UBA

United Bank for Africa

2025

AUDITED FINANCIAL STATEMENTS

Africa's Global Bank

CONTENTS

Directors' Report

The Directors present their report together with the audited financial statements of UBA Plc ("the Bank") and its Subsidiaries (together "the Group") for the year ended 31 December 2025.

1. RESULTS AT A GLANCE

	Group		Bank	
All figures in N'millions	**Dec-25**	**Dec-24**	**Dec-25**	**Dec-24**
Profit before tax	423,400	803,726	50,121	486,534
Income tax expense	(18,704)	(37,158)	115,182	78,161
Profit after tax	**404,696**	**766,568**	**165,303**	**564,695**
Profit Attributable to:				
Equity holders of the Bank	373,654	743,121	165,303	564,695
Non-controlling interests	31,042	23,447	-	-
Earnings Per Share:				
Basic & Diluted	**9.66**	**21.73**	**4.27**	**16.51**

2. DIVIDEND

The Directors, pursuant to the powers vested in it by the provisions of Section 379 of the Companies and Allied Matters Act (CAMA) of Nigeria, have not proposed a final dividend (31 December 2024: ₦3.00 per share) from the retained earnings account as at 31 December 2025. Following the interim dividend declared and already paid, this brings the total dividend for the year to ₦0.25 (31 December 2024: ₦5.00 per share) amounting to a pay-out ratio of 6.21% (31 December 2024: 30.3%), and a yield of 0.6% (31 December 2024: 14.7%).

3. LEGAL FORM

United Bank for Africa Plc was incorporated in Nigeria as a limited liability company on 23 February 1961, under the Companies Ordinance [Cap 37] 1922. It took over the assets and liabilities of the British and French Bank Limited, which had carried on banking business in Nigeria since 1949. UBA merged with Standard Trust Bank Plc on 01 August, 2005 and acquired Continental Trust Bank Limited on 31 December, 2005.

4. MAJOR ACTIVITIES AND BUSINESS REVIEW

UBA Plc is engaged in the business of banking and caters for the banking needs of Institutions, Corporate, Commercial and Consumer customer segments, providing trade services, remittance, treasury management, custody/investor services, digital and general banking services. Pension custody services are offered through its subsidiary. A comprehensive review of the business for the period and the prospects for the ensuing year is contained in the CEO's report section of UBA's most recent annual report.

5. DIRECTORS

Name	Designation
Mr. Tony Elumelu, CFR	Chairman
Ms. Angela Aneke	Independent Non-Executive Director
Erelu Angela Adebayo	Non-Executive Director
Mr. Abdulqadir J. Bello	Non-Executive Director
Ms. Aisha Hassan Baba, OON	Independent Non-Executive Director
Mrs. Caroline Anyanwu	Non-Executive Director
Mr. Emmanuel N. Nnorom	Non-Executive Director
Mrs. Henrietta Ugboh	Independent Non-Executive Director
Mr. Oliver Alawuba	Group Managing Director/CEO
Mr. Muyiwa Akinyemi*	Deputy Managing Director
Mr. Chukwuma Nweke	Deputy Managing Director
Mr. Ugochukwu Nwaghodoh	Executive Director, Finance and Risk Management
Mr. Alex Alozie*	Executive Director, Abuja & North Central
Ms Sola Yomi-Ajayi*	Executive Director/CEO, UBA Africa 1
Mrs. Abiola Bawuah*	Executive Director, Lagos 2 & West Bank

*The term of office of the Director expired on December 31, 2025.

6. DIRECTORS' INTERESTS

The interest of directors in the Issued share capital of the Bank as recorded in the register of directors' shareholding and/or as notified by the directors for the purpose of Sections 275 and 276 of the Companies and Allied Matters Act and the listing requirements of the Nigerian Stock Exchange is as follows:

	31-Dec-25		31-Dec-24	
Name	**Direct holding**	**Indirect holding**	**Direct holding**	**Indirect holding**
Mr. Tony Elumelu, CFR	1,517,654,552	4,794,520,238	194,669,555	2,347,387,243
Mr. Oliver Alawuba	126,480,728	-	111,004,281	-
Mrs. Aisha Hassan Baba, OON	2,092,289	-	1,401,769	-
Mrs. Caroline Anyanwu	5,270,193	-	1,243,669	-
Mr. Emmanuel N. Nnorom	85,278	36,041,754	85,278	26,352,236
Mr. Chukwuma Nweke	2,004,032	-	1,000,860	-
Mrs. Abiola Bawuah	7,287,888	-	6,287,888	-
Mrs. Angela Nkiruka Nwabuoku (Aneke)	3,493,167	-	2,342,301	-
Mrs. Angela Adebayo	163,803	-	163,803	-
Mrs. Henrietta Ugboh	500,133	-	27,329	-
Mr. Ugochukwu Nwaghodoh	76,810,383	-	70,948,322	-
Mr. Muyiwa Akinyemi	70,988,692	–	56,848,504	–
Ms. Sola Yomi - Ajayi	3,504,442	-	3,504,442	-
Mr. Alex Alozie	40,316,261	-	30,144,285	-
Mr. Abdulqadir Jeli Bello	3,980,403	-	2,466,281	-

Details of indirect holdings

Name of Director	Company(ies)	Indirect holding
	HH Capital Limited	2,267,330,711
Mr. Tony O. Elumelu, CFR	Heirs Holdings Limited	2,248,295,619
	Heirs Alliance Limited	278,893,908
		4,794,520,238
Mr. Emmanuel N. Nnorom	Vine Foods Limited	36,041,754

7. ANALYSIS OF SHAREHOLDING

The details of shareholding of the Bank as at 31 December, 2025 is as stated below;

