

I STATEMENT OF FINANCIAL POSITION		DECEMBER 2021	DECEMBER 2020
<i>In millions of Nigerian Naira</i>			
	Notes		
ASSETS	22	1,818,784	1,874,618
Cash and bank balances	23	13,096	214,400
Financial assets at fair value through profit or loss	33(a)	33,340	53,148
Derivative assets	24	153,897	77,419
Loans and advances to banks	25	2,680,667	2,554,975
Loans and advances to customers	26	993,791	1,421,527
Investment securities:	26	2,341,839	1,159,264
- At fair value through other comprehensive income	27	149,154	110,829
- At amortised cost	28	8,945	4,504
Other assets	29	-	-
Investment in equity-accounted investee	30	178,117	153,191
Investment in subsidiaries	31	30,450	28,900
Property and equipment	32	43,329	40,602
Intangible assets		8,445,409	7,693,377
Deferred tax assets		-	-
	34	95,909	-
Non-Current Assets Held for Sale		8,541,318	7,693,377
TOTAL ASSETS			
LIABILITIES			
Deposits from banks	35	654,211	418,157
Deposits from customers	36	6,369,189	5,676,011
Derivative liabilities	33(b)	98	508
Other liabilities	37	216,209	157,826
Current income tax payable	20	21,415	9,982
Borrowings	38	455,772	694,355
Deferred tax liability	32	19,617	16,992
TOTAL LIABILITIES		7,736,511	6,973,831
EQUITY			
Share capital	40	17,100	17,100
Share premium	40	98,715	98,715
Retained earnings	40	335,843	251,642
Other reserves	40	324,516	324,194
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		776,174	691,651
Non-controlling interests		28,633	27,895
TOTAL EQUITY		804,807	719,546
TOTAL LIABILITIES AND EQUITY		8,541,318	7,693,377

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

The consolidated and separate financial statements were approved by the Board of Directors and authorized for issue on 14 February 2022 and signed on its behalf by:

Ugo A. Nwaghadoh
Group Chief Finance Officer
FR/2012/ICAN/0000000272

Kennedy Uzoka
Group Managing Director/CEO
FR/2013/IODN/0000015087

Tony O. Eumelu, CON
Chairman, Board of Directors
FR/2013/CIBN/0000002590

II STATEMENT OF COMPREHENSIVE INCOME		2021	2020
<i>In millions of Nigerian Naira</i>			
	Notes		
Interest income	10	474,262	427,862
Interest income on amortised cost and FVOCI securities		473,909	422,655
Interest income on FVTPL securities		353	5,207
Interest expense	11	(157,551)	(168,395)
Net interest income		316,711	259,467
Impairment charge for credit losses on Loans	12a	(9,851)	(22,443)
Net impairment Write back / (charge) on other financial assets	12b	(3,012)	(4,566)
Net interest income after impairment on financial and non-financial instruments		303,848	232,458
Fees and commission income	13	158,648	126,943
Fees and commission expense	14	(57,746)	(44,335)
Net fee and commission income		100,902	82,608
Net trading and foreign exchange income	15	16,385	54,847
Other operating income	16	8,996	6,120
Employee benefit expenses	17	(93,244)	(87,545)
Depreciation and amortisation	18	(22,700)	(20,005)
Other operating expenses	19	(163,042)	(142,297)
Share of profit of equity-accounted investee	28(a)	1,928	1,071
Profit before income tax		153,073	127,257
Income tax expense	20	(34,395)	(18,095)
Profit for the year		118,678	109,162
Other comprehensive (loss) / income			
Items that will be reclassified to Profit or loss:			
Exchange differences on translation of foreign operations		1,683	37,926
Fair value changes on investments in debt securities at fair value through other comprehensive income (FVOCI):			
Net change in fair value during the year	20	(22,999)	5,102
Tax relating to net change in fair value during the period		(1,677)	(10,577)
Net amount transferred to profit or loss		(22,993)	32,451
Items that will not be reclassified to Profit or loss:			
Fair value changes on equity investments designated at FVOCI		8,386	10,875
		8,386	10,875
		(14,607)	43,326
Other comprehensive (loss) / income for the year, net of tax		104,071	152,488
Total comprehensive income for the year			
Profit for the year attributable to:			
Owners of Parent		115,883	105,909
Non-controlling interests		2,795	3,253
Profit for the year		118,678	109,162
Total comprehensive income attributable to:			
Owners of Parent		103,333	143,998
Non-controlling interests		738	8,490
Total comprehensive income for the year		104,071	152,488
Earnings per share attributable to owners of the parent	21	3.39	3.10
Basic and diluted earnings per share (Naira)			

