5,522</b>	<b>4,830</b>	<b>11,725</b>	<b>11,016</b>	<b>5,649</b>	<b>4,297</b>	
<b>Other comprehensive income, net of income tax</b>										
Foreign currency translation differences for foreign operations		(312)	(31)	18	(58)	-	-	-	-	
Fair value gains/(losses) on financial assets at FVTOCI		2,838	(8,694)	(822)	(4,497)	2,822	(8,712)	(825)	(3,174)	
<b>Other comprehensive income for the year</b>		<b>2,526</b>	<b>(8,725)</b>	<b>(804)</b>	<b>(4,555)</b>	<b>2,822</b>	<b>(8,712)</b>	<b>(825)</b>	<b>(3,174)</b>	
<b>Total comprehensive income for the year</b>		<b>13,600</b>	<b>1,111</b>	<b>4,718</b>	<b>275</b>	<b>14,547</b>	<b>2,304</b>	<b>4,824</b>	<b>1,123</b>	
Profit attributable to:										
Equity holders of the Bank		10,951	9,842	5,460	4,833	11,725	11,016	5,649	4,297	
Non-controlling interest		123	(6)	62	(3)	-	-	-	-	
<b>Profit for the year</b>		<b>11,074</b>	<b>9,836</b>	<b>5,522</b>	<b>4,830</b>	<b>11,725</b>	<b>11,016</b>	<b>5,649</b>	<b>4,297</b>	
Total comprehensive income attributable to:										
Equity holders of the Bank		13,477	1,117	4,656	278	14,547	2,304	4,824	1,123	
Non-controlling interest		123	(6)	62	(3)	-	-	-	-	
<b>Total comprehensive income for the year</b>		<b>13,600</b>	<b>1,111</b>	<b>4,718</b>	<b>275</b>	<b>14,547</b>	<b>2,304</b>	<b>4,824</b>	<b>1,123</b>	
Earnings per share for profit from continued operations attributable to equity holders of Bank										
Basic and diluted (Kobo) (See note "10(b))		40	38			40	38			

The accompanying notes to consolidated and separate financial statements are an integral part of these consolidated and separate financial statements.

<b>Consolidated and Separate Statements of Financial Position</b>					
<i>As at 30 June 2022</i>					
		Group	Group	Bank	Bank
	<i>Notes</i>	30 June 2022	31 Dec 2021	30 June 2022	31 Dec 2021
		N million	N million	N million	N million
<b>ASSETS</b>					
Cash and cash equivalents	11	351,816	407,143	351,708	445,804
Financial assets at fair value through profit or loss	12	2,316	1,485	2,316	1,485
Pledged assets	13	87,911	110,226	87,911	110,226
Derivative assets held for risk management	14	2,584	9,640	2,584	9,640
Loans and advances to customers at amortised cost	15	865,566	868,840	865,566	868,840
Investment securities	17	508,701	387,508	508,701	387,508
Trading properties	18	187	187	187	187
Investment properties	19	5,246	5,226	-	-
Investment in subsidiaries	20	-	-	2,195	2,195
Property and equipment	21	54,955	57,673	54,933	57,653
Intangible assets	22	3,008	3,783	3,008	3,782
Right of Use Assets	23	2,749	2,777	2,749	2,777
Deferred tax assets	24	95,688	95,688	95,875	95,875
Cash reserve requirement	25	323,388	454,802	323,388	454,802
Other assets	25	186,294	116,751	186,234	116,734
Defined benefit assets	30	1,561	1,561	1,561	1,561
		<b>2,491,970</b>	<b>2,523,290</b>	<b>2,488,916</b>	<b>2,559,069</b>
Assets classified as held for sale	35	49,170	72,479	8,372	8,372
<b>TOTAL ASSETS</b>		<b>2,541,141</b>	<b>2,595,769</b>	<b>2,497,288</b>	<b>2,567,441</b>
<b>LIABILITIES</b>					
Derivative liabilities held for risk management	14	-	8,684	-	8,684
Deposits from banks	26	27,585	-	27,585	-
Deposits from customers	27	1,450,447	1,355,910	1,456,859	1,361,323
Current tax liabilities	28	1,660	1,420	1,602	1,356
Lease Liabilities	29	1,726	1,895	1,726	1,895
Other liabilities	29	572,857	699,819	570,052	697,996
Employee benefit obligations	30	1,101	1,069	1,100	1,068
Debt securities issued	31	6,545	6,536	6,545	6,536
Commercial Papers	32	-	32,262	-	32,262
Long term subordinated bond	33	29,701	29,716	29,701	29,716
Other borrowed funds	34	136,085	175,118	136,085	175,118
		<b>2,227,707</b>	<b>2,312,429</b>	<b>2,231,254</b>	<b>2,315,954</b>
Liabilities classified as held for sale	35(c)	32,967	16,473	-	-
<b>TOTAL LIABILITIES</b>		<b>2,260,674</b>	<b>2,328,902</b>	<b>2,231,254</b>	<b>2,315,954</b>
<b>EQUITY</b>					
Share capital and share premium	36(b)	148,090	148,090	148,090	148,090
Retained Earnings	36(e)	23,298	13,723	34,461	24,112
Other reserves	36(d)	102,152	98,250	83,483	79,285
<b>EQUITY ATTRIBUTABLE TO EQUITY - HOLDERS OF THE BANK</b>		<b>273,540</b>	<b>260,063</b>	<b>266,034</b>	<b>251,487</b>
Non-controlling interest	37	6,927	6,804	-	-
<b>TOTAL EQUITY</b>		<b>280,467</b>	<b>266,867</b>	<b>266,034</b>	<b>251,487</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>2,541,141</b>	<b>2,595,769</b>	<b>2,497,288</b>	<b>2,567,441</b>

The financial statements were approved by the Board of Directors on 28 July 2022 and signed on its behalf by:

Mudassir Amray  
Group Managing Director  
FRC/2020/002/00000020256

  
Joe Mbulu  
Chief Financial Officer  
FRC/2014/ICAN/00000006110

*The accompanying notes to consolidated and separate financial statements are an integral part of these consolidated and separate financial statements.*

**Consolidated and Separate Statements of Changes in Equity**  
*For the period ended 30 June 2022*

**Group**

	Share capital	Share premium	Statutory reserve	Fair value reserve	Regulatory risk	AGSMEIS Reserve	Other reserves	Retained earnings	Total	Non-controlling interest	Total equity
	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million
Balance at 1 January 2022	14,632	133,458	39,028	7,963	25,834	4,536	20,889	13,723	260,063	6,804	266,867
<b>Total comprehensive income for the period</b>											
Profit for the period	-	-	1,759	-	-	-	-	9,192	10,951	123	11,074
<b>Other comprehensive income, net of tax</b>											
Foreign currency translation difference	-	-	-	-	-	-	(312)	-	(312)	-	(312)
Fair value gains on investment at FVTOCI	-	-	-	2,838	-	-	-	-	2,838	-	2,838
Transfer from regulatory reserves	-	-	-	-	(383)	-	-	383	-	-	-
Transfer from other reserves	-	-	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-	2,838	(383)	-	(312)	383	2,526	-	2,526
<b>Balance at 30 June 2022</b>	<b>14,632</b>	<b>133,458</b>	<b>40,787</b>	<b>10,801</b>	<b>25,451</b>	<b>4,536</b>	<b>20,577</b>	<b>23,298</b>	<b>273,540</b>	<b>6,927</b>	<b>280,467</b>

*For the period ended 30 June 2021*

**Group**

	Share capital	Share premium	Statutory reserve	Fair value reserve	Regulatory risk	AGSMEIS Reserve	Other reserves	Retained earnings	Total	Non-controlling interest	Total equity
	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million
Balance at 1 January 2021	14,632	133,458	36,151	19,079	7,674	3,577	19,668	23,399	257,638	6,680	264,318
<b>Profit for the year</b>	-	-	1,652	-	-	-	-	8,189	9,841	(6)	9,835
<b>Other comprehensive income, net of tax</b>											
- net change in fair value	-	-	-	(8,694)	-	-	-	-	(8,694)	-	(8,694)
Foreign currency translation difference	-	-	-	-	-	-	(31)	-	(31)	-	(31)
Transfer from regulatory reserves	-	-	-	(2,625)	3,462	-	-	(837)	-	-	-
<b>Total comprehensive income</b>	-	-	1,652	(11,319)	3,462	-	(31)	7,352	1,116	(6)	1,110
<b>Transactions with owners, recorded directly in equity</b>											
<b>Contributions by and distributions to owners</b>											
Dividend paid to Non controlling interest								(7,316)	(7,316)	-	(7,316)
Total contribution and distributions to owners									(7,316)	-	(7,316)
<b>Balance at 30 June 2021</b>	<b>14,632</b>	<b>133,458</b>	<b>37,803</b>	<b>7,760</b>	<b>11,136</b>	<b>3,577</b>	<b>19,637</b>	<b>23,435</b>	<b>251,438</b>	<b>6,674</b>	<b>258,112</b>

*The accompanying notes to consolidated and separate financial statements are an integral part of these consolidated and separate financial statements.*

**Consolidated and Separate Statements of Changes in Equity**  
*For the period ended 30 June 2022*

**Bank**

	Share capital	Share premium	Statutory reserve	Fair value reserves	Regulatory risk reserves	Share based payment reserve	AGSMEIS Reserve	Other reserves	Retained earnings	Total
	₦ million	₦ million	₦ million	₦ million	₦ million	N million	N million	₦ million	₦ million	₦ million
Balance at 1 January 2022	14,632	133,458	39,028	7,315	25,834	-	4,536	2,572	24,112	251,487
<b>Total comprehensive income for the year</b>										
Profit or loss	-	-	1,759	-	-	-	-	-	9,966	11,725
<b>Other comprehensive income</b>										
Fair value gains on investment at FVTOCI	-	-	-	2,822	-	-	-	-	-	2,822
Transfer between reserves	-	-	-	-	(383)	-	-	-	383	-
<b>Total comprehensive income for the year</b>	-	-	1,759	2,822	(383)	-	-	-	10,349	14,547
<b>Balance at 30 June 2022</b>	<b>14,632</b>	<b>133,458</b>	<b>40,787</b>	<b>10,137</b>	<b>25,451</b>	<b>-</b>	<b>4,536</b>	<b>2,572</b>	<b>34,461</b>	<b>266,034</b>