Headline	Shareholders			Holdings		
Range	Count	Cumulative Count	Count (%)	Aggregate Holdings	Cumulative Holdings	"Aggregate Holdings (%)"
1-1,000	70,799	70,799	21.45	24,890,344	24,890,344	0.06%
1,001-5,000	129,663	200,462	39.28	323,704,318	348,594,662	0.73%
5,001-10,000	47,168	247,630	14.29	325,457,446	674,052,108	0.74%
10,001-50,000	57,762	305,392	17.50	1,214,414,532	1,888,466,640	2.75%
50,001-100,000	11,525	316,917	3.49	787,337,060	2,675,803,700	1.78%
100,001-500,000	9,887	326,804	3.00	2,037,447,110	4,713,250,810	4.61%
500,001-1,000,000	1,472	328,276	0.45	1,028,615,666	5,741,866,476	2.33%
1,000,001-5,000,000	1,403	329,679	0.43	2,775,041,775	8,516,908,251	6.28%
5,000,001-10,000,000	182	329,861	0.06	1,269,545,385	9,786,453,636	2.87%
10,000,001-50,000,000	141	330,002	0.04	2,817,311,278	12,603,764,914	6.37%
50,000,001-100,000,000	23	330,025	0.01	1,675,993,136	14,279,758,050	3.79%
100,000,001-500,000,000	40	330,065	0.01	10,305,596,558	24,585,354,608	23.32%
500,000,001-1,000,000,000	11	330,076	0.00	6,842,410,612	31,427,765,220	15.48%
1,000,000,001-Above	6	330,082	0.00	12,768,410,085	44,196,175,305	28.89%
TOTAL	330,082		100	44,196,175,305		100%

8. SUBSTANTIAL INTEREST IN SHARES: SHAREHOLDING OF 5% AND ABOVE

According to the Register of Shareholders as at 31 December, 2025, no shareholder held more than 5% of the share capital of the Bank except the following;

Shareholders	Holding	Holding (%)
UBA NOM UBA Africa Investors- Trading*	3,905,880,306	8.84%
HH CAPITAL LIMITED	2,267,330,711	5.13%
Heirs Holdings Limited	2,248,295,619	5.09%

* UBA Nominees held 8.84% of the company's shares largely in trading accounts on behalf of various investors.

9. TRADING IN THE SHARES OF UBA

UBA recorded strong trading momentum in 2025, with 6.78 billion shares traded, equivalent to 17% of total shares outstanding. The NGX All-Share Index closed the year at a record high of 155,613.03 points, reflecting a substantial 51.19% increase from its opening position of 102,926.40 points. Market capitalization also rose significantly, closing at ₦99.38 trillion, a 58% expansion from ₦62.763 trillion at the end of 2024. UBA's share price closed 2025 at ₦41.65, representing a 22.50% year-on-year increase.

10. ACQUISITION OF OWN SHARES

The Bank did not purchase its own shares during the year. Also, the Group has a Board approved Global Personal Investment Policy, which covers directors, staff, and related parties. The policy prohibits employees, directors and related individuals/ companies from insider dealings on the shares of UBA Plc and related parties. The essence of the policy is to prevent the abuse of confidential non-public information that may be gained during the execution of UBA's business. In addition, the policy serves to ensure compliance with the local laws and/or regulatory requirements. In accordance with the NSE Rule Book and Amendments to the Listing Rules, UBA observes closed periods, within which affected persons/corporates are restricted from trading on the shares of the Bank. There was no case of violation within the period under review.

11. DONATIONS

As a part of our commitment to the development of host communities, the environment and broader economy within which we operate, across the Group, a total of N2,024,227,517.84(Two billion, twenty four million, two hundred and twenty thousand, five hundred and seventeen naira and eighty-four kobo only) (Bank: N1,806,656,877.00) was given out as donations and charitable contributions for the year ended 31 December 2025 (FY2024: Group-N1,979mn, Bank-N1,883mn), through UBA Foundation. The Group invests up to 1% of its annual profit before taxation (PBT) as donations through UBA Foundation.

12. MANAGEMENT SHARED SERVICES ARRANGEMENT

There exist a management shared services arrangement between UBA Plc and its subsidiaries within the UBA Group. These shared services include the provision of intragroup support services and information technology (IT) in accordance with the approved services outlined in Section 5.1 of Central Bank of Nigeria (CBN) guidelines for shared services arrangements for banks and other financial institutions.

The shared services provided by UBA Plc deliver significant economic and commercial benefits to the Group. These benefits arise because, under similar circumstances, an independent entity would be willing to pay for these services if provided by another independent party, or alternatively, would undertake the activities internally. The shared services arrangement enables the Group to achieve the following benefits during the year:

1. Ensuring uniformity and standardisation of business processes within the Group
2. Achieving cost and operational efficiency
3. Exploiting economies of scale and global corporate efficiency for commonly required services.

The Bank has a Group transfer pricing policy that documents the details of the shared services and the functions performed by the Bank and the regional offices for the subsidiaries, in line with the shared services agreement. The cost of providing these services is allocated proportionately to the relevant beneficiaries using predetermined allocation keys.

13. EMPLOYMENT AND EMPLOYEES

Employment of Physically Challenged Persons

The Bank operates a non-discriminatory policy in the consideration of applicants for employment, including those received from physically challenged persons. The Bank's policy is that the most qualified persons are recruited for the appropriate job levels, irrespective of an applicant's state of origin, ethnicity, religion or physical condition.

