



**Union Bank of Nigeria Plc
UNAUDITED
FINANCIAL STATEMENTS
31 March 2023**


Consolidated and Separate Statements of Profit or Loss and Other Comprehensive Income
For the period ended March 2023

	Notes	Group		Bank	
		31 March 2023	31 March 2022	31 March 2023	31 March 2022
		₦ million	₦ million	₦ million	₦ million
Gross earnings	1	66,310	43,935	65,935	43,798
Interest income	1	39,641	31,558	39,407	31,452
Interest expense	1	(29,846)	(18,211)	(29,846)	(18,212)
Net interest income (NRFF)		9,795	13,347	9,560	13,240
Net impairment charge/(write back) for credit losses	6	(2,048)	(375)	(2,048)	(374)
Net interest income after impairment charge for credit losses		7,747	12,972	7,512	12,866
Fee and commission income	2	4,048	4,275	4,046	4,274
Fees and commission expenses	2	(1,095)	(893)	(1,095)	(893)
Net trading income	3	17,904	3,811	17,904	3,810
Recoveries		196	1,546	196	1,546
Net income from other financial instruments at fair value through profit or loss	4	3,539	3,320	3,539	3,320
Other operating (loss)/income	5	982	(575)	843	(603)
Non interest income (NII)		25,574	11,484	25,433	11,453
Operating income		33,320	24,456	32,946	24,319
Net impairment write-back/(loss) on other financial assets	6	(300)	-	(300)	-
Net operating income after net impairment write-back/(loss) on other financial assets		33,020	24,456	32,646	24,319
Personnel expenses	7	(6,250)	(5,798)	(6,212)	(5,761)
Depreciation and amortisation	21	(1,671)	(1,822)	(1,668)	(1,820)
Other operating expenses	8	(11,978)	(10,402)	(11,953)	(10,385)
Total expenses		(19,898)	(18,022)	(19,833)	(17,966)
Profit before income tax from continued operations		13,122	6,434	12,813	6,354
Income tax expense	9	(489)	(286)	(457)	(278)
Profit for the year from continued operations		12,633	6,148	12,356	6,076
Discontinued operations					
Loss for the year from discontinued operations net of tax	-	-	(597)	-	-
Profit/Loss before tax from discontinued operations	-	-	(597)	-	-
Continuing and discontinued operations:					
Profit before tax		13,122	5,837	12,813	6,354
Income tax		(489)	(286)	(457)	(278)
Profit after tax		12,633	5,551	12,356	6,076
Other comprehensive income, net of income tax					
Foreign currency translation differences for foreign operations		-	(330)	-	-
Fair value gains/(losses) on financial assets at FVTOCI		(21)	3,660	(21)	3,647
Other comprehensive income for the year		(21)	3,330	(21)	3,647
Total comprehensive income for the year		12,612	8,881	12,335	9,723
Profit attributable to:					
Equity holders of the Bank		12,463	5,507	12,356	6,076
Non-controlling interest		170	44	-	-
Transfer to statutory reserve		-	-	-	-
Profit for the year		12,633	5,551	12,356	6,076
Total comprehensive income attributable to:					
Equity holders of the Bank		12,442	8,837	12,335	9,723
Non-controlling interest		170	44	-	-
Total comprehensive income for the year		12,612	8,881	12,335	9,723
Earnings per share for profit from continued operations attributable to equity holders of Bank					
Basic and diluted (Kobo) (See note "10(b))		43	21	42	21


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 Financial Position					
<i>As at March 2023</i>					
		Group	Group	Bank	Bank
	<i>Notes</i>	31 March 2023	31 December 2022	31 March 2023	31 December 2022
		N million	N million	N million	N million
ASSETS					
Cash and cash equivalents	11	245,748	365,407	245,325	365,407
Financial assets at fair value through profit or loss	12	4,275	113	4,275	113
Pledged assets	13	162,932	169,515	162,932	169,515
Derivative assets held for risk management	14	46,303	28,047	46,303	28,047
Loans and advances to customers at amortised cost	15	981,588	968,889	981,588	968,888
Investment securities	17	646,214	535,102	646,215	535,102
Trading properties	18	187	187	187	187
Investment properties	19	4,204	4,372	-	-
Investment in subsidiaries	20	-	-	2,195	2,195
Property and equipment	21	53,972	53,075	53,925	53,026
Intangible assets	22	3,284	3,713	3,284	3,712
Right of Use Assets	23	2,875	2,918	2,875	2,918
Deferred tax assets	24	95,684	95,684	95,875	95,875
Cash reserve requirement	25	456,490	381,796	456,490	381,796
Other assets	25	219,348	184,522	219,280	184,477
Defined benefit assets	30	2,416	2,416	2,416	2,416
TOTAL ASSETS		2,925,518	2,795,755	2,923,165	2,793,674
LIABILITIES					
Derivative liabilities held for risk management	14	10,050	5,299	10,050	5,299
Deposits from banks	26	22,464	20,426	22,464	20,426
Deposits from customers	27	1,626,498	1,474,464	1,633,266	1,481,345
Current tax liabilities	28	2,381	1,892	1,943	1,486
Lease Liabilities	29	1,967	1,917	1,967	1,917
Other liabilities	29	739,854	780,793	738,623	779,410
Employee benefit obligations	30	881	893	881	893
Debt securities issued	31	6,309	6,557	6,309	6,557
Long term subordinated bond	32	30,923	29,725	30,923	29,725
Other borrowed funds	33	174,555	176,766	174,555	176,766
TOTAL LIABILITIES		2,615,883	2,498,732	2,620,981	2,503,824
EQUITY					
Share capital and share premium	34(b)	148,090	148,090	148,090	148,090
Retained Earnings	34(e)	48,827	44,261	48,823	44,364
Other reserves	34(d)	105,272	97,396	105,271	97,396
EQUITY ATTRIBUTABLE TO EQUITY - HOLDERS OF THE BANK		302,189	289,747	302,184	289,850
Non-controlling interest	35	7,446	7,276	-	-
TOTAL EQUITY		309,635	297,023	302,184	289,850
TOTAL LIABILITIES AND EQUITY		2,925,518	2,795,755	2,923,165	2,793,674