*For the period ended 30 June 2021*

**Bank**

	Share capital	Share premium	Statutory reserve	Fair value reserves	Regulatory risk reserves	Share based payment reserve	AGSMEIS Reserve	Other reserves	Retained earnings	Total
	N million	N million	N million	N million	N million	N million	N million	N million	N million	N million
Balance at 1 January 2021	14,632	133,458	36,151	18,414	7,674	-	3,577	2,212	31,403	247,521
Profit or loss	-	-	1,652	-	-	-	-	(336)	9,363	10,679
Fair value loss on investment at FVTOCI	-	-	-	(8,712)	-	-	-	-	-	(8,712)
Transfer between reserves	-	-	-	(2,625)	3,462	-	-	-	(837)	-
<b>Total contribution and distributions to owners</b>	-	-	1,652	(11,337)	3,462	-	-	(336)	8,526	1,967
<b>Transactions with owners, recorded directly in equity</b>										
<b>Contributions by and distributions to owners</b>										
Shares issued during the year	-	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	(7,316.12)	(7,316)
<b>Total contribution and (distributions) to owners</b>	-	-	-	-	-	-	-	-	(7,316)	(7,316)
<b>Balance at 30 June 2021</b>	<b>14,632</b>	<b>133,458</b>	<b>37,803</b>	<b>7,077</b>	<b>11,136</b>	<b>-</b>	<b>3,577</b>	<b>1,876</b>	<b>32,613</b>	<b>242,172</b>

*The accompanying notes to consolidated and separate financial statements are an integral part of these consolidated and separate financial statements.*

## Consolidated and Separate Statements of Cash Flows

For the period ended 30 June 2022

	Group	Group	Bank	Bank
	30 June 2022	June 2021	30 June 2022	June 2021
	N million	N million	N million	N million
<b>Cash flows from operating activities</b>				
Profit after tax for the period	11,074	9,835	11,725	11,016
Income tax expense	582	492	559	491
Profit before tax for the period	11,656	10,327	12,284	11,507
<i>Adjustments for:</i>				
Impairment losses on loans and advances	6	199	153	199
Recoveries on loans and advances	(3,107)	(8,645)	(3,107)	(8,645)
Gain on sale of property and equipment	5	(313)	(268)	(231)
Gain on disposal of unquoted equity at FVTOCI	5	-	-	-
Fair Value Gain on investment properties	19	(20)	-	-
Depreciation of property and equipment	21	2,733	2,769	2,727
Amortisation of intangible assets	22	841	953	841
Dividend income from equity investment	5	(1,143)	-	(1,143)
Interest on lease liability	1	67	-	67
Interest paid on borrowings	1	13,442	14,709	13,442
Contributions to defined contribution plans	7	278	287	277
	24,632	20,285	25,356	21,508
Change in financial assets at fair value through profit or loss	(831)	47,586	(831)	47,586
Change in pledged assets	22,315	18,180	22,314	18,180
Change in loans and advances to customers	6,182	(8,583)	6,182	20,222
Change in right of use asset	28	-	28	-
Change in other assets	61,871	(154,795)	61,914	(91,027)
Change in defined benefit assets	-	(18,734)	-	(18,787)
Change in derivative financial instruments-assets	7,056	47	7,056	47
Change in derivative financial instruments-liabilities	(8,684)	-	(8,684)	-
Change in deposits from banks	27,585	(4,018)	27,585	(4,018)
Change in deposits from customers	94,537	40,859	95,536	40,944
Change in lease liability	(169)	-	(169)	-
Change in other liabilities	(126,367)	53,344	(127,350)	55,826
	108,155	(5,829)	108,936	90,481
Income tax paid	(342)	(790)	(313)	(775)
Payment from defined contribution plan	30	(412)	(159)	(410)
Payment from defined benefit plan	-	-	-	-
Cashflows from discontinued operations	39,802	-	-	-
<b>Net cash flow generated from/(used in) operating activities</b>	<b>147,203</b>	<b>(6,778)</b>	<b>108,212</b>	<b>89,548</b>
<b>Cash flows from investing activities</b>				
Proceeds from sale of property and equipment	415	264	332	268
Acquisition of investment securities	(118,355)	(18,905)	(118,371)	(109,464)
Acquisition of property and equipment	(131)	(4,321)	(121)	(4,304)
Acquisition of intangible assets	(550)	(106)	(550)	564
Dividend income received	1,143	1,036	1,143	1,036
<b>Net cash flow used in investing activities</b>	<b>(117,478)</b>	<b>(22,032)</b>	<b>(117,567)</b>	<b>(111,900)</b>
<b>Cash flows from financing activities</b>				
<b>Net proceeds from shares issued during the year</b>				
Inflow from other borrowings	-	-	-	-
Repayment of borrowings	(32,253)	53,727	(32,253)	55,868
Interest paid on borrowings	(11,016)	(14,709)	(11,016)	(14,774)
Inflow from bonds/commercial paper issued	(2,440)	165	(2,440)	164
Other borrowed funds	(39,033)	-	(39,033)	-
<b>Net cash flow (used in)/generated from financing activities</b>	<b>(84,742)</b>	<b>39,183</b>	<b>(84,742)</b>	<b>41,258</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(55,017)</b>	<b>10,373</b>	<b>(94,097)</b>	<b>18,906</b>
Cash and cash equivalents at beginning of year	407,179	270,707	445,841	262,730
Effect of exchange rate fluctuations on cash held	(310)	284	-	-
<b>Cash and cash equivalents at end of the period</b>	<b>351,852</b>	<b>281,364</b>	<b>351,744</b>	<b>281,635</b>

The accompanied notes and significant accounting policies are an integral part of these consolidated and separate financial statements.

**1 Net interest income**

	Group	Group	Group	Group	Bank	Bank	Bank	Bank
	June 2022	June 2021	3 Months	3 Months	June 2022	June 2021	3 Months	3 Months
	June 2022	June 2021	Q2 2022	Q2 2021	June 2022	June 2021	Q2 2022	Q2 2021
	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million
<b>(a) The analysis of gross earnings for the period is as shown below</b>								
Interest income	64,534	47,751	32,974	33,486	64,334	47,689	32,883	25,454
Non-interest income	23,191	30,047	10,814	19,346	23,055	29,992	10,707	15,608
	<b>87,725</b>	<b>77,798</b>	<b>43,788</b>	<b>52,832</b>	<b>87,390</b>	<b>77,682</b>	<b>43,590</b>	<b>41,062</b>
<b>(b) Interest income</b>								
Cash and cash equivalents	5,445	2,011	2,715	2,028	5,248	1,955	2,624	1,520
Loans and advances to customers	50,464	40,666	25,534	28,137	50,464	40,666	25,536	21,369
Investment securities	8,625	5,074	4,725	3,321	8,622	5,068	4,723	2,565
<b>Total interest income</b>	<b>64,534</b>	<b>47,751</b>	<b>32,974</b>	<b>33,486</b>	<b>64,334</b>	<b>47,689</b>	<b>32,883</b>	<b>25,454</b>
<b>(c) Interest expense</b>								
Deposits from customers	22,128	12,458	10,321	9,930	22,128	12,532	10,099	7,847
Lease liability	67	93	38	38	67	93	38	38
Other borrowed funds	13,442	14,709	7,288	10,364	13,442	14,709	7,288	8,124
<b>Total interest expense</b>	<b>35,636</b>	<b>27,260</b>	<b>17,647</b>	<b>20,332</b>	<b>35,636</b>	<b>27,334</b>	<b>17,425</b>	<b>16,008</b>
<b>Net interest income</b>	<b>28,898</b>	<b>20,491</b>	<b>15,327</b>	<b>13,154</b>	<b>28,698</b>	<b>20,355</b>	<b>15,458</b>	<b>9,445</b>

**2 Net fees and commission income**

	Group	Group	Group	Group	Bank	Bank	Bank	Bank
	June 2022	June 2021	3 Months	3 Months	June 2022	June 2021	3 Months	3 Months
	June 2022	June 2021	Q2 2022	Q2 2021	June 2022	June 2021	Q2 2022	Q2 2021
	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million
Credit Related fees and commissions income	1,627	2,947	758	1,792	1,626	2,947	757	1,384
Account Maintenance Fee	1,401	1,034	812	716	1,401	1,034	812	550
E-business fee income	3,871	3,547	1,821	2,569	3,872	3,547	1,821	2,016
Commission on LCs, Invisible Trades and Guarantees	1,322	1,273	527	993	1,322	1,273	527	742
Other fees and commission	(60)	28	(31)	18	(60)	28	(31)	13
	<b>8,161</b>	<b>8,829</b>	<b>3,887</b>	<b>6,088</b>	<b>8,162</b>	<b>8,829</b>	<b>3,887</b>	<b>5,547</b>
Fees and commission expenses	(1,990)	(2,239)	(1,097)	(1,483)	(1,990)	(2,239)	(1,097)	(2,015)
<b>Net fees and commission income</b>	<b>6,172</b>	<b>6,591</b>	<b>2,791</b>	<b>4,606</b>	<b>6,171</b>	<b>6,590</b>	<b>2,790</b>	<b>3,533</b>

**3 Net trading income**

	Group	Group	Group	Group	Bank	Bank	Bank	Bank
	June 2022	June 2021	3 Months Q2 2022	3 Months Q2 2021	June 2022	June 2021	3 Months Q2 2022	3 Months Q2 2021
	₦ million	₦ million	N million	N million	₦ million	₦ million	N million	N million
Gain on disposal of fixed income securities	861	1,129	823	270	861	1,129	823	173
Mark to market gains/losses on fixed income securities	2,273	(382)	1,111	1,079	2,273	(382)	1,111	705
Foreign exchange gain on trading	3,270	3,374	861	1,089	3,270	3,373	862	891
	<b>6,404</b>	<b>4,121</b>	<b>2,795</b>	<b>2,438</b>	<b>6,404</b>	<b>4,120</b>	<b>2,796</b>	<b>1,769</b>