Health, Safety at Work and Welfare of Employees

The Bank maintains business premises designed with a view to guaranteeing the safety and healthy working conditions of its employees and customers alike. Employees are adequately insured against occupational and other hazards. The Bank has a comprehensive health insurance scheme for staff, through which medical needs of staff and their immediate family members are met. In addition, the Bank provides first aid in all business offices and has a medical facility at the Head Office. As a part of the investment in the welfare of staff, the Bank maintains an ultra-modern gym facility at the head-office and organizes a quarterly fitness session (tagged "jogging to bond"), held at different stadia across all its country of operations, thereby providing access to various sporting facilities and professional instructors.

Fire prevention and firefighting equipment are installed in strategic locations at all business offices, in addition to hosting a full fire service operation at the Head Office.

The Bank operates a contributory pension plan in accordance with the Pension Reform Act, wherein the Bank contributes 10% of employees' basic salary, housing and transport allowance to the designated pension fund administration chosen by each employee. As a part of the scheme, the Bank also remits employees' contribution of 8% of the relevant compensation to the same account, as provided by the Pension Reform Act, as amended.

Employee Involvement and Training

The Bank encourages participation of its employees in arriving at decisions in respect of matters affecting their well-being. To this end, the Bank provides formal and informal opportunities where employees deliberate on issues affecting the Bank and employees' interest, with a view to making inputs to decision thereon. The Bank places premium on the development of its manpower. In addition to the routine online Executive Chat, wherein employees interact with the Management to discuss issues of customer and employee satisfaction, the GMD/CEO operates an open-door policy and encourages employees to channel suggestions and complaints to him as may be required. The Human Capital Management Division also holds monthly "HR Clinic", a personalized avenue to address relevant employee welfare and career satisfaction issues.

Research and Development

As a part of its daily business, the Bank carries out research into new banking products and services to anticipate and meet customers' need and to ensure excellent service is delivered at all time.

Demographics of our workforce

During the year under review, the Group employed staff across the different businesses and geographies where it operates. Below is the details of the employee demographics;

(a) Staff distribution by gender for the year ended 31 December 2025

Description	Gender	Head Count	% of Total
Group	Male	5,710	53%
	Female	5,111	47%
	Total	**10,821**	**100%**
Bank	Male	3,346	50%
	Female	3,388	50%
	Total	**6,734**	**100%**

Average gender analysis of the Bank's Board of Directors and Top Management Staff for the year:

Description	Gender	Head Count	% of Total
Board of Directors	Male	8	53%
	Female	7	47%
	Total	**15**	**100%**
Top Management	Male	58	67%
	Female	28	33%
	Total	**86**	**100%**

Detailed average gender analysis of Board of Directors and Top Management Staff for the year:

Description	Head Count		Head Count		
	Male	% of Total	Female	% of Total	Total
Directors	8	53%	7	47%	15
General Managers	12	80%	3	20%	15
Deputy General Managers	10	77%	3	23%	13
Assistant General Managers	36	62%	22	38%	58
Total	**66**	**65%**	**35**	**35%**	**101**

(b) Group Staff distribution by nationality and location for the year ended 31 December 2025

Location	Nationality	Head Count
Nigeria	Nigerian	6,544
	Other 19 African Countries	11
	Indian	2
UBA Africa	Nigerian	49
	Other 19 African Countries	3,981
UBA USA	Nigerian	25
	American	57
	Brazillian	1
	Cameroonian	1
	Congolese	1
	Ghanian	2
	Indian	1
	Ugandian	1
UBA UK	Nigerian	11
	British	35
	Cameroonian	1
	Croatian	1
	Indian	3
	French	1
	Ghanaian	1
	Irish	1
	Pakistani	2
UBA France	French	1
UBA Dubai	Senegalese	1
	Indian	1
	British	1
UBA Pension	Nigerian	85
Total		**10,821**

14. PROPERTY AND EQUIPMENT

Movements in property and equipment during the period are shown in note 30 of the interim consolidated and separate financial statements. In the opinion of the Directors, the market value of the Bank's property and equipment is not less than the value shown in the financial statements.

15. EVENTS AFTER THE REPORTING DATE

There are no events after the reporting date, which could have had material effect on the financial position of the Group as at 31 December, 2025 and the profit and other comprehensive income for the year ended at that date.

16. AUDIT COMMITTEE

Pursuant to Section 404(3) of the Companies and Allied Matters Act 2020, the Bank has an Audit Committee comprising three Shareholders and two Non-Executive Directors and as follows:

Mr. Feyi Ogoji	Chairman/Shareholder
Mr. Matthew Esonanjor, SAN	Shareholder
Mr. Alex Adio	Shareholder
Ms. Angela Aneke	Independent Non-Executive Director
Mrs. Henrietta Ugboh	Independent Non-Executive Director [1]
Mr. Emmanuel Nnorom	Non-Executive Director [2]

[1] Cessation of membership on April 24, 2025

[2] Appointed a member on April 24, 2025

The functions of the Audit Committee are as laid down in Section 404 (7) of the Companies and Allied Matters Act.

17. AUDITORS

In accordance with Section 401(2) of the Companies and Allied Matters Act 2020 and Section 20.2 of the NCCG 2018, Messrs. Ernst & Young have indicated their willingness to continue in office as External Auditors of UBA Plc.

