



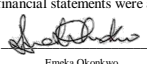
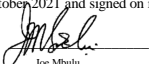
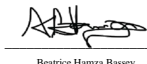
Union Bank of Nigeria Plc
UNAUDITED
FINANCIAL STATEMENTS
30 September 2021

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

For the period ended

	Notes	Group				Bank			
		September 2021	September 2020	Q3 2021	Q3 2020	September 2021	September 2020	Q3 2021	Q3 2020
		₦ million	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million
Gross earnings		123,099	121,385	46,840	39,527	121,822	118,793	46,380	38,881
Interest income	1	79,911	85,611	32,160	28,251	79,791	85,432	32,102	28,189
Interest expense	1	(48,129)	(43,507)	(20,916)	(14,405)	(48,308)	(43,709)	(20,974)	(14,486)
Net interest income (NRFF)		31,782	42,104	11,244	13,846	31,483	41,723	11,128	13,703
Net impairment charge for credit losses	6	(2,701)	(6,096)	(2,548)	(1,860)	(2,701)	(6,096)	(2,548)	(1,859)
Net interest income after impairment charge for credit losses		29,081	36,008	8,696	11,987	28,782	35,627	8,580	11,844
Net fee and commission income	2	10,335	7,186	3,743	2,128	10,334	7,186	3,745	2,128
Net trading income	3	6,606	11,886	1,976	2,990	6,605	11,885	1,976	2,990
Recoveries		12,994	4,944	4,349	2,291	12,994	4,944	4,349	2,291
Net income from other financial instruments at fair value through profit or loss	4	6,782	4,870	2,214	2,974	6,782	4,870	2,214	2,974
Other operating income	5	5,399	4,594	2,023	376	5,316	4,477	1,994	309
Non interest income (NI)		42,116	33,479	14,306	10,759	42,031	33,361	14,278	10,692
Operating income		71,197	69,486	23,002	22,746	70,813	68,988	22,858	22,536
Net impairment write-back/(loss) on other financial assets	6	340	306	-	-	340	306	-	-
Net operating income after net impairment write-back/(loss) on other financial assets		71,537	69,792	23,002	22,746	71,153	69,294	22,858	22,536
Personnel expenses	7	(20,409)	(22,882)	(5,669)	(7,312)	(20,307)	(22,783)	(5,637)	(7,279)
Depreciation and amortisation		(5,685)	(4,801)	(1,931)	(1,646)	(5,677)	(4,790)	(1,928)	(1,643)
Other operating expenses	8	(29,250)	(25,900)	(10,851)	(9,112)	(29,209)	(25,859)	(10,840)	(9,098)
Total expenses		(55,344)	(53,583)	(18,451)	(18,070)	(55,193)	(53,432)	(18,405)	(18,020)
Profit before income tax from continued operations		16,193	16,209	4,551	4,676	15,960	15,862	4,453	4,516
Income tax expense	9	(772)	(366)	(280)	153	(767)	(351)	(276)	161
Profit for the year from continued operations		15,421	15,842	4,271	4,829	15,192	15,511	4,177	4,677
Discontinued operations									
Gross income from discontinued operations	34	1,072	2,295	375	517	-	-	-	-
Gross expense from discontinued operations	34	(3,051)	(3,069)	(1,040)	(1,036)	-	-	-	-
Profit/Loss before tax from discontinued operations	34	(1,979)	(775)	(665)	(519)	-	-	-	-
Income tax expense from discontinued operations	34	-	-	-	-	-	-	-	-
Profit/Loss for the year from discontinued operations	34	(1,979)	(775)	(665)	(519)	-	-	-	-
Continuing and discontinued operations:									
Profit before tax		14,214	15,434	3,887	4,158	15,960	15,862	4,453	4,516
Income tax		(772)	(366)	(280)	153	(767)	(351)	(276)	161
Profit after tax		13,442	15,068	3,607	4,311	15,192	15,511	4,177	4,677
Other comprehensive income, net of income tax									
Foreign currency translation differences for foreign operations		408	1,386	103	(70)	-	-	-	-
Fair value gains/(losses) on financial assets at FVTOCI		(6,244)	660	2,786	(308)	(6,267)	666	2,445	(319)
		(5,836)	2,046	2,889	(378)	(6,267)	666	2,445	(319)
Other comprehensive income for the year		7,606	17,114	6,496	3,933	8,925	16,177	6,622	4,358

Profit attributable to:								
Equity holders of the Bank	13,468	14,985	3,587	4,257	15,192	15,511	3,676	4,676
Non-controlling interest	(26)	83	20	54	-	-	-	-
Profit for the year	13,442	15,068	3,607	4,311	15,192	15,511	4,177	4,677
Total comprehensive income attributable to:								
Equity holders of the Bank	7,632	17,031	6,476	3,879	8,925	16,177	6,622	4,358
Non-controlling interest	(26)	83	20	54	-	-	-	-
Total comprehensive income for the year	7,606	17,114	6,496	3,933	8,925	16,177	6,622	4,358
Earnings per share for profit from continued operations attributable to equity holders of Bank								
Basic and diluted (Kobo)	53	54	15	16	52	53	14	16

Consolidated and Separate Statements of Financial Position					
<i>As at</i>					
	<i>Notes</i>	Group 30 September 2021	Group 31 Dec 2020	Bank 30 September 2021	Bank 31 Dec 2020
		N million	N million	N million	N million
ASSETS					
Cash and cash equivalents	11	395,635	270,707	395,635	262,730
Financial assets at fair value through profit or loss	12	10,971	52,212	10,971	52,212
Pledged assets	13	127,023	100,007	127,023	100,007
Derivative assets held for risk management	14	2,809	520	2,809	520
Loans and advances to customers at amortised cost	15	809,128	692,803	809,128	692,803
Investment securities	17	355,547	351,862	355,547	351,862
Trading properties	18	187	187	187	187
Investment properties	19	5,218	4,817	-	-
Investment in subsidiaries	20	-	-	2,195	2,195
Property and equipment	21	57,585	57,364	57,566	57,342
Intangible assets	22	4,097	5,212	4,097	5,211
Right of Use Assets	23	2,558	2,740	2,558	2,740
Deferred tax assets	24	95,875	95,875	95,875	95,875
Cash reserve requirement	25	463,783	356,452	463,783	356,452
Other assets	25	158,121	83,500	158,332	83,775
Defined benefit assets	29	1,616	1,475	1,616	1,475
		2,490,153	2,075,734	2,487,323	2,065,386
Assets classified as held for sale	34	70,861	115,292	8,372	8,372
TOTAL ASSETS		2,561,014	2,191,026	2,495,695	2,073,758
LIABILITIES					
Derivative liabilities held for risk management	14	273	2	273	2
Deposits from banks	26	-	4,018	-	4,018
Deposits from customers	26	1,279,814	1,126,287	1,284,446	1,131,116
Current tax liabilities	27	779	797	770	778
Deferred tax liabilities	24	175	280	-	-
Lease Liabilities	28	1,776	1,812	1,776	1,812
Other liabilities	28	697,287	425,718	700,485	425,117
Employee benefit obligations	29	1,213	996	1,211	996
Debt securities issued	30	6,283	14,020	6,283	14,020
Commercial Papers	31	33,974	34,609	33,974	34,609
Long term subordinated bond	32	30,861	29,546	30,861	29,546
Other borrowed funds	33	186,485	184,223	186,485	184,223
		2,238,920	1,822,308	2,246,564	1,826,237
Liabilities classified as held for sale	34(c)	57,486	104,400	-	-
TOTAL LIABILITIES		2,296,406	1,926,708	2,246,564	1,826,237
EQUITY					
Share capital and share premium	35	148,090	148,090	148,090	148,090
Retained Earnings		23,448	23,399	33,176	31,403
Other reserves		86,416	86,149	67,864	68,028
EQUITY ATTRIBUTABLE TO EQUITY - HOLDERS OF THE BANK		257,954	257,638	249,130	247,521
Non-controlling interest	36	6,654	6,680	-	-
TOTAL EQUITY		264,608	264,318	249,130	247,521
TOTAL LIABILITIES AND EQUITY		2,561,014	2,191,026	2,495,694	2,073,758
The financial statements were approved by the Board of Directors on 25th October 2021 and signed on its behalf by:					
					