The financial statements were approved by the Board of Directors on 26 April 2023 and signed on its behalf by:


Mudassir Amray
Managing Director/Chief Executive Officer
FRC/2020/002/00000020256


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


Farouk Gumel
Board Chairman
FRC/2021/003/00000024209

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 31 March 2023

Group

	Share capital	Share premium	Statutory reserve	Fair value reserve	Regulatory risk 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
Balance at 1 January 2023	14,632	133,458	43,380	15,832	27,722	7,228	3,234	44,261	289,747	7,276	297,023
Total comprehensive income for the period											
Profit for the period	-	-	1,853	-	-	-	-	10,610	12,463	170	12,633
Other comprehensive income, net of tax											
Foreign currency translation difference	-	-	-	-	-	-	-	-	-	-	-
Fair value gains/(loss) on investment at FVTOCI	-	-	-	(21)	-	-	-	-	(21)	-	(21)
Transfer from regulatory reserves	-	-	-	-	6,044	-	-	(6,044)	-	-	-
Total comprehensive income for the year	-	-	-	(21)	6,044	-	-	(6,044)	(21)	-	(21)
Balance at 31 March 2023	14,632	133,458	45,233	15,811	33,766	7,228	3,234	48,827	302,189	7,446	309,635

For the period ended 31 March 2022

Group

	Share capital	Share premium	Statutory reserve	Fair value reserve	Regulatory risk 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
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
Profit for the year	-	-	911	-	-	-	-	4,596	5,507	44	5,551
Other comprehensive income, net of tax											
Foreign currency translation difference	-	-	-	(330)	-	-	-	-	(330)	-	(330)
Fair value gains/(loss) on investment at FVTOCI	-	-	-	3,660	-	-	-	-	3,660	-	3,660
Transfer from regulatory reserves	-	-	-	-	1,342	-	-	(1,342)	-	-	-
Total comprehensive income	-	-	911	3,330	1,342	-	-	3,254	8,837	44	8,881
Balance at 31 March 2022	14,632	133,458	39,939	11,293	27,176	4,536	20,889	16,977	268,900	6,848	275,748

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 31 March 2023

Bank

	Share capital	Share premium	Statutory reserve	Fair value reserves	Regulatory risk reserves	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
Balance at 1 January 2023	14,632	133,458	43,380	15,832	27,722	7,228	3,234	44,364	289,850
Total comprehensive income for the year									
Profit or loss	-	-	1,853	-	-	-	-	10,503	12,356
Other comprehensive income									
Fair value gains/(loss) on investment at FVTOCI	-	-	-	(21)	-	-	-	-	(21)
Transfer between reserves	-	-	-	-	6,044	(0)	-	(6,044)	-
Total comprehensive income for the year	-	-	1,853	(21)	6,044	(0)	-	4,459	12,335
Balance at 31 March 2023	14,632	133,458	45,233	15,811	33,766	7,228	3,234	48,823	302,185

For the period ended 31 March 2022

Bank

	Share capital	Share premium	Statutory reserve	Fair value reserves	Regulatory risk reserves	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
Balance at 1 January 2022	14,632	133,458	39,028	7,315	25,834	4,536	2,572	24,112	251,487
Profit or loss	-	-	911	-	-	-	-	5,165	6,076
Other comprehensive income, net of tax									
<i>Items that will not be reclassified to profit or loss:</i>									
Net Fair value gains/(loss) on investment at FVTOCI				3,647					3,647
Transfer to regulatory risk reserves					(1,342)			1,342	-
Total contribution and distributions to owners	-	-	911	3,647	(1,342)	-	-	6,507	9,723
Balance at 31 March 2022	14,632	133,458	39,939	10,962	24,492	4,536	2,572	30,619	261,210