18. DISCLOSURE OF CUSTOMER COMPLAINTS IN THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

Description	Number		Amount Claimed (N'Million)		Amount Refunded (N'Million)		Amount Claimed (USD)	Amount Refunded (USD)	Amount Refunded (GBP)	Amount Refunded (GBP)
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Pending Complaints B/F	86,012	643,719	132,297	59,139					–	–
Received Complaints	2,117,877	3,210,708	155,881	262,870					–	–
Resolved Complaints	2,194,558	2,090,122	287,517	187,892	50,215	2,314	147,100	94,548	-	-
Unresolved Complaints Escalated from CBN for Intervention	104	218	755	1,417					–	–
Unresolved Complaints Pending with the bank C/F	9,331	1,120,907	661	132,297					–	–
% of Complaint/ Transaction Volume	0.03%	0.04%							–	–

19. REPORT ON FRAUD AND FORGERIES FOR THE YEAR ENDED 31 DECEMBER 2025

January - December 2025				
Category	**Frequency**	**Amount Involved (N'M)**	**Actual Loss (N'M)**	**% Loss**
Electronic Fraud	26,375	4,043	192.65	5%
Fraudulent Transfer	14	249	223.74	90%
Fraudulent Diversion	2	213	164.42	77%
Forged Cheque/Forgery	2	23	22.84	100%
Expense Duplication	1	14	6.54	48%
Cash Theft/Suppression	4	14	11.38	80%
Fraudulent Withdrawal	2	-	-	0%
Totals	**26,400**	**4,556**	**621.57**	**14%**

By the order of the Board

Bili A. Odum
Group Company Secretary/Legal Counsel
57 Marina, Lagos
FRC/2013/NBA/00000001954

Complaints and Feedback

United Bank for Africa Plc is a customer-focused Pan-African financial services institution that is committed to putting its customers first and at the centre of every business decision. Our C1st philosophy which launched in 2016 was birthed to transform the Bank's approach to its customers and renew its commitment to becoming a truly Customer Centric institution. Our aim is to deliver excellent customer experience and provide high quality financial solutions to our over fourty-three million customers across the 24 countries in which we operate.

We understand that to effectively serve our customers, we must have the capacity to resolve customer complaints and generate insightful feedback to improve customer experience and support product, channel and process development and innovation.

Our Voice of customer solution implemented across our Digital and Physical touch points including our Customer Fulfilment Centre, provides the bank with real time feedback of our customers experience across our platforms whilst our complaints management process, provides the bank with an effective means of capturing and resolving customer complaints.

The efficiency of the complaints management and feedback process is supported by efficient UBA employees who are trained each week during our C1st Day sessions on delivering exceptional experience to our customers and renew their promise to our customers each year by signing the UBA signed service charter.

This year, UBA ranked amongst the top 5 banks in the KPMG Banking Industry Customer Experience (BICX) assessment, ranking 2nd place in our SME segment, a testament to our unreserved commitment to delivering exceptional experience to our customers. Our customers trust, loyalty and feedback have been instrumental in driving this commitment. We remain focused on finding new ways to serve our customers better and exceed their expectations in every way possible.

The Bank's service charter makes a promise to do more than is expected and delight our customers at every interaction.

We promise to:

- Do what we say we are going to do, NO EXCUSES, we give our word, and we keep it
- Take ownership and resolve a customer's issue to the end;
- Go the extra mile to delight our customers at every interaction;
- Treat our customers with respect and always listen with the intent to serve and resolve;
- Empower staff to resolve customers' issues at first contact
- Provide our customers with the right information at the right time
- Serve our customers with passion and a smile

Complaints Management Process

To ensure customers' cases - complaints, enquiries and requests are managed effectively, the Bank has an effective complaints management platform and process that is easy to use and is accessible to all customers. Complaints made via this channel are routed to a team within the bank that is responsible for resolving the case within defined timelines which are aligned with Central Bank of Nigeria (CBN) complaints resolution timelines.

All cases are tracked and reviewed to identify root cause and fixes implemented to improve process, platforms, products and customer experience. Key Performance Indicators have been developed to effectively measure and monitor the efficiency and performance of the process which is also periodically reviewed to ensure the bank is efficient at handling customer complaints.

The complaints and resolution processes are as follows:

(i) The Bank can be reached via a branch, calls, E-mail, Live Chat, Social Media; Twitter, Facebook and Leo

(ii) Complaint is logged on the Bank's Complaints Management platform and a notification sent to the customer with a case identification number

(iii) The complaint is reviewed, and effort is made to resolve at First Contact, where this cannot be achieved, the case is referred to the relevant department to treat and close within defined timelines

(iv) Once the complaint has been resolved and closed, the customer receives a notification to confirm the complaint has been resolved.

(v) The customer is given an opportunity to confirm satisfactory closure of the compliant or to dispute closure.

(vi) The ombudsman service provided by the Bank also gives customers the opportunity to escalate complaints for further review or investigation.

In line with Central Bank of Nigeria (CBN) guidelines, the bank renders periodic reports on the complaints received, resolution of complaints and actions taken to avoid recurrence.

Customer Feedback & Continuous Improvement

UBA is committed to listening to its customers and employees and has established feedback mechanism to gather structured and unstructured feedback. Surveys are triggered to customers after transactions to measure their experience with the bank's channels, products and processes. Conversations are also monitored across social channels and sentiments analysed for effective resolution of issues.

Feedback is received via the following channels:

1. Voice of customer surveys
2. Voice of Employee surveys
3. Customer Fulfilment Centre
4. Customer forums
5. Social media platforms
6. Branches
7. Whistleblowing platform
8. Ombudsman

Once received, feedback is reviewed and actionable insight shared with the relevant teams in the bank to improve process, innovate and develop solutions for UBA customers.

Complaints & Feedback Channels

Customer Fulfilment Centre (CFC)

A 24/7 Multi-Lingual Customer Contact Centre, that provides UBA customers with access to a customer experience expert who is available to support customer complaints, enquiries and requests. The team is manned by highly skilled personnel with rich and diverse banking experience to promptly resolve customer complaints.