Emeka Okonkwo Group Managing Director FRC/2021/003/00000023088	Joe Mbulu Chief Financial Officer FRC/2014/ICAN/00000006110			Beatrice Hamza Bassey Board Chair FRC/2020/003/00000020477	

Consolidated and Separate Statements of Changes in Equity
For the period ended 30 September 2021

Group

	Share capital	Share premium	Statutory reserve	Treasury shares	Fair value reserve	Regulatory risk reserve	Share based payment reserve	AGSMEIS Reserve	Other reserves	Retained earnings	Total	Non-controlling interest	Total equity
	N million	N million	N million	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	14,633	133,457	36,151	-	19,079	7,674	-	3,577	19,668	23,399	257,638	6,680	264,318
Total comprehensive income for the period													
Profit for the period	-	-	2,279	-	-	-	-	-	-	11,189	13,468	(26)	13,442
Other comprehensive income, net of tax													
Foreign currency translation difference	-	-	-	-	-	-	-	-	408	-	408	-	408
Fair value gains/(loss) on investment at FVTOCI	-	-	-	-	(6,244)	-	-	-	-	-	(6,244)	-	(6,244)
Transfer from regulatory reserves	-	-	-	-	-	6,523	-	-	-	(6,523)	-	-	-
Transfer from other reserves	-	-	-	-	(2,699)	-	-	-	-	2,699	-	-	-
Total comprehensive income for the year	-	-	2,279	-	(8,943)	6,523	-	-	408	7,365	7,632	(26)	7,606
Transactions with owners, recorded directly in equity													
Contributions by and distributions to owners													
Dividend paid	-	-	-	-	-	-	-	-	-	(7,316)	(7,316)	-	(7,316)
Total contribution and (distributions) to owners	(0)	-	-	-	-	-	-	-	-	(7,316)	(7,316)	-	(7,316)
Balance at 30 September 2021	14,633	133,457	38,430	-	10,136	14,197	-	3,577	20,076	23,448	257,954	6,654	264,608

For the period ended 30 September 2020

Group

	Share capital	Share premium	Statutory reserve	Treasury shares	Fair value reserve	Regulatory risk reserve	Share based payment reserve	AGSMEIS Reserve	Other reserves	Retained earnings	Total	Non-controlling interest	Total equity
	N million	N million	N million	N million	N million	N million	N million	N million	N million	N million	N million	N million	N million
Balance at 1 January 2020	14,607	133,235	32,453	-	21,074	3,331	-	2,358	17,304	21,437	245,799	6,543	252,342
Profit for the year	-	-	2,327	-	-	-	-	-	-	12,659	14,986	83	15,069
Other comprehensive income, net of tax													
- net change in fair value	-	-	-	-	660	-	-	-	-	-	660	-	660
Foreign currency translation difference	-	-	-	-	-	-	-	-	1,386	-	1,386	-	1,386
Transfer from regulatory reserves	-	-	-	-	-	(1,598)	-	1,219	-	379	-	-	-
Total comprehensive income	-	-	2,327	-	660	(1,598)	-	1,219	1,386	13,038	17,032	83	17,115
Transactions with owners, recorded directly in equity													
Contributions by and distributions to owners													
Shares issued during the year	26	284	-	-	-	-	-	-	-	-	310	-	310
Dividend paid to Non controlling interest	-	-	-	-	-	-	-	-	-	(7,316)	(7,316)	-	(7,316)
Total contribution and distributions to owners	26	284	-	-	-	-	-	-	-	(7,316)	(7,006)	-	(7,006)
Balance at 30 September 2020	14,633	133,519	34,780	-	21,734	1,733	-	3,577	18,690	27,159	255,825	6,626	262,450

Consolidated and Separate Statements of Changes in Equity
For the period ended 30 September 2021

Bank

	Share capital	Share premium	Statutory reserve	Treasury shares	Fair value reserves	Regulatory risk reserves	Share based			Retained earnings	Total
							payment reserve	AGSMEIS Reserve	Other reserves		
	N million	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	14,633	133,457	36,151	-	18,414	7,674	-	3,577	2,212	31,403	247,521
Total comprehensive income for the year											
Profit or loss	-	-	2,279	-	-	-	-	-	-	12,913	15,192
Other comprehensive income											
Foreign currency translation difference	-	-	-	-	-	-	-	-	-	-	-
Fair value gains/(loss) on investment at FVTOCI	-	-	-	-	(6,267)	-	-	-	-	-	(6,267)
Equity settled share based payment	-	-	-	-	-	-	-	-	-	-	-
Remeasurement of defined benefit liability	-	-	-	-	-	-	-	-	-	-	-
Transfer between reserves	-	-	-	-	(2,699)	6,523	-	-	-	(3,824)	-
Total comprehensive income for the year	-	-	2,279	-	(8,966)	6,523	-	-	-	9,089	8,925
Transactions with owners, recorded directly in equity											
Contributions by and distributions to owners											
Shares issued during the year	(0)	-	-	-	-	-	-	-	-	-	(0)
Net expenses on shares issued	-	-	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	-	(7,316.12)	(7,316)
Shares redeemed during the year	-	-	-	-	-	-	-	-	-	-	-
Total contribution and (distributions) to owners	(0)	-	-	-	-	-	-	-	-	(7,316.12)	(7,316)
Balance at 30 September 2021	14,633	133,457	38,430	-	9,448	14,197	-	3,577	2,212	33,176	249,130

For the period ended 30 September 2020

Bank

	Share capital	Share premium	Statutory reserve	Treasury shares	Fair value reserves	Regulatory risk reserves	Share based			Retained earnings	Total
							payment reserve	AGSMEIS Reserve	Other reserves		
	N million	N million	N million	N million	N million	N million	N million	N million	N million	N million	N million
Balance at 1 January 2020	14,607	133,235	32,453	-	19,960	3,331	-	2,358	1,925	23,323	231,192
Profit or loss	-	-	2,327	-	-	-	-	-	-	13,184	15,511
Fair value gains/(loss) on investment at FVTOCI	-	-	-	-	666	-	-	-	-	-	666
Transfer between reserves	-	-	-	-	-	(1,598)	-	1,219	-	379	-
Total contribution and distributions to owners	-	-	2,327	-	666	(1,598)	-	1,219	-	13,563	16,177
Transactions with owners, recorded directly in equity											
Contributions by and distributions to owners											
Shares issued during the year	26	284	-	-	-	-	-	-	-	-	310
Dividend paid	-	-	-	-	-	-	-	-	-	(7,316.00)	(7,316)
Total contribution and (distributions) to owners	26	284	-	-	-	-	-	-	-	(7,316)	(7,006)
Balance at 30 September 2020	14,633	133,519	34,780	-	20,626	1,733	-	3,577	1,925	29,570	240,363