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 31 March 2023

	Group 31 March 2023	Group 31 March 2022	Bank 31 March 2023	Bank 31 March 2022
	N million	N million	N million	N million
Cash flows from operating activities				
Profit after tax for the period	12,633	5,551	12,356	6,076
Income tax expense	489	286	457	278
Profit before tax for the period	13,122	5,837	12,813	6,354
Adjustments for:				
Impairment losses on loans and advances	6	2,048	375	2,048
Reversal of impairment on other assets	6	300	-	300
Foreign exchange revaluation gain	5	135	1,982	135
Gain on sale of property and equipment	5	(121)	(166)	(9)
Fair Value Gain on investment properties	19	168	(65)	-
Depreciation of property and equipment	21	1,188	1,376	1,185
Depreciation of right-of-use assets	22	153	161	153
Amortisation of intangible assets	22	429	450	429
Dividend income from equity investment	5	-	(1,002)	-
Interest on lease liability	1	38	28	38
Interest paid on borrowings	1	10,660	6,442	10,660
Contributions to defined contribution plans	30	(355)	(272)	(355)
	27,764	15,237	27,395	15,815
Change in financial assets at fair value through profit or loss	(4,162)	(10,520)	(4,162)	(10,520)
Change in pledged assets	6,583	(3,017)	6,583	(3,017)
Change in loans and advances to customers	(14,747)	15,282	(14,747)	15,283
Change in right of use asset	42	(161)	42	(160)
Change in other assets	(109,818)	(103,335)	(109,797)	(103,298)
Change in derivative financial instruments-assets	(18,256)	(3,805)	(18,256)	(3,805)
Change in derivative financial instruments-liabilities	4,751	1,882	4,751	1,882
Change in deposits from banks	2,038	7,977	2,039	7,977
Change in deposits from customers	152,034	(42,594)	151,921	(48,007)
Change in lease liability	50	(89)	50	(89)
Change in other liabilities	(40,939)	20,776	(40,787)	20,269
	5,341	(102,367)	5,032	(107,671)
Income tax paid	(0)	-	-	-
Interest paid on borrowings	(8,366)	(5,293)	(8,366)	(5,293)
Benefits paid by long service award plan	193	126	192	125
Cashflows from discontinued operations	-	39,569	-	-
Net cash flow generated from/(used in) operating activities	(2,832)	(67,964)	(3,142)	(112,839)
Cash flows from investing activities				
Proceeds from sale of property and equipment	121	167	9	166
Acquisition of investment securities	(111,132)	44,128	(111,134)	44,115
Acquisition of property and equipment	(2,105)	(1,430)	(2,105)	(1,421)
Acquisition of intangible assets	-	(488)	-	(488)
Dividend income received	-	1,002	-	1,002
Net cash flow used in investing activities	(113,116)	43,380	(113,231)	43,374
Cash flows from financing activities				
Net proceeds from shares issued during the year				
Inflow from other borrowings	4,801	4,079	4,801	4,079
Repayment of borrowings	(8,364)	(40,599)	(8,363)	(40,599)
Payment for lease liabilities	(13)	(99)	(13)	(99)
Dividend paid to non-controlling interest	-	-	-	-
Net cash flow (used in)/generated from financing activities	(3,576)	(36,619)	(3,575)	(36,619)
Net increase/(decrease) in cash and cash equivalents	(119,525)	(61,203)	(119,948)	(106,084)
Cash and cash equivalents at beginning of year	365,443	407,179	365,444	445,841
Effect of exchange rate fluctuations on cash held	(135)	(2,311)	(135)	(1,982)
Cash and cash equivalents at end of the period	245,783	343,665	245,361	337,775

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

1 Net interest income

	Group 31 March 2023	Group 31 March 2022	Bank 31 March 2023	Bank 31 March 2022
	N million	N million	N million	N million
(a) The analysis of gross earnings for the period is as shown below				
Interest income	39,641	31,558	39,407	31,452
Non-interest income	26,669	12,377	26,529	12,347
	66,310	43,935	65,935	43,798
(b) Interest income				
Cash and cash equivalents	1,234	2,730	1,003	2,624
Loans and advances to customers	32,015	24,928	32,015	24,928
Investment securities	6,392	3,900	6,389	3,899
Total interest income	39,641	31,558	39,407	31,452
(c) Interest expense				
Deposits from customers	18,249	12,029	18,249	12,029
Lease liability	38	28	38	28
Other borrowed funds	11,559	6,154	11,559	6,154
Total interest expense	29,846	18,211	29,846	18,212
Net interest income	9,795	13,347	9,560	13,240

2 Net fees and commission income

	Group 31 March 2023	Group 31 March 2022	Bank 31 March 2023	Bank 31 March 2022
	N million	N million	N million	N million
Credit Related fees and commissions income	630	869	628	869
Account Maintenance Fee	669	589	669	589
E-business fee income	1,967	2,051	1,967	2,051
Commission on LCs, Invisible Trades and Guarantees	769	795	769	795
Other fees and commission	13	(29)	13	(29)
	4,048	4,275	4,046	4,274
Fees and commission expenses	(1,095)	(893)	(1,095)	(893)
Net fees and commission income	2,952	3,383	2,951	3,380

3 Net trading income/(loss)

	Group	Group	Bank	Bank
	31 March	31 March	31 March	31 March
	2023	2022	2023	2022
	N million	N million	N million	N million
Gain on disposal of fixed income securities	1,366	38	1,366	38
Mark to market gains/losses on fixed income securities	25,066	1,162	25,066	1,162
Gain/Loss on trading	(8,528)	2,611	(8,528)	2,610
	17,904	3,811	17,904	3,810

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

	Group	Group	Bank	Bank
	31 March	31 March	31 March	31 March
	2023	2022	2023	2022
	N million	N million	N million	N million
<i>Equity instruments at FVTPL:</i>				
Equity	3,539	3,320	3,539	3,320
	3,539	3,320	3,539	3,320

5 Other operating income

	Group	Group	Bank	Bank
	31 March	31 March	31 March	31 March
	2023	2022	2023	2022
	N million	N million	N million	N million
Dividends	-	1,002	-	1,002
Gains on disposal of property and equipment	121	166	9	166
Gain on disposal of equity investment	-	-	-	-
Foreign exchange revaluation gain	(135)	(1,982)	(135)	(1,982)
Rental income	59	12	33	12
Fair value gain on investment property	-	-	-	-
Sundry income (See (a) below)	937	227	936	199
	982	(575)	843	(603)

(a) Sundry income

	Group	Group	Bank	Bank
	31 March	31 March	31 March	31 March
	2023	2022	2023	2022
	N million	N million	N million	N million
Cash handling fees	13	15	13	15
Other income	924	212	923	185
	937	227	936	199

6 Net Impairment charge on financial assets

	Group 31 March 2023	Group 31 March 2022	Bank 31 March 2023	Bank 31 March 2022
	N million	N million	N million	N million
Stage 1 and 2 impairment	1,634	(1,360)	1,634	(1,360)
Stage 3 impairment	414	1,735	414	1,735
Total impairment write-back/charge on loans and advances	2,048	375	2,048	374
Net impairment charge for credit losses	2,048	375	2,048	374
Net impairment charge /(write-back) on other financial assets	300	-	300	-