Telephone

A dedicated 24hr dedicated hotline on is available on 0201 280 8822 and 0700 2255 822

Email Address

A dedicated e-mail address cfc@ubagroup.com is available to customers 24/7. This channel is manned by our highly skilled and effective Customer Experience experts that deliver high quality service to UBA customers and prospects.

Branch Hotlines

Branded toll-free phones are available at all branches for customers call the Customer Fulfilment Centre. Calls received via this channel are handled by designated inbound call centre agents.

Live Chat

A live chat option is available on the UBA website www.ubagroup.com, customers can chat online real time with our highly skilled Customer Experience Experts

UBA Cares

Our dedicated customer care social media handle @UBACares provides real time support and resolution to our customers

Leo (UBA Chatbot)

Log and track a complaint via Leo. Available on WhatsApp. Facebook Messenger and Apple Business Chat.

Branch Callback

Daily calls are placed to customers who have completed transactions at our branches to obtain timely feedback on their experience and capture recommendations that can improve customer satisfaction.

Branch QR Code

QR Codes are available at teller and customer service officer points across all branches. Customers can provide real-time feedback on their experience at the branch

Transaction Dispute QR Code

QR codes are available across our branches. Customers can scan this code and log a transaction enquiry

Transaction Dispute Portal

An online portal to log transaction complaints

Suggestion/Complaint Box

Customer Complaint boxes are available at all our branches for customers to provide feedback and suggestions to improve service

Post

A dedicated Post Office Box number 2406 Marina Lagos, is also available to our customer.

Investor Complaint Channels

UBA has a dedicate email and contact number for shareholders who would like to make a complaint:

Email:

investorrelations@ubagroup.com

Telephone:

+234-201-2808798

Contact:

Investor Relations Unit, UBA House, 57, Marina, Lagos.

Corporate Governance

Introduction

United Bank for Africa Plc (UBA Plc) holds good corporate governance as one of its core values and confirms its commitment to the implementation of effective corporate governance principles in its business operations. The Board of Directors of UBA Plc endorses the principles of best practice Corporate Governance as stated in the Corporate Governance Guidelines For Commercial, Merchant, Non-Interest And Payment Service Banks In Nigeria 2023 issued by the Central Bank of Nigeria (CBN), the Securities and Exchange Commission (SEC) Corporate Governance Guidelines 2020, and the Nigerian Code of Corporate Governance 2018 issued by the Financial Reporting Council (FRC), effective January 1, 2020. UBA Plc is also on the Premium Board of NGX, a listing segment for the elite group of issuers that meet the Nigerian Exchange's corporate governance and listing standards. The premium Board is a platform for showcasing companies who are industry leaders in their sectors.

United Bank for Africa Plc has completed the Corporate Governance Rating System (CGRS) Recertification Exercise conducted by the Nigerian Exchange Limited (NGX) and the Convention on Business Integrity (CBI) Nigeria. UBA Plc is one of the companies on NGX's Corporate Governance Index (CGI).

The Board of Directors of UBA Plc has the overall responsibility for ensuring that the highest standards of corporate governance are maintained and adhered to by the Bank. In order to promote effective governance of the UBA Group, the following structures have been put in place for the execution of UBA Plc's Corporate Governance strategy:

1. Board of Directors
2. Board Committees
3. Executive Management Committees
4. Governance Charters

A. The Board

The Board is adequately comprised with the appropriate mix of knowledge, skills, experience, and expertise. As of December 31, 2025, the Board had fifteen (15) members which include a Non-Executive Chairman, Group Managing Director, seven (7) other Non-Executive Directors (which include three (3) Independent Non-Executive Directors), and seven (7) Executive Directors (which include the GMD/CEO).

Diversity

The Board promotes diversity in its membership for better decision-making, independent judgment and effective governance. There is an appropriate balance of skills and diversity (age and gender) without compromising competence, independence, and integrity. As of December 31, 2025, there are seven (7) female Directors on the Board, constituting 46.67% of the Board. This demonstrates the Board's commitment towards gender diversity.

Responsibility

The Board of Directors carries out its responsibility through its standing Committees. These are the Board Audit, Governance, Nomination and Remuneration Committee, the Board Credit Committee, the Board Risk Management Committee, the Board Operations & Technology Committee and the Finance & General Purpose Committee. Through the workings of these committees, the Board sets broad policy guidelines and ensures the proper oversight and direction of the Bank.

The roles of Chairman and Chief Executive Officer are separated and clearly defined. The Chairman is responsible for the management, development and effective functioning of the Board of Directors and provides leadership in every aspect of its work, whilst the Chief Executive Officer is responsible for the running of the business and implementation of Board strategy and policy. The Chief Executive Officer is assisted in managing the business of the Bank on a day-to-day basis by the Executive Management Committee, which he chairs and comprises all Executive Directors and other critical functional heads.

The Board's primary responsibility is to increase shareholder wealth. The Board is accountable to shareholders and is responsible for the management of the relationships with its various stakeholders. Executive Management is accountable to the Board for the development and implementation of strategy and policies.