**4 Net income from other financial instruments at fair value through profit or loss**

	Group	Group	Group	Group	Bank	Bank	Bank	Bank
	June 2022	June 2021	3 Months Q2 2022	3 Months Q2 2021	June 2022	June 2021	3 Months Q2 2022	3 Months Q2 2021
	₦ million	₦ million	N million	N million	₦ million	₦ million	N million	N million
<i>Equity instruments at FVTPL:</i>								
Equity	4,959	4,956	1,639	2,647	4,959	4,956	1,639	1,796
Derivatives held for risk management purposes:								
Foreign exchange swap contracts	213	(388)	11	(416)	213	(388)	11	(258)
	<b>5,172</b>	<b>4,568</b>	<b>1,650</b>	<b>2,231</b>	<b>5,172</b>	<b>4,568</b>	<b>1,650</b>	<b>1,538</b>

**5 Other operating income**

	Group	Group	Group	Group	Bank	Bank	Bank	Bank
	June 2022	June 2021	3 Months Q2 2022	3 Months Q2 2021	June 2022	June 2021	3 Months Q2 2022	3 Months Q2 2021
	₦ million	N million	N million	N million	₦ million	N million	N million	N million
Dividends	1,143	1,036	141	78	1,143	1,036	141	78
Gains on disposal of property and equipment	313	268	147	165	231	268	66	164
Gain on disposal of equity investment	-	20	-	-	-	20	-	-
Foreign exchange revaluation gain	(1,530)	843	452	573	(1,530)	843	452	314
Rental income	38	98	26	32	38	98	26	47
Sundry income (See (a) below)	382	1,620	155	938	328	1,567	128	887
	<b>346</b>	<b>3,885</b>	<b>921</b>	<b>1,786</b>	<b>210</b>	<b>3,831</b>	<b>813</b>	<b>1,491</b>

(a) Sundry income

	Group	Group	Group	Group	Bank	Bank	Bank	Bank
	June 2022	June 2021	3 Months Q2 2022	3 Months Q2 2021	June 2022	June 2021	3 Months Q2 2022	3 Months Q2 2021
	₦ million	N million	N million	N million	₦ million	N million	N million	N million
Cash handling fees	28	28	14	13	28	28	14	13
Other income	354	1,592	141	925	299	1,539	115	874
	<b>382</b>	<b>1,620</b>	<b>155</b>	<b>938</b>	<b>328</b>	<b>1,567</b>	<b>128</b>	<b>887</b>



**6 Net Impairment charge on financial assets**

	<b>Group</b>	<b>Group</b>	<b>Group</b>	<b>Group</b>	<b>Bank</b>	<b>Bank</b>	<b>Bank</b>	<b>Bank</b>
	<b>June 2022</b>	<b>June 2021</b>	<b>3 Months</b>	<b>3 Months</b>	<b>June 2022</b>	<b>June 2021</b>	<b>3 Months</b>	<b>3 Months</b>
	<b>₦ million</b>	<b>N million</b>	<b>Q2 2022</b>	<b>Q2 2021</b>	<b>₦ million</b>	<b>N million</b>	<b>Q2 2022</b>	<b>Q2 2021</b>
Stage 1 and 2 impairment	2,213	914	(654)	520	2,213	914	478	520
Stage 3 impairment	(2,014)	(761)	478	(1,169)	(2,014)	(761)	(654)	(1,169)
<b>Total impairment write-back/charge on loans and advances</b>	<b>199</b>	<b>153</b>	<b>(176)</b>	<b>(649)</b>	<b>199</b>	<b>153</b>	<b>(175)</b>	<b>(649)</b>
<b>Net impairment charge for credit losses</b>	<b>199</b>	<b>153</b>	<b>(176)</b>	<b>(649)</b>	<b>199</b>	<b>153</b>	<b>(175)</b>	<b>(649)</b>
Net impairment write-back on other financial assets	-	(340)	-	(344)	-	(340)	-	(344)

**7 Personnel expenses**

	<b>Group</b>	<b>Group</b>	<b>Group</b>	<b>Group</b>	<b>Bank</b>	<b>Bank</b>	<b>Bank</b>	<b>Bank</b>
	<b>June 2022</b>	<b>June 2021</b>	<b>3 Months</b>	<b>3 Months</b>	<b>June 2022</b>	<b>June 2021</b>	<b>3 Months</b>	<b>3 Months</b>
	<b>₦ million</b>	<b>N million</b>	<b>Q2 2022</b>	<b>Q2 2021</b>	<b>₦ million</b>	<b>N million</b>	<b>Q2 2022</b>	<b>Q2 2021</b>
Wages and salaries	11,666	14,452	6,008	9,878	11,594	14,383	5,972	7,404
Contributions to defined contribution plans	278	287	138	186	277	286	138	139
Interest and current service cost on defined benefit plans	1	1	1	-	1	1	1	-
	<b>11,945</b>	<b>14,740</b>	<b>6,147</b>	<b>10,064</b>	<b>11,872</b>	<b>14,670</b>	<b>6,111</b>	<b>7,543</b>

**8 Other operating expenses**

	<b>Group</b>	<b>Group</b>	<b>Group</b>	<b>Group</b>	<b>Bank</b>	<b>Bank</b>	<b>Bank</b>	<b>Bank</b>
	<b>June 2022</b>	<b>June 2021</b>	<b>3 Months</b>	<b>3 Months</b>	<b>June 2022</b>	<b>June 2021</b>	<b>3 Months</b>	<b>3 Months</b>
	<b>₦ million</b>	<b>N million</b>	<b>Q2 2022</b>	<b>Q2 2021</b>	<b>₦ million</b>	<b>N million</b>	<b>Q2 2022</b>	<b>Q2 2021</b>
NDIC Premium	2,994	2,670	1,497	1,780	2,994	2,670	1,497	1,335
AMCON surcharge	7,180	5,776	3,587	3,851	7,180	5,776	3,587	2,888
<b>Non-discretionary regulatory costs</b>	<b>10,174</b>	<b>8,446</b>	<b>5,084</b>	<b>5,631</b>	<b>10,174</b>	<b>8,446</b>	<b>5,084</b>	<b>4,223</b>
Auditors' remuneration	84	94	52	62	80	90	50	45
Rents and Rates	400	483	247	304	398	481	246	228
Accommodation and travels	223	106	139	95	223	105	139	56
Fleet management and vehicle related expenses	335	289	157	178	335	289	157	141
Repair and Maintenance	606	597	355	371	601	591	352	258
Professional fees	640	836	244	616	631	827	240	480
Advertising and Promotion expenses	640	687	323	562	640	687	323	438
Security expense	693	693	416	447	693	693	416	325
Expenses on software	3,562	2,992	2,027	2,237	3,562	2,992	2,027	1,656
Donations and Subscriptions	61	328	46	350	61	328	46	313
Cash movement expense	582	623	291	418	582	623	291	310
Diesel and power	2,144	1,334	1,279	931	2,144	1,334	1,279	701
General administrative expenses	1,549	726	700	1,111	1,534	719	691	861
Insurance	182	165	112	115	181	164	112	83
	<b>21,875</b>	<b>18,399</b>	<b>11,473</b>	<b>13,429</b>	<b>21,839</b>	<b>18,369</b>	<b>11,454</b>	<b>10,118</b>

**9 Income tax expense**

**(a) Recognised in the profit or loss**

	<b>Group</b>	Group	<b>Bank</b>	Bank
	<b>June 2022</b>	June 2021	<b>June 2022</b>	June 2021
	<b>₦ million</b>	₦ million	<b>₦ million</b>	₦ million
<b>Current tax expense</b>				
Company Income Tax	460	378	437	377
NITDA Levy	122	114	122	114
Origination and reversal of temporary differences	-	-	-	-
<b>Total tax expense</b>	<b>582</b>	492	<b>559</b>	491
Total income tax expense	582	492	559	491

**10 Earnings per share**

**(a) Basic earnings per share**

Earnings/(loss) per share has been computed based on profit after taxation attributable to the Group ordinary shareholders and the weighted average number of shares in issue during the year is as follows.

*Weighted average number of ordinary shares*

	<b>Group</b>	Group	<b>Bank</b>	Bank
	<b>June 2022</b>	June 2021	<b>June 2022</b>	June 2021
Issued ordinary shares at beginning of the year	29,264	29,264	29,264	29,264
Weighted effect of shares issued during the year	29,264	29,264	29,264	29,264

**(b) Profit attributable to ordinary shareholders**

	<b>Group</b>	Group	<b>Bank</b>	Bank
<i>In millions of Nigerian Naira</i>	<b>June 2022</b>	June 2021	<b>June 2022</b>	June 2021
Profit from continuing operations attributable to equity holders of bank	11,803	11,107	11,725	11,016
Basic earnings per share (in kobo)	40	38	40	38

11 Cash and cash equivalents	Group		Bank	
	30 June 2022	31 Dec 2021	30 June 2022	31 Dec 2021
	₦ million	₦ million	₦ million	₦ million
Cash and balances with banks	106,621	113,303	106,513	151,964
Unrestricted balances with central bank	8,155	19,875	8,155	19,875
Money market placements	237,076	274,001	237,076	274,001
	351,852	407,179	351,744	445,841
ECL Impairment on cash and cash equivalents	(36)	(36)	(36)	(36)
	351,816	407,143	351,708	445,804

12 Financial assets at fair value through profit or loss	Group		Bank	
	30 June 2022	31 Dec 2021	30 June 2022	31 Dec 2021
	₦ million	₦ million	₦ million	₦ million
Government bonds	-	1,281	-	1,281
Commercial Paper	28	-	28	-
Treasury bills	2,288	203	2,288	203
	2,316	1,485	2,316	1,485

13 Pledged assets	Financial assets that may be repledged or resold by counterparties			
	Group		Bank	
	30 June 2022	31 Dec 2021	30 June 2022	31 Dec 2021
	₦ million	₦ million	₦ million	₦ million
Treasury bills	66,853	79,454	66,853	79,454
FGN Bonds	20,746	30,457	20,746	30,457
Placement	320	322	320	322
ECL Impairment on Pledged asset	(7)	(7)	(7)	(7)
	87,911	110,226	87,911	110,226

Financial assets are pledged as collateral as part of securitized borrowing under terms that are usual and customary for such activities.