1 Net interest income

	Group September 2021	Group September 2020	Group 3 Months Q3 2021	Group 3 Months Q3 2020	Bank September 2021	Bank September 2020	Bank 3 Months Q3 2021	Bank 3 Months Q3 2020
	N million	N million	N million	N million	N million	N million	N million	N million
Cash and cash equivalents at end of year								
Cash and cash equivalents	7,538	11,092	5,527	4,527	7,439	11,088	5,484	4,525
Loans and advances to customers	64,114	56,444	23,448	20,333	64,114	56,461	23,448	20,334
Investment securities	8,259	18,075	3,185	3,391	8,239	17,883	3,170	3,330
Total interest income	79,911	85,611	32,160	28,251	79,791	85,432	32,102	28,189
Interest expense								
Deposits from customers	22,693	22,302	10,282	7,455	22,872	22,504	10,341	6,918
Lease liability	150	190	57	66	150	190	57	64
Other borrowed funds	25,286	21,015	10,577	6,884	25,286	21,015	10,577	7,352
Total interest expense	48,129	43,507	20,916	14,405	48,308	43,709	20,974	14,334
Net interest income	31,782	42,104	11,244	13,846	31,483	41,723	11,128	13,855

2 Net fees and commission income

	Group September 2021	Group September 2020	Group 3 Months Q3 2021	Group 3 Months Q3 2020	Bank September 2021	Bank September 2020	Bank 3 Months Q3 2021	Bank 3 Months Q3 2020
	N million	N million	N million	N million	N million	N million	N million	N million
Credit Related fees and commissions	3,453	2,446	506	725	3,453	2,446	506	725
Account Maintenance Fee	1,667	1,174	633	438	1,667	1,174	633	438
E-business fee income	6,743	5,335	3,197	1,680	6,744	5,337	3,197	1,680
Commission on LCs, Invisible Trades and Guarantees	1,890	877	617	343	1,890	877	618	343
Other fees and commission	(77)	56	(105)	16	(77)	56	(105)	16
	13,676	9,888	4,848	3,202	13,677	9,890	4,848	3,202
Fees and commission expenses	(3,342)	(2,705)	(1,104)	(1,075)	(3,342)	(2,705)	(1,104)	(1,075)
Net fees and commission income	10,335	7,185	3,743	2,128	10,334	7,186	3,745	2,128

3 Net trading income/(loss)

	Group September 2021	Group September 2020	Group 3 Months Q3 2021	Group 3 Months Q3 2020	Bank September 2021	Bank September 2020	Bank 3 Months Q3 2021	Bank 3 Months Q3 2020
	N million	N million	N million	N million	N million	N million	N million	N million
Gain on disposal of fixed income securities	1,398	7,264	269	1,053	1,398	7,264	269	1,053
Mark to market gains/losses on fixed income securities	1,770	2,346	1,643	678	1,770	2,346	1,643	678
Mark to market gains on commercial paper	-	-	-	-	-	-	-	-
Foreign exchange gain on trading	3,438	2,276	64	1,259	3,437	2,275	64	1,259
	6,606	11,886	1,976	2,990	6,605	11,885	1,976	2,990

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

	Group September 2021	Group September 2020	Group 3 Months Q3 2021	Group 3 Months Q3 2020	Bank September 2021	Bank September 2020	Bank 3 Months Q3 2021	Bank 3 Months Q3 2020
	N million	N million	N million	N million	N million	N million	N million	N million
<i>Equity instruments at FVTPL:</i>								
Equity	7,092	4,759	2,136	2,120	7,092	4,759	2,136	2,120
Derivatives held for risk management purposes:								
Foreign exchange swap contracts	(310)	111	78	854	(310)	111	78	854
	6,782	4,870	2,214	2,974	6,782	4,870	2,214	2,974

5 Other operating income

	Group September 2021	Group September 2020	Group 3 Months Q3 2021	Group 3 Months Q3 2020	Bank September 2021	Bank September 2020	Bank 3 Months Q3 2021	Bank 3 Months Q3 2020
	N million	N million	N million	N million	N million	N million	N million	N million
Dividends	1,036	934	-	64	1,036	934	-	64
Gains on disposal of property and equipment	1,431	571	1,163	327	1,431	537	1,164	297
Foreign exchange revaluation gain	1,347	2,541	504	(207)	1,347	2,541	504	(207)
Rental income	115	99	17	13	115	99	16	13
Sundry income	1,450	449	339	179	1,367	366	310	142
	5,399	4,594	2,023	376	5,316	4,477	1,994	309

(a) Sundry income

	Group September 2021	Group September 2020	Group 3 Months Q3 2021	Group 3 Months Q3 2020	Bank September 2021	Bank September 2020	Bank 3 Months Q3 2021	Bank 3 Months Q3 2020
	N million	N million	N million	N million	N million	N million	N million	N million
Cash handling fees	44	56	16	16	44	56	16	16
Fraud recoveries	-	-	0	0	-	-	0	0
Other income	1,406	393	323	163	1,324	310	294	126
	1,450	449	339	179	1,367	366	310	142

6 Net Impairment charge on financial assets

	Group September 2021	Group September 2020	Group 3 Months Q3 2021	Group 3 Months Q3 2020	Bank September 2021	Bank September 2020	Bank 3 Months Q3 2021	Bank 3 Months Q3 2020
	N million	N million	N million	N million	N million	N million	N million	N million
Stage 1 impairment				-				-
Stage 1 and 2 impairment	2,967	1,471	2,053	953	2,967	1,471	2,052	953
Stage 3 impairment	(266)	4,625	495	908	(266)	4,625	496	907
Total impairment write-back/charge on loans and advances	2,701	6,096	2,548	1,858	2,701	6,096	2,548	1,858
Net impairment charge/(write-back) for credit impairment	2,701	6,096	2,548	1,860	2,701	6,096	2,548	1,859
Net impairment write-back on other financial assets	(340)	(306)	-	-	(340)	(306)	-	-

7 Personnel expenses

	Group September 2021	Group September 2020	Group 3 Months Q3 2021	Group 3 Months Q3 2020	Bank September 2021	Bank September 2020	Bank 3 Months Q3 2021	Bank 3 Months Q3 2020
	N million	N million	N million	N million	N million	N million	N million	N million
Wages and salaries	20,116	22,385	5,664	7,143	20,015	22,286	5,632	7,110
Contributions to defined contribution plans	291	458	4	154	290	458	4	154
Interest and current service cost on defined benefit plans	2	39	1	15	2	39	1	15
	20,409	22,882	5,669	7,312	20,307	22,783	5,637	7,279

8 Other operating expenses

	Group September 2021	Group September 2020	Group 3 Months Q3 2021	Group 3 Months Q3 2020	Bank September 2021	Bank September 2020	Bank 3 Months Q3 2021	Bank 3 Months Q3 2020
	N million	N million	N million	N million	N million	N million	N million	N million
NDIC Premium	4,005	3,239	1,335	1,016	4,005	3,239	1,335	1,016
AMCON surcharge	8,664	7,001	2,888	2,483	8,664	7,001	2,888	2,483
Non-discretionary regulatory costs	12,669	10,240	4,223	3,499	12,669	10,240	4,223	3,499
Auditors' remuneration	140	140	46	47	135	135	45	45
Rents and Rates	758	756	275	360	754	752	273	359
Accommodation and travels	196	412	90	51	196	411	91	50
Fleet management and vehicle related expenses	401	442	112	178	401	442	112	178
Repair and Maintenance	946	1,119	349	406	938	1,111	347	403
Professional fees	974	1,004	138	299	961	993	134	296
Advertising and Promotion expenses	1,118	866	431	335	1,118	866	431	335
Security expense	1,082	1,138	389	368	1,082	1,138	389	368
Expenses on software	4,287	4,138	1,295	1,419	4,287	4,138	1,295	1,419
Donations and Subscriptions	793	483	464	166	793	483	464	166
Cash movement expense	858	912	235	344	858	912	235	344
Diesel and power	1,787	1,684	453	593	1,787	1,684	453	593
General administrative expenses	2,992	2,307	2,266	962	2,983	2,298	2,264	959
Insurance	250	259	85	85	248	256	84	84
	29,250	25,900	10,851	9,112	29,209	25,859	10,840	9,098