The Board regularly reviews group performance, matters of strategic concern and other matters it regards as material. The Board meets quarterly and additional meetings are convened as the need arises. As of December 31, 2025, the Board met eight (8) times. The record of attendance for Board Meetings for the period ended December 31, 2025 is presented below:

Director	Number of Meetings Held	Number of Meetings Attended
Tony O. Elumelu, (CFR)	8	8
Mr. Oliver Alawuba	8	8
Muyiwa Akinyemi*	8	8
Chukwuma Nweke	8	8
Ugochukwu Nwaghodoh	8	8
Alex Alozie*	8	8
Sola Yomi-Ajayi*	8	8
Abiola Bawuah*	8	8
Angela Aneke	8	7
Erelu Angela Adebayo	8	8
Abdulqadir Bello, (FCA)	8	8
Aisha Hassan-Baba, (OON)	8	8
Caroline Anyanwu	8	8
Emmanuel N. Nnorom	8	8
Henrietta Ugboh	8	8

*The Directors tenure expired December 31, 2025

The Board is responsible for Strategic Direction, Policy Making, Decision Making and Oversight. The Board is also responsible for ensuring that there is an effective system of internal control and risk management across the Bank. The Board also adopts effective systems for the appointment of new Directors.

In accordance with extant Codes of Corporate Governance and the Bank's governance charters, the Board has, through the Board Audit, Governance, Nomination & Remuneration Committee, provided suitable induction programs for new/ for existing members, continuous/ongoing training as determined by the Board Audit, Governance, Nomination & Remuneration Committee. The training for Board members is included in the annual training plan for UBA Group which is approved by the Board at the beginning of the year with the annual budget.

As stipulated in the Board Governance & Board Committees Governance Charter, the Board has the authority to delegate matters to Directors, Board Committees and the Executive Management Committee. All Directors are aware that they may take independent professional advice at the expense of the Bank, in furtherance of performing their duties effectively. They all have unfettered access to the advice and services of the Company Secretary, who is responsible to the Board for ensuring that all governance matters are complied with and assists with professional development as required.

Board Evaluation

Deloitte & Touché conducted the annual evaluation of the Board of Directors of UBA Plc for the year ended December 31, 2025 in compliance with CBN Corporate Governance Guidelines for Commercial, Merchant, Non-Interest and Payment Service Banks (CBN CG Guidelines for Banks), Section 10.4. of the Corporate Governance Guidelines for Commercial, Merchant, Non-Interest and Payment Service Banks 2023 and Principle 14 of the Nigerian Code of Corporate Governance 2018. The results of the Board Evaluation conducted by Deloitte & Touché confirmed that the Board complied with the requirements of the extant Codes of Corporate Governance in terms of its structure, procedures and responsibilities during the 2025 financial year. Key Board functionaries (Board and Board Committee Chairpersons) and the Board Committees also met their responsibilities under the Codes and governance charters, during the 2025 financial year.

Based on Deloitte's review of the Board Governance and Board Committee Governance Charter, policies, procedures and frameworks, interviews with Directors as well as surveys completed by Board members, the following positive attributes were noted:

Committee Effectiveness

To ensure that the Committee achieve the level of oversight and strategic depth required for the Bank. The Board reconstituted the Board committees from four (4) into five (5) distinct Board Committees namely the BAGNRC, BCC, BRMC, F&GPC and the BOTC.

Business Assurance

In compliance with the CBN CG Guidelines for Banks, and best practice standards, an Independent assessment of the Internal Audit and compliance function was performed by External Evaluators during the 2025 financial year.

Risk Oversight

The BRMC has oversight of risk, as the Group CRO provided quarterly Risk Management Reports to the Committee on key areas, including Macro-Economic Risk Management, the Risk Heat Map, Credit Risk Management, Operational Risk Management, Liquidity, and ESG Risk Management.

Internal Control over Financial Reporting

The BAGNRC exercised adequate oversight of management implementation of the recommendation raised, following the 2023 ICFR assessment, as regular updates on status of implementation were presented by the ED. Finance and Risk Management at its committee meetings.

Succession Planning

The Board exercised oversight on succession planning and has a succession plan in place to address vacancy for key management roles. Additionally, the Group Head Human Resource presented quarterly updates on the review of the Banks succession plan for the BAGNRC's notice and approval.

Board Training

UBA PLC is proactive about its Directors' training and had a robust training calendar covering themes which addressed key topical subjects, including strategy governance for Boards, regulatory training for the Board of Directors, data governance and demystifying regulators and compliance.

Sustainability

The Bank is deliberate about sustainability/ESG, as we noted that in addition to the BAGNRC exercising oversight on Sustainability, several key initiatives were implemented during the financial year, including introduction of waste classifiers in the Bank, enhancement of data accuracy and emissions reporting etc.

Subsidiary Governance

For effective oversight on the Banks global footprint, Management presented regular updates on the performance of subsidiaries across the globe to the BAGNRC and BRMC at its quarterly meetings. The reports highlights on the risks, regulatory compliance concerns, governance effectiveness, internal control of these entities.

The Report of the Board Evaluation Consultants on the Performance Evaluation of the Board of Directors of UBA Plc is included in this Report.

Corporate Governance Review

IIn accordance with the provisions of the CBN Corporate Governance Guidelines for Commercial, Merchant, NonInterest and Payment Service Banks (CBN CG Guidelines for Banks) and the Nigerian Code of Corporate Governance 2018, Deloitte & Touché performed the annual corporate governance review of the Corporate Governance Framework of UBA Plc for the year ended December 31, 2025. The results of the review, which included an assessment of the Board's structure, composition, responsibilities, processes, procedures and the effectiveness of the Board Committees, confirmed that the Corporate Governance Framework and Practices in UBA Plc comply with the provisions of the extant Codes of Corporate Governance. The Report of the Board Evaluation Consultants on the Review of the Corporate Governance Framework of UBA Plc is included in the Annual Report.