14 Derivative financial instruments	Group			
	30 June 2022		31 Dec 2021	
	Assets	Liabilities	Assets	Liabilities
	₦ million	₦ million	N million	N million
Instrument Type:				
FX swaps	2,584	-	9,640	-
Non-deliverable futures	-	-	-	8,684
	2,584	-	9,640	8,684

Bank	30 June 2022		31 Dec 2021	
	Assets	Liabilities	Assets	Liabilities
	₦ million	₦ million	N million	N million
Instrument Type:				
FX swaps	2,584	-	9,640	-
Non-deliverable futures	-	-	-	8,684
	2,584	-	9,640	8,684

The Group uses derivatives not designated in a qualifying hedge relationship, to manage its exposure to foreign currency risks. The instruments used include forward contracts and cross currency linked forward contracts.

**15 Loans and advances to customers at amortised cost**

	<b>Group</b>	Group	<b>Bank</b>	Bank
	<b>30 June 2022</b>	31 Dec 2021	<b>30 June 2022</b>	31 Dec 2021
	<b>₦ million</b>	₦ million	<b>₦ million</b>	₦ million
FCY Loans	415,355	401,366	415,355	401,366
LCY Loans	479,990	497,740	479,990	497,740
<b>Gross amount</b>	<b>895,345</b>	<b>899,106</b>	<b>895,345</b>	<b>899,106</b>
<b><i>IFRS 9</i></b>				
Stage 1 impairment	<b>(4,778)</b>	(4,615)	<b>(4,778)</b>	(4,615)
Stage 2 impairment	<b>(12,211)</b>	(12,378)	<b>(12,211)</b>	(12,378)
Stage 3 impairment	<b>(12,790)</b>	(13,274)	<b>(12,790)</b>	(13,274)
<b>Total impairment</b>	<b>(29,779)</b>	(30,266)	<b>(29,779)</b>	(30,266)
<b>Carrying amount</b>	<b>865,566</b>	868,840	<b>865,566</b>	868,840

**16 Investment in equity accounted investee**

	Group	Group	Bank	Bank
	30 June 2022	31 Dec 2021	30 June 2022	31 Dec 2021
	₦ million	₦ million	₦ million	₦ million
Cost				
Balance, beginning of the year	115	115	91	91
	115	115	91	91
Impairments	(115)	(115)	(91)	(91)
<b>Balance, end of the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**17 Investment securities**

	Group	Group	Bank	Bank
	30 June 2022	31 Dec 2021	30 June 2022	31 Dec 2021
	₦ million	₦ million	₦ million	₦ million
Investment securities at fair value through other comprehensive income (FVOCI) (see note (a) below)	419,162	300,502	419,162	300,502
Investment at fair value through profit or loss (FVTPL) (see note (b) below)	61,732	56,774	61,732	56,774
Investment securities at amortised cost (see note (c) below)	27,811	30,236	27,811	30,236
Impairment on securities (see note (c) below)	(4)	(4)	(4)	(4)
	508,701	387,508	508,701	387,508

**(a) Investment securities at fair value through other comprehensive income comprise:**

	Group	Group	Bank	Bank
	30 June 2022	31 Dec 2021	30 June 2022	31 Dec 2021
	₦ million	₦ million	₦ million	₦ million
<i>- Investments in debt securities:</i>				
Treasury bills	357,741	256,917	357,741	256,917
FGN Bonds	36,869	16,572	36,869	16,572
State Bonds	4,038	4,037	4,038	4,037
Corporate Bonds	10,941	13,665	10,941	13,665
Commercial Paper	-	53	-	53
FGN Promissory note	6,626	6,311	6,626	6,311
<b>Total investment in debt securities</b>	<b>416,215</b>	<b>297,555</b>	<b>416,215</b>	<b>297,555</b>
<i>- Investments in equity securities:</i>				
Equity: Quoted see (i) below	1,777	1,777	1,777	1,777
Unquoted see (ii) below	1,170	1,170	1,170	1,170
<b>Total investment in equity instruments</b>	<b>2,947</b>	<b>2,947</b>	<b>2,947</b>	<b>2,947</b>
<b>Total investment securities at FVTOCI</b>	<b>419,162</b>	<b>300,502</b>	<b>419,162</b>	<b>300,502</b>

	Group	Group	Bank	Bank
	30 June 2022	31 Dec 2021	30 June 2022	31 Dec 2021
	₦ million	₦ million	₦ million	₦ million
(i) Investment in REIT	1,777	1,777	1,777	1,777
(ii) <b>Investment in unquoted equities</b>				
Nigeria Auto Clearing System	682	682	682	682
Credit Reference Company	119	119	119	119
Central Securities Clearing System	201	201	201	201
Sanef Ltd	50	50	50	50
Unique Venture Funds Ltd	118	118	118	118
	<b>1,171</b>	<b>1,170</b>	<b>1,171</b>	<b>1,170</b>
<b>Total</b>	<b>2,948</b>	<b>2,947</b>	<b>2,948</b>	<b>2,947</b>
(b) <i>Investment at fair value through profit or loss comprise:</i>				
	Group	Group	Bank	Bank
	30 June 2022	31 Dec 2021	30 June 2022	31 Dec 2021
	₦ million	₦ million	₦ million	₦ million
Investment in equity				
Afrexim Bank	8,294	7,183	8,294	7,183
Africa Finance Corporation (AFC)	53,438	49,591	53,438	49,591
<b>Total investment securities at FVTPL</b>	<b>61,732</b>	<b>56,774</b>	<b>61,732</b>	<b>56,774</b>
(c) <i>Investment securities at amortised cost comprise:</i>				
	Group	Group	Bank	Bank
	30 June 2022	31 Dec 2021	30 June 2022	31 Dec 2021
	₦ million	₦ million	₦ million	₦ million
Treasury bills	-	-	-	-
Federal Government of Nigeria -Bonds	26,594	28,455	26,594	28,455
State Government of Nigeria -Bonds	1,217	1,780	1,217	1,780
<b>Total investment securities at amortised cost</b>	<b>27,811</b>	<b>30,236</b>	<b>27,811</b>	<b>30,236</b>
Stage 1 impairment	(4)	(4)	(4)	(4)
<b>Total impairment</b>	<b>(4)</b>	<b>(4)</b>	<b>(4)</b>	<b>(4)</b>
<b>Net Total -Fixed income securities</b>	<b>444,022</b>	<b>327,787</b>	<b>444,022</b>	<b>327,787</b>
<b>Total investment securities</b>	<b>508,701</b>	<b>387,508</b>	<b>508,701</b>	<b>387,508</b>

**18 Trading properties**

This represents the cost of real estate properties held by the Group which are designated for resale. The movement on the trading properties account during the year was as follows:

	<b>Group</b>	Group	<b>Bank</b>	Bank
	<b>30 June 2022</b>	31 Dec 2021	<b>30 June 2022</b>	31 Dec 2021
	<b>₦ million</b>	₦ million	<b>₦ million</b>	₦ million
Balance, beginning of year	187	187	187	187
Addition	-	-	-	-
<b>Balance, end of year</b>	<b>187</b>	187	<b>187</b>	187

**19 Investment Properties**

	<b>Group</b>	Group	<b>Bank</b>	Bank
	<b>30 June 2022</b>	31 Dec 2021	<b>30 June 2022</b>	31 Dec 2021
	<b>₦ million</b>	₦ million	<b>₦ million</b>	₦ million
Balance, beginning of the year	5,226	4,817	-	-
	5,226	4,817	-	-
Fair value gain	20	409	-	-
<b>Balance, end of the year</b>	<b>5,246</b>	5,226	-	-

**20 Investment in subsidiaries**

**Cost**

	<b>Bank</b>	Bank
	<b>30 June 2022</b>	31 Dec 2021
	<b>₦ million</b>	₦ million
UBN Property Company Plc	2,195	2,195
Union Bank UK Plc	-	-
	<b>2,195</b>	2,195

- (a) The subsidiary companies, country of incorporation, nature of business and percentage equity holding are detailed below:

Company Name	Country Incorporation	Nature of business	Direct ownership interest	
			<b>30 June 2022</b>	31 Dec 2021
			<b>Status/%</b>	Status/%
UBN Property Company Plc (i)	Nigeria	Property Development	<b>39.01</b>	39.01

(i) **UBN Property Company Plc (Registered office at 36, Marina, Lagos)**

The Company has 5,626,416,051 ordinary shares of N1.00 each of which 39.01% (December 2021- 39.01%) is held by the Bank. In line with IFRS 10- Consolidated Financial Statement, Union Bank of Nigeria Plc has control over this entity as it has the power, exposure to variability of returns and a strong link between power and variability of returns. The Bank also governs the financial and operating policies of UBN Property Company Plc.

(ii) **Union Bank UK Plc (Registered office at 1 Kings's Arm Yard, London, EC2R 7AF)**

The Bank directly holds 100% holding of Union Bank UK's 60,000,000 ordinary shares and 99% of its 50,000 deferred shares of GBP1 each and 1% indirect holding through Williams Street Trustees Limited, the nominee company for Union Bank of Nigeria Plc . Union Bank UK Plc was incorporated in December, 2004 as an authorised United Kingdom subsidiary to carry out the business formerly conducted by the London Branch of Union Bank of Nigeria Plc. Union Bank UK Plc has been classified as assets held for sale in line with the requirements of IFRS 5

**21 Property and equipment**

**(a) Group:**

The movement in these accounts during the period was as follows:

	Land	Buildings	Leasehold improvement	Fixtures and fittings	Furniture & equipment	Motor vehicles	Capital work in progress	Total
	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million
<b>(i) Cost</b>								
Balance at 1st January, 2022	10,419	20,183	22,006	5,744	38,577	2,291	1,695	100,915
Additions	-	0	178	43	549	9	(649)	131
Reclassification to other assets	-	0	(3)	-	0	(142)	-	(144)
Disposal	(89)	(101)	-	(11)	(62)	(1)	-	(265)
<b>Balance at 30 June 2022</b>	<b>10,330</b>	<b>20,082</b>	<b>22,182</b>	<b>5,776</b>	<b>39,064</b>	<b>2,157</b>	<b>1,046</b>	<b>100,637</b>
Balance at 1st January, 2021	10,648	20,115	20,577	5,733	34,562	2,285	1,509	95,429
Additions	-	191	1,161	127	3,386	22	1,695	6,582
Disposals	(229)	(256)	(48)	(254)	(109)	(16)	-	(912)
Reclassification to other assets	-	133	316	138	738	-	(1,509)	(184)
Balance as at 31 Dec 2021	10,419	20,183	22,006	5,744	38,577	2,291	1,695	100,915
<b>(ii) Accumulated depreciation</b>								
Balance at 1st January 2022	-	7,013	3,275	3,120	27,742	2,092	-	43,242
Charge for the period	-	186	214	242	2,029	62	-	2,733
Disposals	-	(91)	-	(9)	(62)	-	-	(163)
Reclassifications	-	(63)	4	-	-	(72)	-	(131)
<b>Balance at 30 June 2022</b>	<b>-</b>	<b>7,044</b>	<b>3,492</b>	<b>3,353</b>	<b>29,709</b>	<b>2,083</b>	<b>-</b>	<b>45,681</b>
Balance at 1st January, 2021	-	6,748	2,871	2,801	23,747	1,898	-	38,065
Charge for the year	-	372	410	491	4,133	203	-	5,609
Disposals	-	(107)	(6)	(172)	(138)	(9)	-	(432)
Balance as at 31 Dec 2021	-	7,013	3,275	3,120	27,742	2,092	-	43,242
<b>(iii) Net Book Value</b>								
<b>Balance at 30 June 2022</b>	<b>10,330</b>	<b>13,038</b>	<b>18,689</b>	<b>2,423</b>	<b>9,355</b>	<b>75</b>	<b>1,046</b>	<b>54,957</b>
Balance as at 31 December 2021	10,419	13,170	18,731	2,624	10,835	199	1,695	57,673

(iv) In the opinion of the directors, the market value of the Group's properties is not less than the value shown in the financial statements.