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

*The prevailing USD-NGN exchange rate 424.11 as at 31 December 2021

I STATEMENT OF FINANCIAL POSITION		DECEMBER 2021	DECEMBER 2020
		Shs 000 (Audited)	Shs 000 (Audited)
A ASSETS			
1 Cash (both Local & Foreign)		222,250	119,795
2 Balances due from Central Bank of Kenya		538,691	549,521
3 Kenya Government and other securities held for dealing purposes		-	-
4 Financial Assets at fair value through profit and loss		-	-
5 Investment Securities:			
a) Held to Maturity:			
a. Kenya Government securities		3,085,347	10,580,940
b. Other securities		1,171,507	8,562,332
b) Available for sale:			
a. Kenya Government securities		-	-
b. Other securities		-	-
6 Deposits and balances due from local banking institutions		874,301	51,983
7 Deposits and balances due from banking institutions abroad		6,392,303	3,289,566
8 Tax recoverable		-	-
9 Loans and advances to customers (net)		1,964,541	2,615,732
10 Balances due from banking institutions in the group		-	-
11 Investments in associates		-	-
12 Investments in subsidiary companies		-	-
13 Investments in joint ventures		-	-
14 Investment properties		-	-
15 Property and equipment		122,448	61,239
16 Prepaid lease rentals		-	-
17 Intangible assets		3,161	2,857
18 Deferred tax asset		-	297,521
19 Retirement benefit asset		-	-
20 Other assets		395,342	626,970
21 TOTAL ASSETS		13,598,404	18,196,124
B LIABILITIES			
22 Balances due to Central Bank of Kenya		-	359,772
23 Customer deposits		10,976,976	7,771,759
24 Deposits and balances due to local banking institutions		1,262,395	2,511,170
25 Deposits and balances due to foreign banking institutions		-	5,261,476
26 Other money market deposits		-	-
27 Borrowed funds		-	-
28 Balances due to banking institutions in the group		-	-
29 Tax payable		-	-
30 Dividends payable		-	-
31 Deferred tax liability		-	-
32 Retirement benefit liability		-	-
33 Other liabilities		536,129	582,204
34 TOTAL LIABILITIES		12,775,700	16,486,381
C SHAREHOLDERS' FUNDS			
35 Paid up /Assigned capital		2,053,763	1,261,713
36 Share premium/(discount)		2,384,754	2,384,754
37 Revaluation reserves		-	-
38 Retained earnings/Accumulated losses		(3,615,813)	(1,936,724)
39 Statutory loan loss reserves		-	-
40 Other Reserves		-	-
41 Proposed dividends		-	-
42 Capital grants		-	-
43 TOTAL SHAREHOLDERS' FUNDS		822,704	1,709,743
44 Minority interest		-	-
45 TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS		13,598,404	18,196,124
II STATEMENT OF COMPREHENSIVE INCOME			
		Shs 000 (Audited)	Shs 000 (Audited)
1.0 INTEREST INCOME			
1.1 Loans and advances		189,781	265,067
1.2 Government securities		749,907	1,121,843
1.3 Deposits and placements with banking institutions		94,162	141,599
1.4 Other Interest Income		(6,307)	14,514
1.5 Total Interest Income		1,027,543	1,543,023
2.0 INTEREST EXPENSE			
2.1 Customer deposits		354,376	377,103
2.2 Deposits and placement from banking institutions		313,059	483,054
2.3 Other interest expenses		-	-
2.4 Total interest expenses		667,435	860,157
3.0 NET INTEREST INCOME/(LOSS)		360,108	682,866
4.0 NON-INTEREST INCOME			
4.1 Fees and commissions on loans and advances		10,656	6,719
4.2 Other fees and commissions		200,449	40,262
4.3 Foreign exchange trading income/(loss)		(645,945)	(249,627)
4.4 Dividend Income		1,472	-
4.5 Other income		2,624	5,191
4.6 Total Non-interest income		(432,216)	(197,455)
5.0 TOTAL OPERATING INCOME		(72,108)	485,411
6.0 OTHER OPERATING EXPENSES			
6.1 Loan loss provision		276,071	311,116
6.2 Staff costs		397,015	331,311
6.3 Directors' emoluments		20,562	17,294
6.4 Rental charges		81,216	47,846
6.5 Depreciation charge on property and equipment		57,831	28,163