7 Personnel expenses

	Group 31 March 2023	Group 31 March 2022	Bank 31 March 2023	Bank 31 March 2022
	N million	N million	N million	N million
Wages and salaries	6,099	5,658	6,061	5,622
Contributions to defined contribution plans	144	140	144	139
Interest and current service cost on defined benefit plans	7	-	7	-
	6,250	5,798	6,212	5,761

8 Other operating expenses

	Group 31 March 2023	Group 31 March 2022	Bank 31 March 2023	Bank 31 March 2022
	N million	N million	N million	N million
NDIC Premium	1,738	1,497	1,738	1,497
AMCON surcharge	3,928	3,593	3,928	3,593
Non-discretionary regulatory costs	5,666	5,090	5,666	5,090
Auditors' remuneration	55	32	50	30
Rents and Rates	148	153	147	152
Accommodation and travels	85	84	78	84
Fleet management and vehicle related expenses	134	178	134	178
Repair and Maintenance	286	251	284	249
Professional fees	434	396	432	391
Advertising and Promotion expenses	368	317	368	317
Security expense	405	277	405	277
Expenses on software	2,123	1,535	2,123	1,535
Donations and Subscriptions	1	14	1	14
Cash movement expense	383	291	383	291
Diesel and power	1,122	865	1,122	865
General administrative expenses	732	849	726	843
Insurance	36	70	34	69
	11,978	10,402	11,953	10,385

9 Income tax expense

(a) Recognised in the profit or loss

	Group	Group	Bank	Bank
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	₦ million	₦ million	₦ million	₦ million
Current tax expense				
Company Income Tax	362	223	330	215
NITDA Levy	127	63	127	63
Total tax expense	489	286	457	278
Total income tax expense	489	286	457	278

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
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
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
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
<i>In millions of Nigerian Naira</i>				
Profit from continuing operations attributable to equity holders of	12,463	6,104	12,356	6,076
Basic earnings per share (in kobo)	43	21	42	21

11 Cash and cash equivalents	Group	Group	Bank	Bank
	31 March 2023	31 December 2022	31 March 2023	2022
	N million	N million	N million	N million
Cash and balances with banks	205,071	224,563	204,913	224,563
Unrestricted balances with central bank	12,218	22,710	12,218	22,710
Money market placements	28,494	118,170	28,230	118,170
	245,784	365,443	245,361	365,444
ECL Impairment on cash and cash equivalents	(36)	(36)	(36)	(36)
	245,748	365,407	245,325	365,407

12 Financial assets at fair value through profit or loss	Group	Group	Bank	Bank
	31 March 2023	31 December 2022	31 March 2023	31 December
	N million	N million	N million	N million
Government bonds	2,375	62	2,375	62
Commercial Paper	571	-	571	-
Treasury bills	1,329	51	1,329	51
	4,275	113	4,275	113

13 Pledged assets	Group	Group	Bank	Bank
	31 March 2023	31 December 2022	31 March 2023	31 December
	N million	N million	N million	N million
Treasury bills	130,163	141,837	130,163	141,837
FGN Bonds	32,426	27,335	32,426	27,335
Placement	350	350	350	350
ECL Impairment on Pledged asset	(7)	(7)	(7)	(7)
	162,932	169,515	162,932	169,515

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	31 March 2023		31 December 2022	
	Assets	Liabilities	Assets	Liabilities
Group	N million	N million	N million	N million
Instrument Type:				
FX swaps	46,303	-	28,047	-
Non-deliverable futures	-	10,050	-	5,299
	46,303	10,050	28,047	5,299

Bank	31 March 2023		31 December 2022	
	Assets	Liabilities	Assets	Liabilities
	N million	N million	N million	N million
Instrument Type:				
FX swaps	46,303	-	28,047	-
Non-deliverable futures	-	10,050	-	5,299
	46,303	10,050	28,047	5,299

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	Group	Bank	Bank
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
	₦ million	₦ million	₦ million	₦ million
FCY Loans	494,325	507,659	494,325	507,659
LCY Loans	521,245	493,245	521,245	493,245
Gross amount	1,015,570	1,000,903	1,015,570	1,000,903
IFRS 9				
Stage 1 impairment	(4,209)	(3,667)	(4,209)	(3,667)
Stage 2 impairment	(5,105)	(5,738)	(5,105)	(5,738)
Stage 3 impairment	(24,668)	(22,610)	(24,668)	(22,610)
Total impairment	(33,982)	(32,015)	(33,982)	(32,015)
Carrying amount	981,588	968,889	981,588	968,888

16 Investment in equity accounted investee

	Group 31 March 2023	Group 31 December 2022	Bank 31 March 2023	Bank 31 December 2022
	N million	N million	N million	N million
Cost				
Balance, beginning of the year	115	115	91	91
	115	115	91	91
Impairments	(115)	(115)	(91)	(91)
Balance, end of the year	-	-	-	-

17 Investment securities

	Group 31 March 2023	Group 31 December 2022	Bank 31 March 2023	Bank 31 December 2022
	N million	N million	N million	N million
Investment securities at fair value through other comprehensive income (FVOCI) (see note (a) below)	550,751	446,284	550,751	446,284
Investment at fair value through profit or loss (FVTPL) (see note (b) below)	68,636	63,099	68,636	63,099
Investment securities at amortised cost (see note (c) below)	26,850	25,719	26,851	25,719
Impairment on securities (see note (c) below)	(23)	(23)	(23)	(23)
	646,214	535,079	646,215	535,079