(v) Capital work in progress represents construction costs in respect of new offices. On completion of construction, the related amounts are transferred to appropriate categories of property and equipment.

(vi) There were no capitalised borrowing costs related to the acquisition of property and equipment during the period (December 2021: nil)



(b) **Bank:**

The movement in these accounts during the period was as follows:

	Land	Buildings	Leasehold improvement	Fixtures and fittings	Furniture & equipment	Motor vehicles	Capital work in progress	Total
	N million	N million	N million	N million	N million	N million	N million	N million
(i) <b>Cost</b>								
Balance at 1st January 2022	10,439	20,191	22,006	5,744	38,530	2,291	1,695	100,896
Additions	-	0	178	43	549	0	(649)	121
Reclassifications	-	0	(3)	-	0	(142)	-	(144)
Disposals	(89)	(101)	-	(11)	(62)	-	-	(264)
<b>Balance at 30 June 2022</b>	<b>10,350</b>	<b>20,090</b>	<b>22,182</b>	<b>5,776</b>	<b>39,017</b>	<b>2,150</b>	<b>1,046</b>	<b>100,610</b>
Balance at 1st January 2021	10,648	20,115	20,577	5,733	34,542	2,268	1,509	95,392
Additions	(18)	190	1,160	128	3,380	23	1,695	6,558
Disposals	(191)	(247)	(47)	(255)	(130)	-	-	(870)
Reclassifications to other assets	-	133	316	138	738	-	(1,509)	(184)
Balance as at 31 December 2021	10,439	20,191	22,006	5,744	38,530	2,291	1,695	100,896
(ii) <b>Accumulated depreciation</b>								
Balance at 1st January 2022	-	7,012	3,275	3,122	27,742	2,092	-	43,243
Charge for the period	-	185	214	242	2,025	61	-	2,727
Disposals	-	(91)	-	(9)	(62)	-	-	(163)
Reclassifications	-	(63)	4	-	-	(72)	-	(131)
<b>Balance at 30 June 2022</b>	<b>-</b>	<b>7,043</b>	<b>3,493</b>	<b>3,355</b>	<b>29,705</b>	<b>2,082</b>	<b>-</b>	<b>45,677</b>
Balance at 1st January 2021	-	6,747	2,871	2,802	23,736	1,894	-	38,050
Charge for the year	-	373	410	492	4,126	198	-	5,599
Disposals	-	(108)	(6)	(172)	(120)	-	-	(406)
Reclassifications	-	-	-	-	-	-	-	-
Balance as at 31 December 2021	-	7,012	3,275	3,122	27,742	2,092	-	43,243
(iii) <b>Net Book Value</b>								
<b>Balance at 30 June 2022</b>	<b>10,350</b>	<b>13,047</b>	<b>18,689</b>	<b>2,421</b>	<b>9,312</b>	<b>68</b>	<b>1,046</b>	<b>54,934</b>
Balance as at 31 December 2021	10,439	13,179	18,731	2,622	10,788	199	1,695	57,653

(iv) In the opinion of the directors, the market value of the Bank's properties is not less than the value shown in the financial statements.

(v) Capital work in progress represents construction costs in respect of new offices. On completion of construction, the related amounts are transferred to appropriate categories of property and equipment.

(vi) There were no capitalised borrowing costs related to the acquisition of property and equipment during the period (December 2021: nil)

## 22 Intangible assets

	Group	Group	Bank	Bank
	30 June 2022	31 Dec 2021	30 June 2022	31 Dec 2021
	₦ million	₦ million	₦ million	₦ million
<b>Cost</b>				
Balance, beginning of the year	15,252	14,769	15,251	14,768
Additions	550	299	550	299
Transfer from property and equipment	(482)	184	(482)	184
Exchange translation difference	(2)	-	-	-
<b>Balance, end of period</b>	<b>15,318</b>	15,252	<b>15,319</b>	15,251
<b>Amortization and impairment losses</b>				
Balance, beginning of the year	11,469	9,557	11,469	9,557
Amortisation for the year	841	1,912	841	1,912
<b>Balance, end of period</b>	<b>12,310</b>	11,469	<b>12,310</b>	<b>11,469</b>
<b>Carrying amounts as at period end</b>	<b>3,008</b>	<b>3,783</b>	<b>3,009</b>	<b>3,782</b>
Balance as at 1 January	3,783	5,212	3,782	5,211

- (i) In the opinion of the directors, the market value of the Group's software is not less than the value shown in the financial statements.
- (ii) There were no capitalised borrowing costs related to the acquisition of software during the year (December 2021: nil)

## 23 Right of Use Assets

	Group	Group	Bank	Bank
	30 June 2022	31 Dec 2021	30 June 2022	31 Dec 2021
	₦ million	₦ million	₦ million	₦ million
Gross Amount	4,530	3,450	4,530	3,781
Additions	646	431	646	889
Derecognition	(278)	(100)	(278)	(140)
Gross Amount	4,899	3,781	4,899	4,530
Accumulated depreciation	(1,753)	(1,041)	(1,753)	(1,041)
Charge in the year	(396)	(712)	(396)	(712)
<b>Carrying Amount as at period end</b>	<b>2,749</b>	2,777	<b>2,749</b>	2,777

## 24 Deferred tax assets and liabilities

### Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

#### Group

30 June 2022

	Assets	Liabilities	Net
	₦ million	₦ million	₦ million
Property, equipment, and software	-	7,034	(7,034)
Allowances for loan losses	-	192	(192)
Foreign exchange gains	573	-	573
Tax loss carry forward	100,630	-	100,630
Others	1,711	-	1,711
<b>Net tax assets (liabilities)</b>	<b>102,914</b>	<b>7,226</b>	<b>95,688</b>

**Deferred tax assets and liabilities**

<b>31 December 2021</b>	<b>Assets</b>	<b>Liabilities</b>	<b>Net</b>
	₦ million	₦ million	₦ million
Property, equipment, and software	-	7,034	(7,034)
Allowances for loan losses	-	192	(192)
Foreign exchange gains	573	-	573
Tax loss carry forward	100,630	-	100,630
Others	1,711	-	1,711
<b>Net tax assets (liabilities)</b>	<b>102,914</b>	<b>7,226</b>	<b>95,688</b>

**Bank**

<b>30 June 2022</b>	<b>Assets</b>	<b>Liabilities</b>	<b>Net</b>
	₦ million	₦ million	₦ million
Property, equipment, and software	-	6,847	(6,847)
Allowances for loan losses	-	192	(192)
Foreign exchange gains	573	-	573
Tax loss carry forward	100,630	-	100,630
Others	1,711	-	1,711
<b>Net tax assets (liabilities)</b>	<b>102,914</b>	<b>7,039</b>	<b>95,875</b>

**31 December 2021**

	<b>Assets</b>	<b>Liabilities</b>	<b>Net</b>
	₦ million	₦ million	₦ million
Property, equipment, and software	-	6,847	(6,847)
Allowances for loan losses	-	192	(192)
Foreign exchange gains	573	-	573
Tax loss carry forward	100,630	-	100,630
Others	1,711	-	1,711
<b>Net tax assets (liabilities)</b>	<b>102,914</b>	<b>7,039</b>	<b>95,875</b>

**Deferred tax assets and liabilities**

**Movement on the net deferred tax assets/(liabilities) account during the year:**

	<b>Group</b>	<b>Group</b>	<b>Bank</b>	<b>Bank</b>
	<b>30 June 2022</b>	31 Dec 2021	<b>30 June 2022</b>	31 Dec 2021
	₦ million	₦ million	₦ million	₦ million
Balance, beginning of the year	<b>95,688</b>	95,875	<b>95,875</b>	95,875
Prior year adjustment (see note 42(b))				
Balance, beginning of the year ( )	<b>95,688</b>	95,875	<b>95,875</b>	95,875
Credit for the year	-	(187)	-	-
<b>Net deferred tax assets/(liabilities)</b>	<b>95,688</b>	95,688	<b>95,875</b>	95,875
<i>Made up of</i>				
Deferred tax assets	102,914	102,914	102,914	-
Deferred tax liabilities	<b>(7,319)</b>	(7,319)	<b>(7,319)</b>	-

**Recognised and unrecognised deferred tax assets**

Recognition of deferred tax assets of N95,688 (December 2021: N95,688) is based on management's profit forecasts (which are based on the available evidence, including historical levels of profitability), which indicate that it is probable that the Group's entities will have taxable profits against which these assets can be utilized.