6.6 Amortisation charges		1,472	1,963
6.7 Other operating expenses		475,293	256,199
6.8 Total Other Operating Expenses		1,309,460	993,892
7.0 Profit/(Loss) before tax and exceptional items		(1,381,568)	(508,481)
8.0 Exceptional items		-	-
9.0 Profit/(Loss) after exceptional items		(1,381,568)	(508,481)
10.0 Current tax		-	16,478
11.0 Deferred tax		297,521	-
12.0 Profit/(Loss) after tax and exceptional items		(1,679,089)	(524,959)
13.0 Minority Interest		-	-
14.0 Profit/(Loss) after tax, exceptional items and Minority Interest		(1,679,089)	(524,959)
15.0 Other Comprehensive Income			
15.1 Gains/(Losses) from translating the financial statements of foreign operations		-	-
15.2 Fair value changes in available for sale financial assets		-	-
15.3 Revaluation surplus on Property, plant and equipment		-	-
15.4 Share of other comprehensive income of associates		-	-
15.5 Income tax relating to components of other comprehensive income		-	-
16.0 Other Comprehensive Income for the year net of tax		-	-
17.0 Total comprehensive income for the year		(1,679,089)	(524,959)
EARNINGS PER SHARE- BASIC & DILUTED			
III OTHER DISCLOSURES			
		Shs 000 (Audited)	Shs 000 (Audited)
1.0 NON-PERFORMING LOANS AND ADVANCES			
(a) Gross Non-performing loans and advances		1,342,218	1,295,374
(b) Less Interest in Suspense		-	-
(c) Total Non-Performing Loans and Advances (a-b)		1,342,218	1,295,374
(d) Less Loan Loss Provision		843,773	554,871
(e) Net Non-Performing Loans and Advances (c-d)		498,445	740,503
(f) Discounted Value of Securities		512,763	740,504
(g) Net NPLs Exposure (e-f)		14,318	1
2.0 INSIDER LOANS AND ADVANCES			
(a) Directors, Shareholders and Associates		46,919	58,580
(b) Employees		-	-
(c) Total Insider Loans and Advances and other facilities		46,919	58,580
3.0 OFF-BALANCE SHEET ITEMS			
(a) Letters of credit, guarantees, acceptances		1,368,133	544,395
(b) Forwards, swaps and options		2,621,952	1,503,195
(c) Other contingent liabilities		-	-
(d) Total Contingent Liabilities		3,990,085	2,047,590
4.0 CAPITAL STRENGTH			
(a) Core capital		822,704	1,709,743
(b) Minimum Statutory Capital		1,000,000	1,000,000
(c) Excess (a-b)		(177,296)	709,743
(d) Supplementary Capital		-	-
(e) Total Capital (a+d)		822,704	1,709,743
(f) Total risk weighted assets		6,545,167	7,425,992
(g) Core Capital/Total deposits Liabilities		7.5%	22.0%
(h) Minimum statutory Ratio		8.00%	8.00%
(i) Excess/(Deficiency)		-0.5%	14.0%
(j) Core Capital / total risk weighted assets		12.6%	23.0%
(k) Minimum Statutory Ratio		10.50%	10.50%
(l) Excess / (Deficiency) (j-k)		2.1%	12.5%
(m) Total Capital/total risk weighted assets		12.6%	23.0%
(n) Minimum statutory Ratio		14.5%	14.5%
(o) Excess / (Deficiency) (m-n)		-1.9%	8.5%
(p) Adjusted Core Capital/Total Deposit Liabilities*		8.5%	30.2%
(q) Adjusted Core Capital/Total Risk Weighted Assets*		14.3%	31.6%
(r) Adjusted Total Capital/Total Risk Weighted Assets*		14.3%	31.6%
5.0 LIQUIDITY			
(a) Liquidity Ratio		89.8%	85.5%
(b) Minimum Statutory Ratio		20.0%	20.0%
(c) Excess / (Deficiency) (a-b)		69.8%	65.5%

*The adjusted capital ratios includes the expected credit loss provisions added back to capital in line with the CBK Guidance Note issued in April 2018 on implementation of IFRS 9

The above statement of financial position, statements of comprehensive income and other disclosures are extracts from the books of the institution. These financial statements and other disclosures can be accessed on the institution's website: <http://ubagroup.com/countries/ke/9> They may also be accessed at the institution's head office located at 2nd floor, Imperial Court, Westlands Road, Westlands

CHIKE ISUIWE
MANAGING DIRECTOR / C.E.O.

ALPHAN NJERU
CHAIRMAN