Appointments & Retirements

During the financial period ended December 31, 2025, the following Directors retired from the Board following the expiration of their tenure on December 31, 2025:

a. Muyiwa Akinyemi - DMD
b. Alex Alozie - ED, Abuja & North Central
c. Sola Yomi-Ajayi - ED/CEO, Africa 1
d. Abiola Bawuah - ED, Lagos 2 & West

During the financial period ended December 31, 2025, the following Directors were appointed to the Board, effective January 1, 2026, subject to the approval of the Central Bank of Nigeria:

a. Emmanuel Lamptey - ED, Digital Banking
b. Tosin Adewuyi - ED, Corporate Banking
c. Chidi Okpala - ED, Personal and Business Banking

B. Accountability and Audit

Financial Reporting

The Board has presented a balanced assessment of the Company's position and prospects. The Board is mindful of its responsibilities and is satisfied that in the preparation of the Directors' Report, the Directors have complied with the requirements of the Companies & Allied Matters Act 2020. The Board also ensured the integrity of the annual reports and accounts and all material information provided to all relevant stakeholders.

The Directors make themselves accountable to the shareholders through regular publication of the Group's financial performance and Annual Reports, and at the Annual General Meeting. The Board ensured that the Group's reporting procedure is conveyed on the most efficient platforms in order to ensure accuracy. This procedure involves the monitoring of performance throughout the financial year, in addition to monthly reporting of key performance indicators.

Ernst & Young (EY) acted as external auditors to the Group for the period ended December 31, 2025. The Report of the External Auditors is contained in this Report.

C. Risk Management & Control Environment

The Group has consistently improved its internal control environment to ensure financial integrity and effective management of risks. The Board ensured that the Group has in place, robust risk management policies and mechanisms to ensure identification of risk and effective control.

The Directors review the effectiveness of the Bank's Internal control environment through regular reports and reviews at Board and Board Audit, Governance, Nomination & Remuneration Committee meetings.

The Board approves the annual budget for the Group and ensures that a robust budgetary process is operated with adequate authorization levels put in place to regulate capital and operating expenses.

D. Shareholder Rights

The Board of UBA Plc has always placed considerable emphasis on effective communication with its shareholders. It ensures that the rights of shareholders are always protected. Notice of meetings and all other statutory notices and information are communicated to the shareholders regularly. The Bank ensures the protection of statutory and general rights of shareholders at all times, particularly their right to vote at General Meetings. All shareholders are treated equally regardless of their equity interest or social status.

The General Meeting of Shareholders is the highest decision-making body of the Bank and meetings are conducted in a fair and transparent manner that gives shareholders the opportunity to express their opinions. The Group publishes quarterly, half-yearly and annual reports on its website as well as national newspapers. The Group also provides investor presentations and other relevant communications that provide requisite information to shareholders and the general public, especially as regards the performance, strategy and developments in the Group.

The Group maintains an Investor Relations Unit which routinely attends to shareholders' enquiries and ensures that shareholders' views are appropriately escalated to the Management and Board on a continuous basis. In addition, shareholders are encouraged to continuously communicate their opinions and recommendations as appropriate to either the Head of Investor Relations or the Company Secretary. Their contact details are available on the Bank's website and on the back cover of this Report.

E. Board Committees

The Board of UBA Plc has the following Committees, namely:

1. Board Audit, Governance, Nomination and Remuneration Committee
2. Board Credit Committee
3. Board Risk Management Committee
4. Board Operations & Technology Committee [1]
5. Finance & General Purpose Committee [2]

[1] Cessation of membership following the reconstitution of the Board Committee on April 22, 2025

[2] Appointed a member of the Committee on April 22, 2025

1. Board Audit, Governance, Nomination and Remuneration Committee

The Board Audit, Governance, Nomination and Remuneration Committee is a Committee of the Board of UBA Plc charged with the responsibility and oversight of Audit and Control, Governance, Legal strategy, Strategic Direction.

The Committee has oversight over the governance structures and practices of the Bank. The Committee has responsibility for the nomination of Directors, Board Composition, nomination of Directors for appointment to the Boards of the Subsidiaries, recruitment, promotion, redeployment and disengagement of senior level staff, Board & Board Committee performance evaluation, Subsidiary Governance oversight, compensation & remuneration of Directors, and Board/Board Committees Inductions and Trainings. The Committee also approves the Governance Policies for the Group, recommends the organisation structure to the Board for approval, resolves work related issues and disputes, and evaluates the overall system of corporate governance for the Group.

The Committee also provides Board Oversight on internal control and audit in the Group. It assists the Board of Directors in fulfilling its audit responsibilities by ensuring that effective systems of Internal Controls are in place within the Group.

As of December 31, 2025, the Board Audit, Governance, Nomination and Remuneration Committee comprised of the following Non-Executive Directors:

a. Ms. Angela Aneke – Chairman
b. Erelu Angela Adebayo – Member
c. Mr. Abdulqadir J. Bello - Member
d. Mrs. Aisha Hassan-Baba, OON – Member

The record of attendance for Board Audit, Governance, Nomination and Remuneration Committee Meetings for the year ended 31 December, 2025 is presented below:

Board Audit , Governance, Nomination and Remuneration Committee Meetings		
Members	**Number of Meetings Held**	**Number of Meetings Attended**
Ms. Angela Aneke	13	13
Erelu Angela Adebayo	13	13
Mr. Abdulqadir J. Bello	13	13
Mrs. Aisha Hassan-Baba, OON	13	13

2. Board Credit Committee

The Board Credit Committee is responsible for approval of credit facilities in the Bank. The Committee also recommends credit facilities to the Board for approval. It reviews all credits granted by the Bank and meetings are held at least once a quarter. The Board Credit Committee was set up to assist the Board of Directors to discharge its responsibility to exercise due care, diligence and skill to oversee, direct and review the management of the credit portfolio of the Group. Its terms of reference include determining and setting the parameters for credit risk and asset concentration and reviewing compliance within such limits; determining and setting the lending limits, reviewing and approving the Group's credit strategy and the credit risk tolerance. The Committee reviews the Loan portfolio of the Bank and reviews and approves country risks exposure limits.