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

	Group 31 March 2023	Group 31 December 2022	Bank 31 March 2023	Bank 31 December 2022
	N million	N million	N million	N million
- Investments in debt securities:				
Treasury bills	491,927	387,819	491,927	387,819
FGN Bonds	14,163	25,702	14,163	25,702
State Bonds	4,024	3,764	4,024	3,764
Corporate Bonds	21,321	-	21,321	-
Commercial Paper	8,732	18,568	8,732	18,568
FGN Promissory note	7,637	7,484	7,637	7,484
Total investment in debt securities	547,804	443,337	547,804	443,337
- Investments in equity securities:				
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
Total investment in equity instruments	2,947	2,947	2,947	2,947
Total investment securities at FVTOCI	550,751	446,284	550,751	446,284

	Group 31 March 2023	Group 31 December 2022	Bank 31 March 2023	Bank 31 December 2022
	N million	N million	N million	N million
(i) Investment in REIT	1,777	1,777	1,777	1,777
(ii) Investment in unquoted equities				
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
	1,170	1,170	1,170	1,170
Total	2,947	2,947	2,947	2,947

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

	Group 31 March 2023	Group 31 December 2022	Bank 31 March 2023	Bank 31 December 2022
	N million	N million	N million	N million
Investment in equity				
Afrexim Bank	13,497	7,968	13,497	7,968
Africa Finance Corporation (AFC)	55,139	55,131	55,139	55,131
Total investment securities at FVTPL	68,636	63,099	68,636	63,099

(c) *Investment securities at amortised cost comprise:*

	Group 31 March 2023	Group 31 December 2022	Bank 31 March 2023	Bank 31 December 2022
	N million	N million	N million	N million
Treasury bills	-	-	-	-
Federal Government of Nigeria -Bonds	26,609	24,960	26,609	24,960
State Government of Nigeria -Bonds	242	782	242	782
Total investment securities at amortised cost	26,850	25,744	26,851	25,743
Stage 1 impairment	(23)	(23)	(23)	(23)
Total impairment	(23)	(23)	(23)	(23)
Net Total -Fixed income securities	574,631	469,057	574,632	469,057
Total investment securities	646,214	535,102	646,215	535,102

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	Group	Bank
	31 March 2023	2022	31 March 2023
	₦ million	₦ million	₦ million
Balance, beginning of year	187	187	187
Addition	-	-	-
Balance, end of year	187	187	187

19 Investment Properties

	Group	Group	Bank
	31 March 2023	2022	31 March 2023
	₦ million	₦ million	₦ million
Balance, beginning of the year	4,372	5,226	-
Disposal	-	(1,157)	-
Additional cost capitalised during the year	-	272	-
	4,372	4,613	-
Fair value gain	(168)	31	-
Balance, end of the year	4,204	4,372	-

20 Investment in subsidiaries

Cost	Bank
	31 March 2023
	₦ million
UBN Property Company Plc	2,195
	2,195

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

			ct ownership int
Company Name	Country	Nature of	31 March 2023
	Incorporation	business	Status/%
UBN Property Company Plc (i)	Nigeria	Property Development	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 2022-39.01%) 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.

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
(i) Cost								
Balance at 1st January, 2023	10,326	20,136	22,392	6,282	39,626	2,260	256	101,277
Additions	-	-	-	-	1	-	2,105	2,106
Reclassification to other assets	-	-	-	-	-	-	-	-
Disposal	-	-	-	-	(0.1)	-	-	(0)
Balance at 31 March 2023	10,326	20,136	22,392	6,282	39,627	2,260	2,361	103,383
Balance at 1st January, 2022	10,419	20,183	22,006	5,744	38,577	2,291	1,695	100,915
Additions	-	21	419	597	1,203	120	(1,439)	921
Disposals	(89)	(101)	-	(21)	(191)	(158)	-	(561)
Reclassification to other assets	(4)	33	(33)	(38)	37	7	-	-
Balance as at 31 December 2022	10,326	20,136	22,392	6,282	39,626	2,260	256	101,275
(ii) Accumulated depreciation								
Balance at 1st January 2023	-	7,294	3,708	3,601	31,463	2,134	-	48,200
Charge for the period	-	92	108	141	837	9	-	1,188
Disposals	-	-	-	-	(0)	-	-	(0)
Reclassifications	-	-	(0)	14	9	2	-	24
Balance at 31 March 2023	-	7,386	3,816	3,756	32,310	2,144	-	49,412
Balance at 1st January, 2022	-	7,012	3,275	3,121	27,742	2,092	-	43,242
Charge for the year	-	374	433	496	3,920	117	-	5,340
Disposals	-	(91)	-	(16)	(199)	(76)	-	(382)
Balance as at 31 December 2022	-	7,294	3,708	3,601	31,463	2,134	-	48,200
(iii) Net Book Value								
Balance at 31 March 2023	10,326	12,750	18,576	2,526	7,317	116	2,361	53,972
Balance as at 31 December 2022	10,326	12,842	18,683	2,681	8,162	126	256	53,075
(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 2022: 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 2022	10,350	20,145	22,392	6,282	39,543	2,260	256	101,229
Additions	-	-	-	-	-	-	2,105	2,105
Reclassifications	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Balance at 31 March 2023	10,350	20,145	22,392	6,282	39,543	2,260	2,361	103,334
Balance at 1st January 2021	10,439	20,191	22,006	5,744	38,530	2,291	1,695	100,896
Additions	-	21	419	560	1,204	112	(1,439)	877
Disposals	-	33	(33)	-	-	-	-	0
Reclassifications to other assets	(89)	(101)	-	(21)	(191)	(142)	-	(544)
Balance as at 31 December 2022	10,350	20,145	22,392	6,282	39,543	2,260	256	101,229
(ii) Accumulated depreciation								
	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million	₦ million
Balance at 1st January 2023	-	7,294	3,707	3,601	31,467	2,133	-	48,202
Charge for the period	-	92	108	139	837	9	-	1,185
Disposals	-	-	-	-	-	-	-	-
Reclassifications	-	-	(0)	14	9	2	-	24
Balance at 31 March 2023	-	7,386	3,815	3,754	32,313	2,143	-	49,411
Balance at 1st January 2022	-	7,012	3,274	3,121	27,742	2,092	-	43,241
Charge for the year	-	374	433	496	3,914	114	-	5,331
Disposals	-	(91)	-	(16)	(189)	(73)	-	(370)
Reclassifications	-	-	-	-	-	-	-	-
Balance as at 31 December 2022	-	7,294	3,707	3,601	31,467	2,133	-	48,202
(iii) Net Book Value								
Balance at 31 March 2023	10,350	12,758	18,577	2,529	7,230	117	2,361	53,925
Balance as at 31 December 2022	10,350	12,850	18,685	2,682	8,076	127	256	53,026