Consolidated and Separate Statements of Cash Flows

For the period ended 30 September 2021

	Group 30 September 2021 N million	Group September 2020 N million	Bank 30 September 2021 N million	Bank September 2020 N million
Cash flows from operating activities				
Profit for the year	13,442	15,069	15,192	15,511
Income tax expense	772	366	767	351
Profit before tax	14,214	15,435	15,960	15,861
<i>Adjustments for:</i>				
Impairment losses on loans and advances	2,701	6,096	2,701	(4,752)
Recoveries on loans and advances	(12,994)	(4,944)	(12,994)	(4,944)
Reversal of impairment on other assets	(340)	(306)	(340)	(306)
Gain on sale of property and equipment	(1,431)	(571)	(1,431)	(537)
Fair Value Gain on investment properties	(401)	-	-	-
Depreciation of property and equipment	4,168	3,783	4,147	3,776
Depreciation of right-of-use assets	100	-	100	-
Amortisation of intangible assets	1,430	1,401	1,430	1,401
Dividend income from equity investment	(1,036)	(934)	(1,036)	(934)
Interest on lease liability	150	-	150	-
Interest paid on borrowings	25,286	21,015	25,286	21,015
Contributions to defined contribution plans	293	497	292	497
	32,140	41,472	34,264	31,078
Change in financial assets at fair value through profit or loss	41,241	(56,654)	41,241	(56,654)
Change in pledged assets	(27,016)	(58,352)	(27,016)	(58,352)
Change in loans and advances to customers	(106,032)	(77,913)	(106,025)	(67,065)
Change in right of use asset	182	(3,189)	182	(3,189)
Change in other assets	(181,952)	(186,448)	(181,888)	(181,939)
Change in defined benefit assets	(141)	(276)	(141)	(276)
Change in derivative financial instruments-assets	(2,289)	6,194	(2,289)	6,194
Change in derivative financial instruments-liabilities	271	(2,091)	271	(2,091)
Change in deposits from banks	(4,018)	-	(4,018)	-
Change in deposits from customers	153,527	245,480	153,330	245,620
Change in lease liability	150	190	36	190
Change in other liabilities	271,569	75,865	275,368	76,805
	177,633	(15,722)	183,315	(9,679)
Income tax paid	(790)	(480)	(775)	(373)
Payment from defined contribution plan	(164)	(459)	(163)	(459)
Payment from defined benefit plan	88	304	86	306
Cashflows from discontinued operations	(2,697)	-	-	-
Net cash provided by/(used in) operating activities	174,070	(16,357)	182,463	(10,205)
Cash flows from investing activities				
Acquisition of investment properties	-	2,729	-	-
Additions to trading properties	-	(1,689)	-	-
Proceeds from sale of property and equipment	1,845	443	1,845	429
Acquisition of investment securities	(9,909)	(48,058)	(9,932)	(47,020)
Acquisition of property and equipment	(4,802)	(8,816)	(4,785)	(8,814)
Acquisition of intangible assets	(317)	(147)	(317)	(147)
Dividend income received	1,036	934	1,036	934
Net cash generated from/(used in) investing activities	(12,146)	(54,604)	(12,153)	(54,619)
Cash flows from financing activities				
Repayment of borrowings	(8,372)	(5,698)	(8,372)	(5,698)
Interest paid on borrowings	(21,528)	(13,892)	(21,528)	(54,710)
Inflow from bond issued	(2,443)	1,631	(2,443)	1,631
Dividend paid to non-controlling interest	(7,316)	(7,316)	(7,316)	(7,316)
Other borrowed funds	2,262	38,711	2,262	38,711
Net cash generated from/(used in) financing activities	(37,397)	(17,959)	(37,397)	(27,383)
Net increase/(decrease) in cash and cash equivalents	124,526	(88,920)	132,913	(92,207)
Cash and cash equivalents at beginning of year	270,707	320,303	262,730	320,707
Effect of exchange rate fluctuations on cash held	410	1,387	-	-
Cash and cash equivalents at end of the period	395,643	232,770	395,643	228,500

9 Income tax expense

(a) Recognised in the profit or loss

	Group	Group	Bank	Bank
	September 2021	September 2020	September 2021	September 2020
	N million	N million	N million	N million
Current tax expense				
Company Income Tax	614	209	609	194
Capital Gains tax	-	-	-	-
NITDA Levy	158	157	158	157
Total tax expense	772	366	767	351
Total income tax expense	772	366	767	351

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

	Group	Group	Bank	Bank
	September 2021	September 2020	September 2021	September 2020
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

	Group	Group	Bank	Bank
	September 2021	September 2020	September 2021	September 2020
<i>In millions of Nigerian Naira</i>				
Profit from continuing operations attributable to equity holders of bank	15,447	15,760	15,192	15,511
Basic earnings per share (in kobo)	53	54	52	53

11 Cash and cash equivalents	Group		Bank	
	30 September 2021	31 Dec 2020	30 September 2021	31 Dec 2020
	N million	N million	N million	N million
Cash and balances with banks	142,842	118,653	142,842	110,677
Unrestricted balances with central bank	6,599	5,730	6,599	5,730
Money market placements	246,202	146,332	246,202	146,330
	395,643	270,715	395,643	262,738
ECL Impairment on cash and cash equivalents	(8)	(8)	(8)	(8)
	395,635	270,707	395,635	262,730

12 Financial assets at fair value through profit or loss	Group		Bank	
	30 September 2021	31 Dec 2020	30 September 2021	31 Dec 2020
	N million	N million	N million	N million
Government bonds	9,560	1,358	9,560	1,358
Treasury bills	1,411	50,854	1,411	50,854
	10,971	52,212	10,971	52,212

13 Pledged assets	Group		Bank	
	30 September 2021	31 Dec 2020	30 September 2021	31 Dec 2020
	N million	N million	N million	N million
Treasury bills	99,698	91,099	99,698	91,099
FGN Bonds	27,025	8,618	27,025	8,618
Placement	314	304	314	304
ECL Impairment on Pledged asset	(14)	(14)	(14)	(14)
	127,023	100,007	127,023	100,007

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		Bank	
	30 September 2021		31 Dec 2020	
	Assets	Liabilities	Assets	Liabilities
	N million	N million	N million	N million
Instrument Type:				
FX swaps	2,809	-	520	-
Non-deliverable futures	-	273	-	2
	2,809	273	520	2
	30 September 2021		31 Dec 2020	
	Assets	Liabilities	Assets	Liabilities
	N million	N million	N million	N million
Instrument Type:				
FX swaps	2,809	-	520	-
	-	273	-	2
	2,809	273	520	2

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	Group		Bank	
	30 September 2021	31 Dec 2020	30 September 2021	31 Dec 2020
	N million	N million	N million	N million
(a) FCY Loans	396,040	355,615	396,040	355,615
LCY Loans	459,675	381,097	459,675	381,097
Gross amount	855,715	736,712	855,715	736,712
IFRS 9				
Stage 1 impairment	(5,756)	(8,348)	(5,756)	(8,348)
Stage 2 impairment	(14,578)	(16,239)	(14,578)	(16,239)
Stage 3 impairment	(26,253)	(19,322)	(26,253)	(19,322)
Total impairment	(46,587)	(43,909)	(46,587)	(43,909)
Carrying amount	809,128	692,803	809,128	692,803
Impaired Loan	40,201	22,913	40,201	29,445
Unimpaired Loan	33,873	38,982	33,873	32,449
Stage 3 Loans	74,074	61,895	74,074	61,895

16 Investment in equity accounted investee

	Group 30 September 2021	Group 31 Dec 2020	Bank 30 September 2021	Bank 31 Dec 2020
	N million	N million	N million	N million
Cost				
Balance, beginning of the year	115	115	91	91
Impairments	(115)	(115)	(91)	(91)
Balance, end of the year	-	-	-	-