**25 Other assets**

	<b>Group</b>	Group	<b>Bank</b>	Bank
	<b>30 June 2022</b>	31 Dec 2021	<b>30 June 2022</b>	31 Dec 2021
	<b>₦ million</b>	₦ million	<b>₦ million</b>	₦ million
Cash Reserve Requirement	<b>297,865</b>	429,279	<b>297,865</b>	429,279
Excess CRR balance to be refunded (see (i))	<b>25,523</b>	25,523	<b>25,523</b>	25,523
<b>Total Cash Reserve Requirement</b>	<b>323,388</b>	454,802	<b>323,388</b>	454,802
<b>Other assets:</b>				
Clearing	<b>1,193</b>	486	<b>1,193</b>	486
Accounts receivable	<b>1,205</b>	1,199	<b>163</b>	162
Prepayments	<b>16,930</b>	5,728	<b>16,909</b>	5,727
Receivable on FX forward (see (ii))	<b>123,472</b>	68,184	<b>123,472</b>	68,184
Repossed assets	<b>18,519</b>	18,584	<b>18,519</b>	18,584
Sundry assets (see (iii))	<b>32,887</b>	30,399	<b>32,848</b>	30,377
	<b>194,206</b>	124,580	<b>193,104</b>	123,521
Impairment on other assets (see (iv))	<b>(7,912)</b>	(7,829)	<b>(6,870)</b>	(6,787)
<b>Net other assets</b>	<b>186,294</b>	116,751	<b>186,234</b>	116,734
<b>Total other assets</b>	<b>509,682</b>	571,553	<b>509,622</b>	571,536

(i) The Bank had restricted balances of N323.388 billion (December 2021: N454.802billion) with the Central Bank of Nigeria (CBN) as at 30 June 2022, representing the cash reserve requirement (CRR). The CRR is a mandatory cash deposit which should be held with the Central Bank of Nigeria as a regulatory requirement. The CRR is non interest bearing and is not available for use in the Group's day-to-day operations. As at 30 June 2022, the CRR in force was 27.5% (Dec 2021: 27.5%).

(ii) **Receivable on FX forward**

The balance represents the value of foreign currency receivable on forward transactions with Central Bank of Nigeria.

(iii) **Other Sundry assets**

	Group	Group	Bank	Bank
	30 June 2022	31 Dec 2021	30 June 2022	31 Dec 2021
	₦ million	₦ million	₦ million	₦ million
Frauds and losses	1,499	1,493	1,499	1,493
Advance payments for PPE	1,949	577	1,949	577
Receivable from Union Homes	2,608	2,608	2,608	2,608
Property under dispute	1,352	1,352	1,352	1,352
Garnishee Order	1,179	1,291	1,179	1,291
ATM receivable	636	1,361	636	1,361
Dividend Receivable	396	396	396	396
Receivable on electronic transfers and collections	4,758	5,422	4,758	5,421
Master/Visa card electronic settlement	4,257	538	4,257	538
Withholding tax receivable	3,568	3,568	3,568	3,568
Asset below capitalisation	7	13	7	13
Investment in AgriBusiness/SMEEIS	4,810	4,810	4,810	4,810
Prepaid inventory items	224	-	224	-
E-settlement receivable	100	2,091	100	2,091
Cash in Transit	247	123	247	123
Prepaid staff benefit	923	1,301	923	1,301
Prepaid Stock items	449	682	449	682
Other account balances	3,925	2,752	3,886	2,752
<b>Balance, end of year</b>	<b>32,887</b>	<b>30,399</b>	<b>32,848</b>	<b>30,377</b>

(iv) **Movement in impairment on other assets:**

	Group	Group	Bank	Bank
	30 June 2022	31 Dec 2021	30 June 2022	31 Dec 2021
	₦ million	₦ million	₦ million	₦ million
Balance, beginning of the year	7,829	7,219	6,787	6,231
Charge for the year	-	325	-	320
Effect of exchange rate	83	285	83	291
<b>Balance, end of year</b>	<b>7,912</b>	<b>7,829</b>	<b>6,870</b>	<b>6,787</b>

26 **Deposits from banks**

	Group	Group	Bank	Bank
	30 June 2022	31 Dec 2021	30 June 2022	31 Dec 2021
	₦ million	₦ million	₦ million	₦ million
Other deposits from banks	27,585	-	27,585	-
<b>Total deposits from Banks</b>	<b>27,585</b>	<b>-</b>	<b>27,585</b>	<b>-</b>

**27 Deposits from customers**

	Group	Group	Bank	Bank
	30 June 2022	31 Dec 2021	30 June 2022	31 Dec 2021
	₦ million	₦ million	₦ million	₦ million
Term deposits	545,287	425,435	551,699	430,849
Current deposits	494,773	532,198	494,773	532,198
Savings	410,388	398,276	410,388	398,276
<b>Total deposits from customers</b>	<b>1,450,447</b>	<b>1,355,910</b>	<b>1,456,859</b>	<b>1,361,323</b>
Low-cost deposits	905,160	930,474	905,160	930,474
Low-cost deposits as % of total customer deposits	62.4%	68.6%	62.1%	68.4%
<b>Deposits by currency</b>				
Local currency deposits	1,165,522	1,037,538	1,165,522	1,037,538
Foreign currency deposits	284,925	318,372	291,337	323,785
	<b>1,450,447</b>	<b>1,355,910</b>	<b>1,456,859</b>	<b>1,361,323</b>

**28 Current tax liabilities**

	Group	Group	Bank	Bank
	30 June 2022	31 Dec 2021	30 June 2022	31 Dec 2021
	₦ million	₦ million	₦ million	₦ million
Balance, beginning of year	1,420	797	1,356	778
Charge for the year	582	1,423	559	1,352
Payments during the year	(342)	(800)	(313)	(774)
<b>Balance, end of year</b>	<b>1,660</b>	<b>1,420</b>	<b>1,602</b>	<b>1,356</b>

**29 Other liabilities**

	Group	Group	Bank	Bank
	30 June 2022	31 Dec 2021	30 June 2022	31 Dec 2021
	₦ million	₦ million	₦ million	₦ million
Deposits for foreign currency	281,489	482,374	281,489	482,374
Deposit for properties	2,051	-	-	-
Due to foreign correspondent banks	76,055	71,887	76,055	71,887
PAYE and other statutory deductions	1,833	1,207	1,833	1,197
Draft and Bills payable	2,440	2,173	2,440	2,173
AMCON contribution payable	454	908	454	908
Creditors and accruals (see (a) below)	2,813	4,552	2,548	4,552
Provision for fraud	59	59	59	59
Unearned income	1,021	1,114	1,021	1,114
Provision for claims and contingencies (see (b) below)	4,383	4,283	4,383	4,283
Accounts payable	5,944	6,258	5,925	4,445
OBB/REPO takings	58,243	23,585	58,243	23,585
Other provisions	6	4	6	4
Electronic collections and other e-payment liabilities	-	33,790	-	33,790
Liability for pledged assets	17,766	44,547	17,766	44,547
Other credit balances	118,299	23,078	117,830	23,078
	<b>572,857</b>	<b>699,819</b>	<b>570,052</b>	<b>697,996</b>
Lease Liability	1,726	1,895	1,726	1,895
<b>Total other liabilities</b>	<b>574,583</b>	<b>701,714</b>	<b>571,778</b>	<b>699,891</b>

**(a) Creditors and accruals**

	<b>Group</b>	Group	<b>Bank</b>	Bank
	<b>30 June 2022</b>	31 Dec 2021	<b>30 June 2022</b>	31 Dec 2021
	<b>N million</b>	N million	<b>N million</b>	N million
Accrued IT Consumables	<b>332</b>	254	<b>332</b>	254
Accruals for professional and consultancy fees	<b>255</b>	102	<b>255</b>	102
Accrual for Industrial Training Fund Levy	<b>102</b>	230	<b>102</b>	230
Accrual for advertisement	<b>127</b>	60	<b>127</b>	60
Accrual for staff related allowances	<b>186</b>	3,284	<b>186</b>	3,284
Accrual for repairs and maintenance expenses	<b>117</b>	174	<b>117</b>	174
Other accruals	<b>1,694</b>	447	<b>1,429</b>	447
	<b>2,813</b>	4,552	<b>2,548</b>	4,552

**(b) The movement on provision for claims and contingencies during the year was as follows**

	<b>Group</b>	Group	<b>Bank</b>	Bank
	<b>30 June 2022</b>	31 Dec 2021	<b>30 June 2022</b>	31 Dec 2021
	<b>N million</b>	N million	<b>N million</b>	N million
Balance, beginning of year	<b>4,283</b>	3,717	<b>4,283</b>	3,717
Charge/(reversal during the year)	<b>100</b>	566	<b>100</b>	566
Balance, end of the year	<b>4,383</b>	4,283	<b>4,383</b>	4,283

**30 Employee benefit obligations**

	<b>Group</b>	Group	<b>Bank</b>	Bank
	<b>30 June 2022</b>	31 Dec 2021	<b>30 June 2022</b>	31 Dec 2021
	<b>₦ million</b>	₦ million	<b>₦ million</b>	₦ million
Post employment benefit obligation (see (a) below)	205	339	205	338
Other long-term employee benefits	897	730	896	730
	<b>1,101</b>	1,069	<b>1,100</b>	1,068

**(a) Post employment benefit obligation**

	<b>Group</b>	Group	<b>Bank</b>	Bank
	<b>30 June 2022</b>	31 Dec 2021	<b>30 June 2022</b>	31 Dec 2021
	<b>₦ million</b>	₦ million	<b>₦ million</b>	₦ million
Defined contribution scheme (see (i) below)	205	339	205	338
	205	339	205	338
Defined benefit asset	1,561	1,222	1,561	1,223
<b>Net defined benefit obligation</b>	<b>1,561</b>	1,561	<b>1,561</b>	1,561

**(i) Defined Contribution Scheme**

	<b>Group</b>	Group	<b>Bank</b>	Bank
	<b>30 June 2022</b>	31 Dec 2021	<b>30 June 2022</b>	31 Dec 2021
	<b>₦ million</b>	₦ million	<b>₦ million</b>	₦ million
Balance, beginning of year	339	81	338	81
Charge during the year	278	969	277	969
Contribution remitted during the year	(412)	(711)	(410)	(712)
<b>Balance, end of year</b>	<b>205</b>	339	<b>205</b>	338

The Group and its employees make respective contributions of 10% and 8% of basic salary, housing and transport allowance to each employee's retirement savings account maintained with employees' nominated Pension Fund Administrators.

**(ii) Defined benefit obligation**

The Management of the Bank, in compliance with the Pension Reform Act 2014 and in line with the Trust Deed guiding the Bank's Pension Fund, bought an annuity programme with Leadway Assurance Company Plc for its Defined Benefit (DB) Scheme Pensioners.