(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 2022: nil)

22 Intangible assets

	Group 31 March 2023	Group 31 December 2022	Bank 31 March 2023	Bank 31 December 2022
	₦ million	₦ million	₦ million	₦ million
Cost				
Balance, beginning of the year	16,868	15,252	16,867	15,251
Additions	-	1,616	-	1,616
Transfer from property and equipment	-	-	-	-
Exchange translation difference	-	-	-	-
Balance, end of period	16,867	16,868	16,867	16,867
Amortization and impairment losses				
Balance, beginning of the year	13,154	11,469	13,154	11,469
Amortisation for the year	429	1,685	429	1,685
Balance, end of period	13,583	13,154	13,583	13,154
Carrying amounts as at period end	3,284	3,713	3,284	3,712
Balance as at 1 January	3,714	3,783	3,713	3,782

- (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 (March 2023: nil)

23 Right of Use Assets

	Group 31 March 2023	Group 31 December 2022	Bank 31 March 2023	Bank 31 December 2022
	₦ million	₦ million	₦ million	₦ million
Gross Amount	5,216	4,530	5,216	4,530
Additions	149	1,104	149	1,104
Derecognition	(37)	(418)	(37)	(418)
Gross Amount	5,328	5,216	5,328	5,216
Accumulated depreciation	2,299	1,753	2,299	1,753
Charge in the year	153	546	153	546
Carrying Amount as at period end	2,875	2,918	2,875	2,918

24 Deferred tax assets and liabilities

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Group

31 March 2023

	Assets	Liabilities	Net
	₦ million	₦ million	₦ million
Property, equipment, and software	-	7,038	(7,038)
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	7,230	95,684

Deferred tax assets and liabilities

31 December 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
Net tax assets (liabilities)	102,914	7,226	95,688

Bank

31 March 2023

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

31 December 2022

	Assets	Liabilities	Net
	₦ 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
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
	31 March	31 December	31 March 2023	31 December
	₦ million	₦ million	₦ million	₦ million
Balance, beginning of the year	95,688	95,875	95,875	95,875
Prior year adjustment (see note 42(b))				
Balance, beginning of the year ()	95,688	95,875	95,875	95,875
Credit for the year	(4)	(187)	-	-
Net deferred tax assets/(liabilities)	95,684	95,688	95,875	95,875

Made up of

Deferred tax assets	102,914	102,914	102,914	102,914
Deferred tax liabilities	(7,319)	(7,230)	(7,319)	(7,230)

Recognised and unrecognised deferred tax assets

Recognition of deferred tax assets of N95,688 (December 2022: 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

	Group 31 March	Group 31 December	Bank 31 March 2023	Bank 31 December
	N million	N million	N million	N million
Total Cash Reserve Requirement	456,490	381,796	456,490	381,796
Other assets:				
Clearing	1,733	609	1,733	609
Accounts receivable	1,210	1,215	167	167
Prepayments	5,469	4,190	5,475	4,190
Receivable on FX forward (see (ii))	137,235	47,848	137,235	47,848
Repossession assets	22,854	23,002	22,854	23,002
Sundry assets (see (iii))	61,673	118,390	61,599	118,353
	230,175	195,254	229,064	194,169
Impairment on other assets (see (iv))	(10,827)	(10,733)	(9,784)	(9,693)
Net other assets	219,348	184,522	219,280	184,477
Total other assets	675,838	566,318	675,770	566,273

- (i) The Bank had restricted balances of N456.49 billion (December 2022: N395.80 billion) with the Central Bank of Nigeria (CBN) as at 31 March 2023, 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 March 2023, the CRR in force was 32.5% (Dec 2022: 32.5%).

(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 31 March	Group 31 December	Bank 31 March 2023	Bank 31 December
	₦ million	₦ million	₦ million	₦ million
Frauds and losses	3,569	3,563	3,569	3,563
Advance payments for PPE	597	618	597	618
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	1,179	1,179	1,179
ATM receivable	9	857	9	857
Dividend Receivable	504	504	504	504
Receivable on electronic transfers and collections	6,734	8,865	6,734	8,865
Master/Visa card electronic settlement	6,102	6,286	6,102	6,286
Withholding tax receivable	3,636	3,575	3,636	3,575
Asset below capitalisation	3	6	3	6
Investment in AgriBusiness/SMEEIS	5,778	5,778	5,778	5,778
FX forward receivable	-	72,821	-	72,821
Prepaid inventory items	347	-	347	-
E-settlement receivable	23,763	6,195	23,763	6,195
Cash in Transit	338	143	338	143
Prepaid staff benefit	814	653	814	653
Stock items	-	542	-	542
Other account balances	4,340	2,845	4,267	2,806
Balance, end of year	61,673	118,390	61,599	118,353