17 Investment securities

	Group 30 September 2021	Group 31 Dec 2020	Bank 30 September 2021	Bank 31 Dec 2020
	N million	N million	N million	N million
Investment securities at fair value through other comprehensive income (FVOCI) (see note (a) below)	269,637	272,436	269,637	272,436
Investment at fair value through profit or loss (FVTPL) (see note (b) below)	55,270	48,177	55,270	48,177
Investment securities at amortised cost (see note (c) below)	30,724	31,344	30,724	31,344
Impairment on securities (see note (c) below)	(84)	(95)	(84)	(95)
Total	355,547	351,862	355,547	351,862

	Group 30 September 2021	Group 31 Dec 2020	Bank 30 September 2021	Bank 31 Dec 2020
	N million	N million	N million	N million
(a) <i>Investment securities at fair value through other comprehensive income comprise:</i>				
- <i>Investments in debt securities:</i>				
Treasury bills	246,977	247,758	246,977	247,758
FGN Bonds	-	4,587	-	4,587
State Bonds	1,036	4,772	1,036	4,772
Corporate Bonds	12,074	114	12,074	114
Commercial Paper	0	7,236	0	7,236
FGN Promissory note	6,267	4,645	6,267	4,645
Total investment in debt securities	266,355	269,112	266,355	269,112
- <i>Equity instruments at fair value through other comprehensive income comprise:</i>				
Equity: Quoted see (i) below	1,973	1,973	1,973	1,973
Unquoted see (ii) below	1,309	1,351	1,309	1,351
Net Total -Equity instruments	3,282	3,324	3,282	3,324
Total investment securities at FVTOCI	269,637	272,436	269,637	272,436

	Group 30 September 2021	Group 31 Dec 2020	Bank 30 September 2021	Bank 31 Dec 2020
	N million	N million	N million	N million
(i) Investment in REIT	1,973	1,973	1,973	1,973
(ii) Investment in unquoted equities				
Nigeria Auto Clearing System	522	522	522	522
Credit Reference Company	104	104	104	104
Central Securities Clearing System	194	194	194	194
Sanef Ltd	50	50	50	50
Unique Venture Funds Ltd	439	481	439	481
Total	1,309	1,351	1,309	1,351
Total	3,282	3,324	3,282	3,324

(b) *Investment at fair value through profit or loss comprise:*

Investment in equity				
Afrexim Bank	7,073	6,102	7,073	6,102
Africa Finance Corporation (AFC)	48,197	42,075	48,197	42,075
Total	55,270	48,177	55,270	48,177

Cash and cash equivalents at end of year

(c) *Fixed income securities at amortised cost comprise:*

Treasury bills	-	-	-	-
Federal Government of Nigeria -Bonds	28,898	28,385	28,898	28,385
State Government of Nigeria -Bonds	1,826	2,959	1,826	2,959
Total - Fixed income	30,724	31,344	30,724	31,344

Stage 1 impairment	(84)	(95)	(84)	(95)
Total impairment	(84)	(95)	(84)	(95)

Net Total -Fixed income securities	296,994	300,361	296,994	300,361
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Total investment securities	355,546	351,862	355,546	351,862
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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:

	Group 30 September 2021	Group 31 Dec 2020	Bank 30 September 2021	Bank 31 Dec 2020
	N million	N million	N million	N million
Balance, beginning of year	187	187	187	187
Addition	-	-	-	-
Balance, end of year	187	187	187	187

19 Investment Properties

	Group 30 September 2021	Group 31 Dec 2020	Bank 30 September 2021	Bank 31 Dec 2020
	N million	N million	N million	N million
Balance, beginning of the year	4,817	5,701	-	-
Disposal	-	(1,249)	-	-
Additions to investment property	-	-	-	-
Fair value gain	5,218	4,452	-	-
Balance, end of the year	401	364	-	-
	5,218	4,817	-	-

20 Investment in subsidiaries

Cost

	Bank 30 September 2021	Bank 31 Dec 2020
	N million	N million
UBN Property Company Plc	2,195	2,195
	2,195	2,195

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

Direct ownership interest

Company Name	Country Incorporation	Nature of business	30 September 2021	31 Dec 2020
			Status/%	Status/%
UBN Property Company Plc (i)	Nigeria	Property Development	39	39
Union Bank UK Plc (ii) (Classified as held for sale)	United Kingdom	Licensed UK Bank	100	100

- (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 2020- 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 King's Arms 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
Cost								
Balance at 1st January, 2021	10,648	20,115	20,577	5,733	34,562	2,285	1,509	95,429
Exchange difference	-	-	-	-	-	-	-	-
Additions	-	325	351	196	3,242	1	688	4,802
Reclassification to other assets	-	-	-	-	-	-	-	-
Disposal	(180)	(223)	(23)	(209)	(53)	(1)	-	(690)
Balance at 30 September 2021	10,468	20,216	20,905	5,719	37,751	2,284	2,197	99,541
Balance at 1st January, 2020	12,859	21,633	17,982	4,852	29,075	2,149	2,716	91,266
Exchange difference	-	-	-	-	-	-	-	-
Additions	17	114	150	503	5,910	192	1,510	8,396
Disposals	(2,257)	(1,711)	267	(8)	(429)	(4)	(2)	(4,144)
Reclassification to other assets	29	79	2,178	386	6	(52)	(2,715)	(89)
Balance as at 31 Dec 2020	10,648	20,115	20,577	5,733	34,562	2,285	1,509	95,429
Depreciation and impairment losses								
Balance at 1st January 2021	-	6,748	2,871	2,801	23,747	1,898	-	38,065
Exchange difference	-	-	-	-	-	-	-	-
Charge for the period	-	278	305	370	3,058	157	-	4,168
Disposals	-	(87)	(3)	(138)	(49)	-	-	(276)
Reclassifications	-	-	-	-	-	-	-	-
Balance at 30 September 2021	-	6,940	3,173	3,033	26,756	2,055	-	41,956
Balance at 1st January, 2020	-	6,728	2,560	2,343	20,025	1,643	-	33,298
Exchange difference	-	-	-	-	-	-	-	-
Charge for the year	-	394	399	462	3,763	286	-	5,304
Disposals	-	(374)	(88)	(3)	(41)	(31)	-	(537)
Write-off/Adj	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-
Reclassification from discontinued operations	-	-	-	-	-	-	-	-
Balance as at 31 Dec 2020	-	6,748	2,871	2,801	23,747	1,898	-	38,065
(iii) Net Book Value								
Balance at 30 September 2021	10,468	13,277	17,732	2,686	10,995	230	2,197	57,585
Balance as at 31 December 2020	10,648	13,367	17,707	2,931	10,815	387	1,509	57,364

(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) Exchange difference relates to the conversion of property and equipments acquired in the overseas office at the rate of exchange ruling at the end of the period.