Prior to this, the Bank engaged the Union Bank Pensioners' Association at both the National and Zonal Levels, conducted a roadshow across the country for its Pensioners under the Defined Benefit Scheme to get their buy-in for the Annuity Programme. Over 4,600 DB Pensioners have subscribed to the annuity program.

The benefits of the annuity program include;

- The transfer of risks associated with managing future income
- Longevity Risk: There is no fear of lack of income no matter how long the Annuitant lives
- Investment Risk: The Risk of Investment is borne by Leadway Assurance. This is not the case if the Bank continues to manage the fund.



**(b) Other long-term employee benefits**

Other long-term employee benefit represents liability in respect of long service award.

The basis of determining the benefit due to an employee is as stated below:

<b>Length of service</b>	<b>Transaction officer and below</b>	<b>Executive trainee- Manager</b>	<b>Senior Manager - General Manager</b>
10 years	10% of Annual Basic Salary And	10% of Annual Basic And Salary Cash Award of N120,000	10% of Annual Basic And Salary Cash Award of N150,000.00
15 years	15% of Annual Basic Salary And	15% of Annual Basic And Salary Cash Award of N175,000	15% of Annual Basic And Salary Cash Award of N180,000.00
20 years	20% of Annual Basic Salary and	20% of Annual Basic Salary And Cash Award of N220,000	20% of Annual Basic And Salary Cash Award of N250,000.00
25 years	25% of Annual Basic Salary And	25% of Annual Basic And Salary Cash Award of N250,000	25% of Annual Basic And Salary Cash Award of N375,000.00
30 years	30% of Annual Basic And Salary	30% of Annual Basic And Salary Cash Award of N300,000	30% of Annual Basic And Salary Cash Award of N625,000.00
35 years	35% of Annual Basic And Salary	35% of Annual Basic And Salary Cash Award of N375,000	35% of Annual Basic Salary and Annual Basic Salary

The amounts recognised in the statement of financial position are as follows:

	<b>Group</b>	Group	<b>Bank</b>	Bank
	<b>30 June 2022</b>	31 Dec 2021	<b>30 June 2022</b>	31 Dec 2021
	<b>₦ million</b>	₦ million	<b>₦ million</b>	₦ million
Present value of unfunded obligation	<b>897</b>	730	<b>896</b>	730
Total present value of the obligation	<b>897</b>	730	<b>896</b>	730
Present value of net obligation	<b>897</b>	730	<b>896</b>	730
Recognized liability for defined benefit obligations	<b>897</b>	730	<b>896</b>	730

**31 Debt securities issued**

	<b>Group</b>	Group	<b>Bank</b>	Bank
	<b>30 June 2022</b>	31 Dec 2021	<b>30 June 2022</b>	31 Dec 2021
	<b>₦ million</b>	₦ million	<b>₦ million</b>	₦ million
Long term bonds	<b>6,545</b>	6,536	<b>6,545</b>	6,536
	<b>6,545</b>	6,536	<b>6,545</b>	6,536

Amount represents debt Issuance Program. The Long term bonds are senior unsecured fixed rate bonds with a maturity tenor of seven (7) years.

**32 Commercial Papers**

	<b>Group</b>	Group	<b>Bank</b>	Bank
	<b>30 June 2022</b>	31 Dec 2021	<b>30 June 2022</b>	31 Dec 2021
	<b>₦ million</b>	₦ million	<b>₦ million</b>	₦ million
Commercial Papers Series 9	-	32,262	-	32,262
	-	32,262	-	32,262

**33 Long Term Subordinated bond**

	<b>Group</b>	Group	<b>Bank</b>	Bank
	<b>30 June 2022</b>	31 Dec 2021	<b>30 June 2022</b>	31 Dec 2021
	<b>₦ million</b>	₦ million	<b>₦ million</b>	₦ million
Series 3 bonds	<b>29,701</b>	29,716	<b>29,701</b>	29,716
	<b>29,701</b>	29,716	<b>29,701</b>	29,716

Amount represents a N30 billion subordinated unsecured fixed rate bonds. It forms part of the N100 billion domestic bond programme of the bank.

**34 Other borrowed funds**

	<b>Group</b>	Group	<b>Bank</b>	Bank
	<b>30 June 2022</b>	31 Dec 2021	<b>30 June 2022</b>	31 Dec 2021
	<b>₦ million</b>	₦ million	<b>₦ million</b>	₦ million
Due to CACS (see (a))	<b>2,613</b>	622	<b>2,613</b>	622
BOI on-lending facilities (see note (b) )	<b>892</b>	1,294	<b>892</b>	1,294
CBN RSSF-on lending (see (c))	<b>14,662</b>	15,617	<b>14,662</b>	15,617
Trade finance lending (see (d))	<b>30,085</b>	31,373	<b>30,085</b>	31,373
Short term borrowing	<b>7,362</b>	5,256	<b>7,362</b>	5,256
Other borrowings (see (e))	<b>61,538</b>	97,550	<b>61,538</b>	97,550
LCY mid-term borrowings	<b>17,863</b>	22,050	<b>17,863</b>	22,050
SME on-lending scheme	<b>1,071</b>	1,356	<b>1,071</b>	1,356
	<b>136,085</b>	175,118	<b>136,085</b>	175,118

- (a) This represents the outstanding balance on an unsecured facility of N18,167,000,000 disbursed by the Central Bank of Nigeria (CBN), as part of its developmental role, in collaboration with the Federal Government of Nigeria represented by the Federal Ministry of Agriculture and Water Resources which established the Commercial Agriculture Credit Scheme for promoting agricultural enterprises in Nigeria. The funds are made available to participating banks at zero cost, for on-lending to commercial agricultural enterprises at a new rate of 5.00% p.a.
- (b) This represents the outstanding balance of an intervention credit granted to the Bank by the Bank of Industry (BOI), a company incorporated in Nigeria for the purpose of refinancing / or restructuring existing loans to Small and Medium Scale Enterprises (SMEs) and manufacturing companies. The total facility has a 15-period tenor and repayable quarterly.

Under the on-lending agreement and the Bank is under obligation to on-lend to customers at an all-in interest rate of 5% per annum. Though the facility is meant for on-lending to borrowers in specified sectors, the Bank remains the primary obligor to the BOI and therefore assumes the risk of default of customers.

- (c) The amount of N14.66 bn (December 2021: N15.62 bn) represents the outstanding balance on the Real Sector Support Facility (RSSF). The Facility is given by the Central Bank of Nigeria to support large enterprises for startups and expansion financing needs. The real sector activities targeted by the Facility are manufacturing, agricultural value chain and selected service sub-sectors. The Facility is administered at an all-in Interest rate/charge of 5% per annum payable on quarterly basis. The Central Bank of Nigeria is entitled to earn 1% as interest while the Bank is entitled to 4%.
- (d) Trade finance lending includes balances from the following financial institutions:

**Group**

	Group	Group	Group	Group
	30 June 2022	31 Dec 2021	30 June 2022	31 Dec 2021
	\$ million	\$ million	N million	N million
Mashreq Bank	28	26	11,980	11,183
Access Bank UK	47	47	19,831	20,190
COMMERZBANK AG GERMANY	-	-	-	-
Citibank N.A. UK	-	-	-	-
	<b>76</b>	<b>73</b>	<b>31,811</b>	<b>31,373</b>

**Bank**

	Bank	Bank	Bank	Bank
	30 June 2022	31 Dec 2021	30 June 2022	31 Dec 2021
	\$ million	\$ million	N million	N million
Mashreq Bank	28	26	11,980	11,183
Access Bank UK	47	47	19,831	20,190
COMMERZBANK AG GERMANY	-	-	-	-
CITIBANK N.A. U.K.	-	-	-	-
	<b>76</b>	<b>73</b>	<b>31,811</b>	<b>31,373</b>

- (e) Other borrowings consists of the balances of foreign currency denominated liabilities obtained from the financial institution below:

	Group	Group	Group	Group
	30 June 2022	31 Dec 2021	30 June 2022	31 Dec 2021
	\$ million	\$ million	N million	N million
OPIC	146	150	61,538	62,168
Afreximbank	-	84	-	35,382
	<b>146</b>	<b>234</b>	<b>61,538</b>	<b>97,550</b>

- (e) Other borrowings consists of the balances of foreign currency denominated liabilities obtained from the financial institution below:

	Bank	Bank	Bank	Bank
	30 June 2022	31 Dec 2021	30 June 2022	31 Dec 2021
	\$ million	\$ million	N million	N million
OPIC	146	150	61,538	62,168
Afreximbank	-	84	-	35,382
	<b>146</b>	<b>234</b>	<b>61,538</b>	<b>97,550</b>

**35 Discontinued operations**

**(a) Profit for the period from discontinued operations**

Profit for the period from discontinued operations represents the operating results of subsidiaries held for sale in line

The profit for the period from discontinued operations comprises:

	<b>Group June 2022</b>	Group June 2021
	<b>₦ million</b>	₦ million
<b>Gross income</b>	<b>497</b>	<b>615</b>
<b>Gross expense</b>	<b>(1,349)</b>	<b>(1,662)</b>
Interest Income	344	429
Interest Expense	(47)	(108)
Net interest income	297	321
Recoveries on credit losses		
Net interest income after impairment charge for credit losses	297	321
Net fee and commission income	-	
Net trading income	28	50
Other operating income	125	136
Underwriting profit		
<b>Total operating income</b>	<b>153</b>	<b>186</b>
<b>Total non-interest income</b>	<b>153</b>	<b>186</b>
<b>Operating Income</b>	<b>450</b>	<b>507</b>
Net impairment loss on financial assets	(7)	194
Net operating income after net impairment loss on other financial assets	443	700
Personnel expenses	(789)	(1,098)
Depreciation and amortization	(78)	(111)
Other operating expenses	(429)	(539)
	<b>(1,296)</b>	<b>(1,748)</b>
Share of profit of equity accounted investee	-	-
<b>Loss before tax from discontinued operations</b>	<b>(852)</b>	<b>(1,047)</b>
Income tax expense	-	-
<b>Loss from discontinued operations (net of tax)</b>	<b>(852)</b>	<b>(1,047)</b>

**Assets classified as held for sale**

	Group		Bank	
	30 June 2022	31 Dec 2021	30 June 2022	31 Dec 2021
	₦ million	₦ million	₦ million	₦ million
Cash and cash equivalents	18,049	38,185	-	-
Investments in subsidiaries	-	-	8,372	8,372
Loans and advances to customers	17,800	19,408	-	-
Investment securities	11,450	12,844	-	-
Property and equipment	30	39	-	-
Intangible assets	86	104	-	-
Other assets	1,755	870	-	-
Right of use asset	-	1,031	-	-
	<b>49,170</b>	<b>72,480</b>	<b>8,372</b>	<b>8,372</b>
Impairment allowance	-	-	-	-
	<b>49,170</b>	<b>72,480</b>	<b>8,372</b>	<b>8,372</b>

**(c) Liabilities for assets classified as held for sale**

	Group		Bank	
	30 June 2022	31 Dec 2021	30 June 2022	31 Dec 2021
	₦ million	₦ million	₦ million	₦ million
Deposit from banks	9,387	9,979	-	-
Deposits from customers	22,341	4,972	-	-
Other liabilities	102	-	-	-
Other liabilities	1,137	1,523	-	-
	<b>32,967</b>	<b>16,473</b>	-	-

In the opinion of the Directors, assets held for sale have been recognised at the lower of their carrying amount and fair value less costs to sell.