(iv) Movement in impairment on other assets:

	Group 2023	Group 2022	Bank 31 March 2023	Bank 2022
	₦ million	₦ million	₦ million	₦ million
Balance, beginning of the year	10,733	7,829	9,693	6,787
Charge/(reversal) for the year	-	1,265	-	1,265
Effect of exchange rate	94	1,638	92	1,640
Balance, end of year	10,827	10,733	9,784	9,693

26 Deposits from banks

	Group 2023	Group 2022	Bank 31 March 2023	Bank 2022
	₦ million	₦ million	₦ million	₦ million
Other deposits from banks	22,464	20,426	22,464	20,426
Total deposits from Banks	22,464	20,426	22,464	20,426

27 Deposits from customers

	Group 2023	Group 2022	Bank 31 March 2023	Bank 2022
	N million	N million	N million	N million
Term deposits	513,767	467,750	520,534	474,631
Current deposits	566,491	535,577	566,491	535,577
Savings	546,241	471,138	546,241	471,138
Total deposits from customers	1,626,498	1,474,464	1,633,266	1,481,345
Low-cost deposits	1,112,732	1,006,715	1,112,732	1,006,715
Low-cost deposits as % of total customer deposits	68.4%	68.3%	68.1%	68.0%
Deposits by currency				
Local currency deposits	1,315,789	1,132,174	1,315,789	1,139,054
Foreign currency deposits	310,709	342,291	317,476	342,291
	1,626,498	1,474,465	1,633,266	1,481,346

28 Current tax liabilities

	Group 2023	Group 2022	Bank 31 March 2023	Bank 2022
	N million	N million	N million	N million
Balance, beginning of year	1,893	1,420	1,486	1,356
Charge for the year	489	1,604	457	1,197
Payments during the year	(0)	(1,131)	-	(1,067)
Balance, end of year	2,381	1,892	1,943	1,486

29 Other liabilities

	Group 2023	Group 2022	Bank 31 March 2023	Bank 2022
	N million	N million	N million	N million
Deposits for foreign currency	401,783	500,837	401,783	500,837
Due to foreign correspondent banks	75,782	56,244	75,782	56,244
PAYE and other statutory deductions	1,711	1,431	1,711	1,376
Draft and Bills payable	2,695	2,000	2,695	2,000
AMCON contribution payable	4,382	454	4,382	454
Creditors and accruals (see (a) below)	6,268	5,058	5,578	5,058
Unearned income	786	970	786	970
Provision for claims and contingencies (see (b) below)	4,715	4,762	4,715	4,762
Accounts payable	29,362	8,673	29,233	7,345
OBB/REPO takings	102,120	74,096	102,120	74,096
Other provisions	2	2	2	2
Electronic collections and other e-payment liabilities	27,913	36,516	27,913	36,516
Payable for unsettled financial assets	-	-	-	-
Liability for pledged assets	253	3,334	253	3,334
Other credit balances	82,082	86,417	81,670	86,417
	739,854	780,793	738,623	779,410
Lease Liability	1,967	1,917	1,967	1,917
Total other liabilities	741,821	782,709	740,590	781,327

(a) Creditors and accruals

	Group 2023	Group 2022	Bank 31 March 2023	Bank 2022
	N million	N million	N million	N million
Accrued IT Consumables	412	389	412	389
Accruals for professional and consultancy fees	387	205	387	205
Accrual for Industrial Training Fund Levy	293	230	293	230
Accrual for advertisement	92	120	92	120
Accrual for staff related allowances	2,423	2,361	2,423	2,361
Accrual for repairs and maintenance expenses	173	139	173	139
Other accruals	2,487	1,614	1,796	1,614
	6,268	5,058	5,578	5,058

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

	Group 2023	Group 2022	Bank 31 March 2023	Bank 2022
	N million	N million	N million	N million
Balance, beginning of year	4,762	4,283	4,762	4,283
Charge/(reversal during the year)	(46)	479	(46)	479
Balance, end of the year	4,715	4,762	4,715	4,762

30 Employee benefit obligations

	Group	Group	Bank	Bank
	31 March	December	31 March	December
	2023	2022	2023	2022
	₦ million	₦ million	₦ million	₦ million
Post employment benefit obligation (see (a) below)	205	416	205	416
Other long-term employee benefits	677	477	676	477
	881	893	881	893

(a) Post employment benefit obligation

	Group	Group	Bank	Bank
	31 March	December	31 March	December
	2023	2022	2023	2022
	₦ million	₦ million	₦ million	₦ million
Defined contribution scheme (see (i) below)	205	416	205	416
	205	416	205	416
Defined benefit asset	2,416	2,000	2,416	2,000
Net defined benefit obligation	2,416	2,416	2,416	2,416

(i) Defined Contribution Scheme

	Group	Group	Bank	Bank
	31 March	December	31 March	December
	2023	2022	2023	2022
	₦ million	₦ million	₦ million	₦ million
Balance, beginning of year	416	339	416	338
Charge during the year	144	372	144	366
Contribution remitted during the year	(355)	(295)	(355)	(288)
Balance, end of year	205	416	205	416

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:

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 31 March 2023	Group 31 December	Bank 31 March 2023	Bank 31 December
	₦ million	₦ million	₦ million	₦ million
Present value of unfunded obligation	677	477	676	477
Total present value of the obligation	677	477	676	477
Present value of net obligation	677	477	676	477
Recognized liability for defined benefit obligations	677	477	676	477