(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 2020: 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
	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million
(i) Cost								
Balance at 1st January 2021	10,648	20,116	20,577	5,732	34,542	2,268	1,509	95,392
Additions	-	324	351	196	3,226	1	688	4,785
Reclassifications								-
Disposals	(180)	(223)	(23)	(209)	(53)	-		(689)
Balance at 30 September 2021	10,468	20,216	20,905	5,719	37,715	2,269	2,197	99,488
Balance at 1st January 2020	12,833	21,634	18,318	4,901	28,719	2,147	2,714	91,266
Additions	16	114	151	502	5,910	191	1,510	8,394
Disposals	(2,230)	(1,711)	(70)	(57)	(93)	(18)		(4,179)
Reclassifications to other assets	29	79	2,178	386	6	(52)	(2,715)	(89)
Balance as at 31 December 2020	10,648	20,116	20,577	5,732	34,542	2,268	1,509	95,392
(ii) Accumulated depreciation								
Balance at 1st January 2021	-	6,748	2,872	2,802	23,736	1,893	-	38,051
Charge for the period	-	278	304	368	3,040	157		4,147
Disposals	-	(87)	(3)	(138)	(49)			(275)
Reclassifications								-
Balance at 30 September 2021	-	6,940	3,173	3,032	26,727	2,050	-	41,922
Opening balance at 1st January 2020	-	6,756	2,497	2,343	20,106	1,631	-	33,333
Charge for the year	-	394	400	498	3,721	280	-	5,293
Disposals	-	(402)	(25)	(39)	(91)	(18)	-	(575)
Reclassifications	-	-	-	-	-	-	-	-
Balance as at 31 December 2020	-	6,748	2,872	2,802	23,736	1,893	-	38,051
(iii) Net Book Value								
Balance at 30 September 2021	10,468	13,276	17,732	2,687	10,988	219	2,197	57,566
Balance as at 31 December 2020	10,648	13,368	17,706	2,930	10,807	375	1,509	57,342

- (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 2020: nil)

22 Intangible assets

	Group	Group	Bank	Bank
	30 September 2021	31 Dec 2020	30 September 2021	31 Dec 2020
	N million	N million	N million	N million
Cost				
Balance, beginning of the year	14,769	13,046	14,768	13,045
Additions	317	1,634	317	1,634
Reclassification	1	89	1	89
Disposal	-	-	-	-
Exchange translation difference	(2)	-	-	-
Reclassified to discontinues operations	-	-	-	-
Balance, end of period	15,085	14,769	15,086	14,768
Amortization and impairment losses				
Balance, beginning of the year	9,557	7,664	9,557	7,664
Amortisation for the year	1,430	1,893	1,430	1,893
Reclassified to discontinues operations	-	-	-	-
Balance, end of period	10,987	9,557	10,987	9,557
Carrying amounts as at period end	4,097	5,212	4,099	5,211
Balance as at December 31 2019	5,212	5,382	5,211	5,381

- (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 2020: nil)

23 Right of Use Assets

	Group	Group	Bank	Bank
	30 September 2021	31 Dec 2020	30 September 2021	31 Dec 2020
	N million	N million	N million	N million
Gross Amount	3,781	3,450	3,781	3,450
Additions	-	431	-	431
Derecognition	(902)	(100)	(902)	(100)
Gross Amount	2,879	3,781	2,879	3,781
Accumulated depreciation	(819)	(529)	(819)	(529)
Derecognition	700	-	700	-
Charge in the year	(202)	(512)	(202)	(512)
Carrying Amount as at period end	2,558	2,740	2,558	2,740

24 Deferred tax assets and liabilities

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Group			
30 September 2021			
	Assets	Liabilities	Net
	N million	N million	N 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
Net tax assets (liabilities)	102,914	7,039	95,875
Deferred tax liabilities		Liabilities	Net
		N million	N million
Property, equipment, and software		175	175
Net tax assets (liabilities)		175	175
Net deferred tax			95,700

Deferred tax assets and liabilities

31 December 2020

	Assets	Liabilities	Net
	N million	N million	N 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
Net tax assets (liabilities)	102,914	7,039	95,875

Deferred tax liabilities

	Liabilities	Net
	N million	N million
Property, equipment, and software	226	226
Net tax assets (liabilities)	226	226
Net deferred tax		95,612

Bank

30 September 2021

	Assets	Liabilities	Net
	N million	N million	N 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
Net tax assets (liabilities)	102,914	7,039	95,875

Cash and cash equivalents at end of year

31 December 2020

	Assets	Liabilities	Net
	N million	N million	N 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
Net tax assets (liabilities)	102,914	7,039	95,875

Deferred tax assets and liabilities

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

	Group	Group	Bank	Bank
	30 September	31 Dec 2020	30 September	31 Dec 2020
	2021	2020	2021	2020
	N million	N million	N million	N million
Balance, beginning of the year	95,649	95,613	95,875	95,875
Credit for the year	51	36	-	-
Net deferred tax assets/(liabilities)	95,700	95,649	95,875	95,875
<i>Made up of</i>				
Deferred tax assets	102,914	102,914	102,914	102,914
Deferred tax liabilities	(7,319)	(7,319)	(7,319)	(7,319)

Recognised and unrecognised deferred tax assets

Recognition of deferred tax assets of N95,875 (December 2020: N95,875) 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

	Group 30 September 2021	Group 31 Dec 2020	Bank 30 September 2021	Bank 31 Dec 2020
	N million	N million	N million	N million
Cash Reserve Requirement	438,260	330,929	438,260	330,929
Excess CRR balance to be refunded (see (i))	25,523	25,523	25,523	25,523
Total Cash Reserve Requirement (see (ii))	463,783	356,452	463,783	356,452
Other assets:				
Clearing	3,537	333	3,537	333
Accounts receivable	970	1,220	162	177
Prepayments	7,910	3,499	7,900	3,774
Receivable on FX forward (see (iii))	24,322	21,955	24,322	21,955
Repossed assets	16,386	5,493	16,386	5,493
Sundry assets (see (iv))	112,865	58,219	112,852	58,219
	165,990	90,719	165,159	89,951
Impairment on other assets	(7,869)	(7,219)	(6,827)	(6,176)
Net other assets	158,121	83,500	158,332	83,775
	621,904	439,952	622,115	440,227

(i) The Bank had restricted balances of N463.783 billion (December 2020: N356.452billion) with the Central Bank of Nigeria (CBN) as at 30 September 2021, 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 31 September 2021, the CRRs in force was 27.5% (Dec 2020: 27.5%).

(ii) **Receivable on FX forward**
The balance represents the value of foreign currency receivable on forward transactions with Central Bank of Nigeria.

(iv) **Other Sundry assets**

	Group September 2021	Group 31 Dec 2020	Bank 30 September 2021	Bank 31 Dec 2020
	N million	N million	N million	N million
Frauds and losses	1,493	1,536	1,493	1,536
Advance payments for PPE	1,811	577	1,811	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	1,291	1,291	1,291	1,291
ATM receivable	757	2,080	757	2,080
Dividend Receivable	446	396	446	396
Receivable on electronic transfers and collections	3,739	894	3,739	894
Master/Visa card electronic settlement	228	449	228	449
Investment in AgriBusiness/SMEEIS	4,810	3,577	4,810	3,577
Discounted Fx Forwards	381	219	381	219
Prepaid inventory items	-	28	-	28
Cash in Transit	276	-	276	-
Deposit for forward	25,958	24,708	25,958	24,708
Settlement balance on remitta	3,235	13,425	3,235	13,425
Other account balances	64,480	5,079	64,467	5,079
Balance, end of year	112,865	58,219	112,852	58,219

26 Deposits from banks

	Group 30 September 2021	Group 31 Dec 2020	Bank 30 September 2021	Bank 31 Dec 2020
	N million	N million	N million	N million
Other deposits from banks	-	4,018	-	4,018
	-	4,018	-	4,018

26 Deposits from customers

	Group 30 September 2021	Group 31 Dec 2020	Bank 30 September 2021	Bank 31 Dec 2020
	N million	N million	N million	N million
Term deposits	412,002	359,281	416,634	364,110
Current deposits	483,897	398,618	483,897	398,618
Savings	383,915	368,388	383,915	368,388
	1,279,814	1,126,287	1,284,446	1,131,116
Low-cost deposits	867,812	767,006	867,812	767,006
Low-cost deposits as % of total customer deposits	67.8%	68.1%	67.6%	67.8%
Deposits by currency				
Local currency deposits	994,642	955,355	994,642	955,355
Foreign currency deposits	285,172	170,932	289,804	175,761
	1,279,814	1,126,287	1,284,446	1,131,116