**36 Capital and reserves**

Share capital	Group	Group	Bank	Bank
	30 June 2022	31 Dec 2021	30 June 2022	31 Dec 2021
	₦ million	₦ million	₦ million	₦ million

<b>(a)</b>	Minimum Share Capital 35,000,000,000 (Dec 2020: 35,000,000,000) Ordinary shares of 50 kobo each	17,500	17,500	17,500	17,500
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Share capital	Group	Group	Bank	Bank
	30 June 2022	31 Dec 2021	30 June 2022	31 Dec 2021
	₦ million	₦ million	₦ million	₦ million

<b>(b)</b>	Issued and fully paid - 29,264,484,854) Ordinary shares of 50kobo each	14,632	14,632	14,632	14,632
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Share capital	Group	Group	Bank	Bank
	30 June 2022	31 Dec 2021	30 June 2022	31 Dec 2021
	₦ million	₦ million	₦ million	₦ million

	Balance, beginning of year	14,632	14,632	14,632	14,632
	<b>Balance, end of year</b>	<b>14,632</b>	<b>14,632</b>	<b>14,632</b>	<b>14,632</b>

**(c) Share premium**

Share premium is the excess paid by shareholders over the nominal value for their shares.

Share premium	Group	Group	Bank	Bank
	30 June 2022	31 Dec 2021	30 June 2022	31 Dec 2021
	₦ million	₦ million	₦ million	₦ million

	Balance, beginning of year	133,458	133,458	133,458	133,458
	<b>Balance, end of year</b>	<b>133,458</b>	<b>133,458</b>	<b>133,458</b>	<b>133,458</b>

	<b>Share capital and share premium</b>	<b>148,090</b>	<b>148,090</b>	<b>148,090</b>	<b>148,090</b>
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**(d) Other reserves**

The other reserves includes Statutory reserves, Fair value reserve, Regulatory risk reserves, Small and Medium Scale Industries Reserve (SMEEIS) and Capital reserve.

**(i) Statutory reserves**

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

**(ii) Fair value reserve**

The fair value reserve includes the net cumulative change in the fair value of financial instruments at fair value through other comprehensive income.

**(iii) Regulatory risk reserve**

The regulatory risk reserve warehouses the difference between the impairment on loans and advances computed under Nigeria GAAP based on the Central Bank of Nigeria prudential guidelines and provisions specified by the central banks of foreign subsidiaries, compared with the incurred loss model used in calculating the impairment under IFRSs.

**(iv) Other reserves**

The other reserves include Small and Medium Scale Industries Reserve (SMEEIS), Contingency reserve, Capital reserve, Translation reserve.

**(v) Agricultural/Small and Medium Enterprises Investment Scheme (AGSMEIS/SMEEIS):**

The SMEEIS reserve is maintained to comply with the Central Bank of Nigeria (CBN) requirement that all licensed banks set aside a portion of the profit after tax in a fund to be used to finance equity investment in qualifying small and medium scale enterprises. Under the terms of the guideline (amended by CBN letter dated 11 July 2006), the contribution was 10% of profit after tax for the first 5 periods , and thereafter reduced to 5% of profit after tax.

In April 2017, the Central Bank of Nigeria issued guidelines to govern the operations of the Agricultural/Small and Medium Enterprises Scheme (AGSMIES), which was established to support the Federal Government's efforts at promoting agricultural businesses and Small and Medium Enterprises (SMEs) as vehicles for achieving sustainable economic development and employment generation.

Though there's no longer mandatory transfers to this reserve under the earlier directives, all Nigerian banks are now required to set aside an amount equal to 5% of their annual Profits After Tax (PAT) towards the funding of equity investments, which qualify under the AGSMEIS Scheme.

**(vi) Translation reserve**

Translation reserve comprises all foreign exchange differences arising from translation of the financial statements of foreign operations.

**(vii) Excess Capital Clawback**

Under the recapitalisation plan of the Bank executed in 2011, the Asset Management Corporation of Nigeria (AMCON) provided Financial Accommodation to bring the Bank's Completion Net Assets Value (NAV) to zero.

The Financial Accommodation provided by AMCON exceeded the Bank's Completion NAV of zero, calculated as at 31 December 2011, by N14.918 billion. This excess amount was refunded to AMCON during the year ended 31st December, 2012.

**(e) Retained earnings**

Retained earnings represent the carried forward income net of expenses plus current year profit attributable to Group's shareholders.

**37 Non-controlling Interest**

	<b>Group</b>	<b>Group</b>
<i>Movement in the non controlling interest</i>	<b>30 June 2022</b>	<b>31 Dec 2021</b>
	<b>₦ million</b>	<b>₦ million</b>
Balance, beginning of year	<b>6,804</b>	6,680
Profit/(loss) for the year	<b>123</b>	124
<b>Balance, end of year</b>	<b>6,927</b>	<b>6,804</b>

**38 Acceptances, bonds, guarantees and other obligations for the account of customers**

In common with other banks, the Group conducts business involving acceptances, performance bonds and indemnities. The majority of these facilities are offset by corresponding obligations of third parties. Contingent liabilities and commitments comprise performance bonds, acceptances, guarantees and letters of credit.

In the normal course of business, the Group is a party to financial instruments with off-balance sheet risks. These instruments are issued to meet the credit and other financial requirements of customers. The total off-balance sheet assets for the Group was N316,776 million (December 2021: N298,581 million).

The following tables summarise the nominal principal amount of contingent liabilities and commitments with off-financial position risk:

	<b>Group</b>	Group	<b>Bank</b>	Bank
	<b>30 June 2022</b>	31 Dec 2021	<b>30 June 2022</b>	31 Dec 2021
	<b>₦ million</b>	₦ million	<b>₦ million</b>	₦ million
Performance bonds and guarantees	<b>181,726</b>	145,731	<b>181,726</b>	145,731
Letters of credit	<b>135,050</b>	152,850	<b>135,050</b>	152,850
Gross total off-balance sheet assets	<b>316,776</b>	298,581	<b>316,776</b>	298,581
	<b>(6)</b>	(4)	<b>(6)</b>	(4)
<b>Total off-balance sheet assets after impairn</b>	<b>316,771</b>	298,577	<b>316,771</b>	298,577

**39 Securities Trading Policy**

In compliance with Rule 17.15; Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule), the Bank maintains a Security Trading Policy which guides Directors, Audit Committee members, employees and all individuals defined as insiders regarding their dealings in the Company's shares. The Policy undergoes periodic reviews by the Board and is updated accordingly. The Bank has made specific inquiries of all its directors and other insiders and is not aware of any infringement of the policy during the period. Union Bank of Nigeria PLC as at 30th September, 2021 has adopted a code of conduct regarding securities transactions by its directors on terms no less exacting than the required standard set out in these Rules. Directors have complied with the required standard set out in the listings rules and in the Issuer's code of conduct regarding securities transactions by directors.



**40 Shareholding Structure/Free Float Status**

Description	Percentage (in relation to issued share capital)		Percentage (in relation to issued share capital)	
	Units	30 June 2022	Units	31 Dec 2021
Issued Share Capital	29,264,484,854	100%	29,264,484,854	100%

**Details of Substantial Shareholdings (5% and above)**

**Name(s) of Shareholders**

Titan Trust Bank Limited	27,336,952,296	93.41%	-	-
Union Global Partners Limited	-	-	17,969,515,984	61.40%
Atlas Mara	-	-	6,225,421,974	21.27%
<b>Total Substantial Shareholdings</b>	<b>27,336,952,296</b>	<b>93.41%</b>	<b>24,194,937,958</b>	<b>82.68%</b>

**Details of Directors Shareholdings (direct and indirect), excluding directors' holding substantial interests**

**Name(s) of Directors**

Mr. Farouk Mohammed Gumel	-	-	-	-
Mr. Mudassir Amray	-	-	-	-
Mr. Joseph Chinedu Mbulu	1,904,857	0.01%	1,904,857	0.01%
Mrs. Omolola Cardoso	-	-	-	-
Mr. Andrew Ojei	-	0.00%	-	0.00%
Alhaji Abubakar Mohammed	-	-	-	-
Mr. Mackombo Omoile	-	-	-	-
Ms. Aisha Abubakar	-	-	-	-
<b>Total Directors' Shareholdings</b>	<b>1,904,857</b>	<b>0.01%</b>	<b>1,904,857</b>	<b>0.01%</b>

**Details of Other Influential Shareholdings, if any (e.g. Government, Promoters)**

**Total of Other Influential Shareholdings** - - - -

<b>Free Float in Unit and Percentage</b>	<b>1,925,627,701</b>	<b>6.58%</b>	<b>5,057,880,301</b>	<b>17.28%</b>
<b>Free Float in Value</b>	<b>N11,842,610,361.15</b>		<b>N29,841,493,775.90</b>	

**Declaration:**

- UBN Plc has a free float value of N11,842,610,361.15 as at 30 June 2022, is compliant with The Exchange's free float requirements for companies listed on the Main Board.
- UBN Plc has a free float value of N29,841,493,775.90 as at 31 December 2021, is compliant with The Exchange's free float requirements for companies listed on the Main Board.

**Note:**

\* Share Price as at June 30, 2022 N6.15

\* Share Price as at December 31, 2021 N5.90