31 Debt securities issued

	Group	Group	Bank	Bank
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
	₦ million	₦ million	₦ million	₦ million
Long term bonds	6,309	6,557	6,309	6,557
	6,309	6,557	6,309	6,557

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

32 Long Term Subordinated bond

	Group	Group	Bank	Bank
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
	₦ million	₦ million	₦ million	₦ million
Series 3 bonds	30,923	29,725	30,923	29,725
	30,923	29,725	30,923	29,725

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	Group	Bank	Bank
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
	₦ million	₦ million	₦ million	₦ million
Due to CACS (see (a))	302	804	302	804
BOI on-lending facilities (see note (b))	471	537	471	537
CBN RSSF-on lending (see (c))	12,594	13,485	12,594	13,485
Trade finance lending (see (d))	55,810	50,120	55,810	50,120
Short term borrowing	2,481	5,424	2,481	5,424
Other borrowings (see (e))	88,565	91,926	88,565	91,926
LCY mid-term borrowings	13,660	13,668	13,660	13,668
SME on-lending scheme	673	803	673	803
	174,555	176,766	174,555	176,766

- (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 N12.59bn (December 2022: N13.49 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
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
	\$ million	\$ million	N million	N million
Mashreq Bank	51	50	23,705	23,114
Access Bank UK	59	59	27,140	27,006
	110	109	50,846	50,120

Bank

	Bank	Bank	Bank	Bank
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
	\$ million	\$ million	N million	N million
CROWN AGENTS BANK	8	-	2,853	-
UBA NEW YORK	6	-	2,116	-
Mashreq Bank	51	26	23,705	23,114
Access Bank UK	59	47	27,140	27,006
	125	73	55,815	50,120

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

	Group	Group	Group	Group
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
	\$ million	\$ million	N million	N million
United States International Development Finance Corporation	148	148	68,060	67,857
AFRICA AGRICULTURE AND TRADE INVESTMENT FUND	26	21	12,153	9,739
Afreximbank	18	31	8,352	14,330
	192	200	88,565	91,926

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

	Bank	Bank	Bank	Bank
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
	\$ million	\$ million	N million	N million
United States International Development Finance Corporation	148	148	68,060	67,857
AFRICA AGRICULTURE AND TRADE INVESTMENT FUND	26	21	12,153	9,739
Afreximbank	18	31	8,352	14,330
	192	200	88,565	91,926

34 Capital and reserves

Share capital		Group	Group	Bank	Bank
		31 March 2023	31 December 2022	31 March 2023	31 December 2022
		₦ 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
		31 March 2023	31 December 2022	31 March 2023	31 December 2022
		₦ million	₦ million	₦ million	₦ million
(b) Issued and fully paid -					
29,264,484,854 Ordinary shares of 50kobo each					
		14,632	14,632	14,632	14,632
		Group	Group	Bank	Bank
		31 March 2023	31 December 2022	31 March 2023	31 December 2022
		₦ million	₦ million	₦ million	₦ million
Balance, beginning of year		14,632	14,632	14,632	14,632
Balance, end of year		14,632	14,632	14,632	14,632
(c) Share premium					
Share premium is the excess paid by shareholders over the nominal value for their shares.					
		Group	Group	Bank	Bank
		31 March 2023	31 December 2022	31 March 2023	31 December 2022
		₦ million	₦ million	₦ million	₦ million
Balance, beginning of year		133,458	133,458	133,458	133,458
Balance, end of year		133,458	133,458	133,458	133,458
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 (SMEIS) 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.

35 Non-controlling Interest

	Group	Group
	31 March 2023	31 December 2022
<i>Movement in the non controlling interest</i>	<i>N million</i>	<i>N million</i>
Balance, beginning of year	7,276	6,804
Profit/(loss) for the year	170	542
Dividend paid	-	(70)
Balance, end of year	7,446	7,276

36 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 N236.48 million (December 2022: N253.68 million).

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

	Group		Bank	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
	N million	N million	N million	N million
Performance bonds and guarantees	156,981	164,914	156,981	164,914
Letters of credit	79,447	88,767	79,447	88,767
Gross total off-balance sheet assets	236,428	253,681	236,428	253,681
	(2)	(2)	(2)	(2)
Total off-balance sheet assets after impairment	236,427	253,679	236,427	253,679

37 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.

38 Shareholding Structure/Free Float Status

Description	Percentage (in relation to issued share capital)		Percentage (in relation to issued share capital)	
	Units	31 March 2023	Units	31 December 2022
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	27,523,308,103	94.05%	27,523,308,103.00	94.05%
Total Substantial Shareholdings	27,523,308,103	94.05%	27,523,308,103	94.05%
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	-	-	-	-
Mrs. Omolola Cardoso	-	-	-	-
Mr. Andrew Ojei	-	-	-	-
Alhaji Abubakar Mohammed	-	-	-	-
Mr. Mackombo Omoile	-	-	-	-
Kokoricha Paul	146,226	0.00%	146,226	0.00%
Ogbechie Emeka	807	0.00%	807	0.00%
Ms. Aisha Abubakar	-	-	-	-
Total Directors' Shareholdings	147,033	0.00%	147,033	0.00%
Details of Other Influential Shareholdings, if any (e.g. Government, Promoters)				
Total of Other Influential Shareholdings	-	-	-	-
Free Float in Unit and Percentage	1,741,029,718	5.95%	1,741,029,718	5.95%
Free Float in Value	N12,187,208,026		N11,142,590,195.20	

Declaration:

- (a) UBN Plc has a free float value of N12,187,208,026 as at March 31, 2023.
- (b) UBN Plc has a free float value of N11,142,590,195.20 as at December 31, 2022.

Note:

- * Share Price as at March 31, 2023 N7.00
- * Share Price as at December 31, 2022 N6.40