27 Current tax liabilities

	Group 30 September 2021	Group 31 Dec 2020	Bank 30 September 2021	Bank 31 Dec 2020
	N million	N million	N million	N million
Balance, beginning of year	797	486	778	380
Charge for the year	772	791	767	772
Payments during the year	(790)	(480)	(775)	(373)
Balance, end of year	779	797	770	778

28 Other liabilities

	Group 30 September 2021	Group 31 Dec 2020	Bank 30 September 2021	Bank 31 Dec 2020
	N million	N million	N million	N million
Deposits for foreign currency	471,002	240,886	471,002	240,886
Deposit for properties	719	-	-	-
Due to foreign correspondent banks	69,261	57,129	69,261	57,129
PAYE and other statutory deductions	1,553	643	1,553	643
Draft and Bills payable	2,135	4,538	2,135	4,538
AMCON contribution payable	1,362	1,362	1,362	1,362
Creditors and accruals (see (a) below)	2,042	7,171	2,042	7,171
Provision for fraud	-	102	-	102
Unearned income	711	576	711	576
Provision for claims and contingencies (see (b) below)	4,303	3,717	4,303	3,717
Accounts payable	2,268	5,095	2,248	4,495
OBB/REPO takings	24,166	3,750	24,166	3,750
Other provisions (see note (c) below)	3	4	3	4
Electronic collections and other e-payment liabilities	34,037	22,479	34,037	22,479
Payable for unsettled financial assets	16,522	-	16,522	-
Liability for pledged assets	48,386	70,131	48,386	70,131
Other credit balances	18,816	8,134	22,754	8,134
	697,287	425,718	700,485	425,117
Lease Liability	1,776	1,812	1,776	1,812
Total other liabilities	699,063	427,530	702,261	426,929

(a) Creditors and accruals

	Group 30 September 2021	Group 31 Dec 2020	Bank 30 September 2021	Bank 31 Dec 2020
	N million	N million	N million	N million
Accrued IT Consumables	321	617	321	617
Accruals for professional and consultancy fees	143	134	143	134
Accrual for Industrial Training Fund Levy	192	263	192	263
Accrual for advertisement	19	204	19	204
Accrual for staff related allowances	322	4,129	322	4,129
Accrual for rental expenses	-	-	-	-
Other accruals	1,045	1,623	1,045	1,623
	2,042	7,171	2,042	7,171

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

	Group 30 September 2021	Group 31 Dec 2020	Bank 30 September 2021	Bank 31 Dec 2020
	N million	N million	N million	N million
Balance, beginning of year	3,717	2,595	3,717	2,595
Charge/(reversal during the year)	586	1,122	586	1,122
Balance, end of the year	4,303	3,717	4,303	3,717

29 Employee benefit obligations

	Group 30 September 2021	Group 31 Dec 2020	Bank 30 September 2021	Bank 31 Dec 2020
	N million	N million	N million	N million
Post employment benefit obligation (see (a) below)	208	81	208	81
Other long-term employee benefits	1,005	915	1,003	915
	1,213	996	1,211	996

(a) Post employment benefit obligation

	Group 30 September 2021	Group 31 Dec 2020	Bank 30 September 2021	Bank 31 Dec 2020
	N million	N million	N million	N million
Defined contribution scheme (see (i) below)	208	81	208	81
Defined benefit obligation (See (ii) below)	-	-	-	-
	208	81	208	81
Defined benefit asset	1,616	1,475	1,616	1,475
Net defined benefit obligation	1,616	1,475	1,616	1,475

(i) Defined Contribution Scheme

	Group 30 September 2021	Group 31 Dec 2020	Bank 30 September 2021	Bank 31 Dec 2020
	N million	N million	N million	N million
Balance, beginning of year	81	81	81	81
Charge during the year	291	420	290	420
Contribution remitted during the year	(164)	(420)	(163)	(420)
Balance, end of year	208	81	208	81

The Group and its employees make respective contributions of 10% and 8% of basic salary, housing and transport allowance to each

(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

(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:

Length of service	Transaction officer and below	Executive trainee- Manager	Senior Manager - General Manager
10 years	10% of Annual Basic Salary And Cash Award of N75,000	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 Cash Award of N100,000	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 Cash Award of N125,000	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 Cash Award of N150,000	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 Cash Award of N175,000	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 Cash Award of N250,000	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:

	Group 30 September 2021	Group 31 Dec 2020	Bank 30 September 2021	Bank 31 Dec 2020
	N million	N million	N million	N million
Present value of unfunded obligation	1,005	915	1,003	915
Total present value of the obligation	1,005	915	1,003	915
Present value of net obligation	1,005	915	1,003	915
Recognized liability for defined benefit obligations	1,005	915	1,003	915

30 Debt securities issued

	Group		Bank	
	30 September 2021	31 Dec 2020	30 September 2021	31 Dec 2020
	₦ million	₦ million	₦ million	₦ million
Short term bonds	-	7,502	-	7,502
Long term bonds	6,283	6,518	6,283	6,518
	6,283	14,020	6,283	14,020

Amount represents debt Issuance Program. The Short term bonds are senior unsecured fixed rate bonds with a maturity tenor of three (3) years. The Long term bonds are senior unsecured fixed rate bonds with a maturity tenor of seven (7) years.

31 Commercial Papers

	Group		Bank	
	30 September 2021	31 Dec 2020	30 September 2021	31 Dec 2020
Commercial Papers Series 6	-	14,927	-	14,927
Commercial Papers Series 8	2,565	17,268	2,565	17,268
Commercial Papers Series 9	31,409	2,414	31,409	2,414
	33,974	34,609	33,974	34,609

32 Long Term Subordinated bond

	Group		Bank	
	30 September 2021	31 Dec 2020	30 September 2021	31 Dec 2020
Series 3 bonds	30,861	29,546	30,861	29,546
	30,861	29,546	30,861	29,546

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

33 Other borrowed funds

	Group		Bank	
	30 September 2021	31 Dec 2020	30 September 2021	31 Dec 2020
	₦ million	₦ million	₦ million	₦ million
Due to CAC (see (a))	1,326	3,862	1,326	3,862
BOI on-lending facilities (see note (b))	1,496	2,093	1,496	2,093
CBN RSS-on lending (see (c))	16,084	17,571	16,084	17,571
Trade finance lending (see (d))	63,442	56,365	63,442	56,365
Short term borrowing	2,366		2,366	
Other borrowings (see (e))	100,272	103,053	100,272	103,053
SME on-lending scheme	1,499	1,279	1,499	1,279
	186,485	184,223	186,485	184,223

- (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 N16.57bn (December 2020: N17.5bn) 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 September 2021	31 Dec 2020	30 September 2021	31 Dec 2020
	\$ million	\$ million	N million	N million
Mashreq Bank	51	57	20,893	22,868
Access Bank UK	39	49	16,304	19,465
COMMERZBANK AG GERMANY	-	30	-	11,999
Citibank N.A. UK	0.02		6	2,033
	90	136	37,202	56,365

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

	Group	Group	Group	Group
	30 September 2021	31 Dec 2020	30 September 2021	31 Dec 2020
	\$ million	\$ million	N million	N million
OPIC	146	146	60,266	58,396
Development Bank of Nigeria	61	-	25,029	-
Afreximbank	97	112	40,006	44,657
	303	258	125,302	103,053

Bank

	Bank	Bank	Bank	Bank
	30 September 2021	31 Dec 2020	30 September 2021	31 Dec 2020
	\$ million	\$ million	N million	N million
Mashreq Bank	51	57	20,893	22,868
Access Bank UK	39	49	16,304	19,465
COMMERZBANK AG GERMANY	-	30	-	11,999
CITIBANK N.A. U.K.	0.02	5	6	2,033
	90	141	37,203	56,366

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

	Bank	Bank	Bank	Bank
	30 September 2021	31 Dec 2020	30 September 2021	31 Dec 2020
	\$ million	\$ million	N million	N million
OPIC	146	146	60,266	58,396
NIG MORTGAGE REFINANCE COY	3		1,209	
Development Bank of Nigeria	61	-	25,029	-
Afreximbank	97	112	40,006	44,657
	306	258	100,272	103,053

34 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 with the Bank's Regulation 3 compliance

The profit for the period from discontinued operations comprises:

	Group September 2021 N million	Group September 2020 N million
Gross income	1,072	2,295
Gross expense	(3,051)	(3,070)
Interest Income	788	1,876
Interest Expense	(157)	(529)
Net interest income	631	1,347
Recoveries on credit losses		
Net interest income after impairment charge for credit losses	631	1,347
Net fee and commission income	-	-
Net trading income	52	105
Other operating income	231	314
Underwriting profit		
Total operating income	283	419
Total non-interest income	283	419
Operating Income	914	1,766
Net impairment loss on financial assets	206	68
Net operating income after net impairment loss on other financial assets	1,120	1,834
Personnel expenses	(1,937)	(1,570)
Depreciation and amortization	(199)	(211)
Other operating expenses	(962)	(828)
Share of profit of equity accounted investee	-	-
Loss before tax from discontinued operations	(1,979)	(775)
Income tax expense	-	-
Loss from discontinued operations (net of tax)	(1,979)	(775)

Assets classified as held for sale

	Group 30 September 2021 N million	Group 31 Dec 2020 N million	Bank 30 September 2021 N million	Bank 31 Dec 2020 N million
Cash and cash equivalents	46,044	86,195	-	-
Investments in subsidiaries	-	-	8,372	8,372
Loans and advances to customers	16,229	15,584	-	-
Investment securities	6,477	11,334	-	-
Property and equipment	45	68	-	-
Intangible assets	117	150	-	-
Other assets	1,950	1,208	-	-
right of use asset		754		
	70,861	115,293	8,372	8,372
	70,861	115,293	8,372	8,372

(c) Liabilities for assets classified as held for sale

	Group 30 September 2021 N million	Bank 31 Dec 2020 N million	Bank 30 September 2021 N million	Bank 31 Dec 2020 N million
Deposit from banks	30,159	68,808	-	-
Deposits from customers	25,812	33,749	-	-
Other liabilities	1,515	2,323	-	-
Retirement benefit obligation			-	-
Other liabilities	-	1,843	-	-
	57,486	104,400	-	-

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.

35 Capital and reserves

Share capital	Group	Group	Bank	Bank
	30 September	31 Dec 2020	30 September	31 Dec 2020
	2021		2021	
	₦ million	₦ million	₦ million	₦ million
(a) 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
	Group	Group	Bank	Bank
	30 September	31 Dec 2020	30 September	31 Dec 2020
	2021		2021	
	₦ million	₦ million	₦ million	₦ million
(b) Issued and fully paid -				
29,264,484,854, (Dec. 2020: 29,264,484,854) Ordinary shares of 50kobo each	14,633	14,633	14,633	14,633
	Group	Group	Bank	Bank
	30 September	31 Dec 2020	30 September	31 Dec 2020
	2021		2021	
	₦ million	₦ million	₦ million	₦ million
Balance, beginning of year	14,633	14,607	14,633	14,607
Additions during the year	-	26	-	26
Balance, end of year	14,633	14,633	14,633	14,633
(c) Share premium				
Share premium is the excess paid by shareholders over the nominal value for their shares.				
	Group	Group	Bank	Bank
	30 September	31 Dec 2020	30 September	31 Dec 2020
	2021		2021	
	₦ million	₦ million	₦ million	₦ million
Balance, beginning of year	133,457	133,235	133,457	133,235
Transfer from share premium	-	-	-	-
Employee Share Incentive Scheme	-	222	-	222
Balance, end of year	133,457	133,457	133,457	133,457
Share capital and share premium	148,090	148,090	148,090	148,090

(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.

(viii) **Share based payment reserve**

This represents the provision for liabilities under the equity settled portion of the Group's shares incentive scheme which enables key management personnel to benefit from the performance of the Group.

The movement is shown below

	Group		Bank	
	30 September 2021	31 Dec 2020	30 September 2021	31 Dec 2020
	N million	N million	N million	N million
Cash and cash equivalents at end of year	-	-	-	-
Balance, beginning of year	-	-	-	-
Share transferred during the year	-	248	-	248
Vested shares during the year	-	(248)	-	(248)
Balance, end of year	-	-	-	-

(e) **Retained earnings**

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

36 Non-controlling Interest

	Group	
	30 September 2021	31 Dec 2020
	N million	N million
<i>Movement in the non controlling interest</i>		
Balance, beginning of year	6,680	6,543
Profit/(loss) for the year	(26)	137
Balance, end of year	6,654	6,680

37 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 N276.65million (December 2020: N185,327 million).

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

	Group		Bank	
	30 September 2021	31 Dec 2020	30 September 2021	31 Dec 2020
	N million	N million	N million	N million
Performance bonds and guarantees	142,692	109,710	142,692	109,710
Letters of credit	133,958	75,617	133,958	75,617
Gross total off-balance sheet assets	276,650	185,327	276,650	185,327
	(3)	(257)	(3)	(257)
Total off-balance sheet assets after impairment	276,646	185,070	276,646	185,070

38 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.

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Union Bank of Nigeria PLC
Shareholding Structure/Free Float Status

Description	SEPTEMBER 30, 2021		SEPTEMBER 30, 2020	
	Units	Percentage (In relation to Issued Share Capital)	Units	Percentage (In relation to Issued Share Capital)
Issued Share Capital	29,264,484,854	100%	29,264,484,854	100%
Details of Substantial Shareholdings (5% and above)				
(Name(s) of Shareholders)				
Union Global Partners Limited	19,017,923,071	64.99%	19,017,923,071	64.99%
Atlas Mara	6,225,421,974	21.27%	7,471,752,753	25.53%
Total Substantial Shareholdings	25,243,345,045	86.26%	26,489,675,824	90.52%
Details of Directors Shareholdings (direct and indirect), excluding directors' holding substantial interests				
(Name(s) of Directors)				
Beatrice Hamza Bassey	-	-	-	-
Omolola Cardoso	-	0.00%	-	0.00%
Joseph Chiedu Mbulu	1,904,857	0.01%	1,904,857	0.01%
Okonkwo Godson Chuwkuemeka	9,614,705.00	0.00	5,662,831.00	0.00
Obafunke Alade-Adeyefa	-	0.00%	-	0.00%
Richard Burrett	-	0.00%	-	0.00%
Ian Clyne	-	0.00%	-	0.00%
Kenroy Dowers	-	-	-	-
Paul Kokoricha Oje	146,226.00	-	146,226.00	-
Aisha Abubakar	-	-	-	-
Labib Taimoor	-	-	-	-
Mark Patterson	-	0.00%	-	0.00%
Ogbechie Chuwkuemeka Anthony	807.00	-	807.00	-
Total Directors' Shareholdings	11,666,595	0.04%	7,714,721	0.03%
Details of Other Influential shareholdings, if any (E.g. Government, Promoters)				
Total of Other Influential Shareholdings				
Free Float in Unit and Percentage	4,009,473,214	13.70%	2,767,094,309	9.45%
Free Float in Value	N19,646,418,748.60		N13,835,471,545.00	

Declaration:

A) UBN Plc has a free float value of N19,646,418,748.60 as at 30 September 2021
B) UBN Plc has a free float value of N13,835,471,545.00 as at 30 September 2020

Note:

* Share Price as at September 30, 2021 N4.90
* Share Price as at September 30, 2020 N5.00