As of December 31, 2025, the composition of the Board Credit Committee was as follows:

a. Mr. Abdulqadir J. Bello – Chairman
b. Ms. Angela Aneke - Member
c. Mrs. Caroline Anyanwu - Member
d. Mrs. Henrietta Ugboh – Member

Board Credit Committee Meetings		
Members	**Number of Meetings Held**	**Number of Meetings Attended**
Mr. Abdulqadir J. Bello	9	9
Ms. Angela Aneke	9	9
Mrs. Caroline Anyanwu	9	8
Mrs. Henrietta Ugboh	9	9

3. Board Risk Management Committee

As of December 31, 2025, the Board Risk Management Committee comprised the following Directors:

a. Mrs. Caroline Anyanwu – Chairman .
b. Erelu Angela Adebayo – Member [1]
c. Mr. Emmanuel N. Nnorom - Member
d. Mrs. Henrietta Ugboh - Member [2]
e. Mr. Oliver Alawuba – Member
f. Mr. Ugochukwu Nwaghodoh – Member
g. Ms. Sola Yomi-Ajayi - Member

(1) Appointed a member of the Committee on February 13, 2025.
[2] Cessation of membership following the reconstitution of the Board Committee on April 22, 2025

Meetings are held at least once a quarter and the responsibilities of the Committee include to review and recommend risk management strategies, policies and risk tolerance for the Board's approval; to review management's periodic reports on risk exposure, risk portfolio composition and risk management activities; and to consider and examine such other matters as the Board requires, the Committee considers appropriate, or which are brought to its attention, and make recommendations or reports to the Board accordingly.

Board Risk Management Committee Meetings		
Members	**Number of Meetings Held**	**Number of Meetings Attended**
Mrs. Caroline Anyanwu	9	9
Erelu Angela Adebayo [1]	9	9
Mr. Emmanuel N. Nnorom	9	9
Mrs. Henrietta Ugboh [2]	9	2
Mr. Oliver Alawuba	9	9
Mr. Ugochukwu Nwag-hodoh	9	9
Ms. Sola Yomi-Ajayi	9	9

(1) Appointed a member of the Committee on February 13, 2025.
[2] Cessation of membership following the reconstitution of the Board Committee on April 22, 2025

4. Board, Operations & Technology Committee

The purpose of the Board, Operations & Technology Committee is to, amongst other things, provide oversight of Operations, Technology, Human Resources, Customer Service, and Policies.

As of December 31, 2025, the Board, Operations & Technology Committee comprised the following Directors:

a. Mrs. Henrietta Ugboh – Chairman [1]
b. Erelu Angela Adebayo – Member [1]
c. Mr. Chukwuma Nweke – Member [1]
d. Mr. Alex Alozie – Member [1]

Board, Operations & Technology Committee		
Members	**Number of Meetings Held**	**Number of Meetings Attended**
Mrs. Henrietta Ugboh – Chairman	6	6
Erelu Angela Adebayo – Member	6	6
Mr. Chukwuma Nweke – Member	6	6
Mr. Alex Alozie – Member	6	6

[1] All members were appointed as member of the Committee on April 22, 2025

5. Finance & General Purpose Committee

The purpose of the Finance & General Purpose Committee is to, amongst other things, discharge the Board's responsibilities with regard to strategic direction and budgeting, provide oversight of Finance, Treasury, Corporate Services and any other matter not handled by other Board Committees.

As of December 31, 2025, the Finance & General Purpose Committee comprised the following Directors:

a. Mr. Emmanuel N. Nnorom – Chairman
b. Erelu Angela Adebayo – Member [1]
c. Ms. Aisha Hassan-Baba, OON – Member [1]
d. Mrs. Henrietta Ugboh – Member [2]
e. Mr. Oliver Alawuba – Member
F. Mr. Ugochukwu Nwaghodoh – Member
g. Mr. Chukwuma Nweke – Member [1]
H. Mr. Muyiwa Akinyemi – Member [2]
i. Mrs. Abiola Bawuah – Member [2]

[1] Cessation of membership following the reconstitution of the Board Committee on April 22, 2025
[2] Appointed a member of the Committee on April 22, 2025

Finance & General Purpose Committee Meetings		
Members	**Number of Meetings Held**	**Number of Meetings Attended**
Mr. Emmanuel N. Nnorom	10	10
Erelu Angela Adebayo [1]	10	2
Ms. Aisha Hassan-Baba, OON [1]	10	2
Mrs. Henrietta Ugboh [2]	10	10
Mr. Oliver Alawuba	10	10
Mr. Ugochukwu Nwaghodoh	10	10
Mr. Chukwuma Nweke[1]	10	4
Mr. Muyiwa Akinyemi [2]	10	6
Mrs. Abiola Bawuah [2]	10	6

[1] Cessation of membership following the reconstitution of the Board Committee on April 22, 2025

[2] Appointed a member of the Committee on April 22, 2025

Board Composition Analysis

Name of Director	Classification	Board Audit,Governance, Nomination & Remuneration Committee	Board Credit Committee	Board Risk Management Committee	Board Operations & Technology Committee	Finance & General Purpose Committee
Mr. Tony O. Elumelu, CFR	Board Chairman (NED)	-	-	-	-	-
Mr. Oliver Alawuba	Group Managing Director/CEO	-	-	Member	-	Member
Mr. Muyiwa Akinyemi	Deputy Managing Director	-	-	-	-	Member [1]
Mr. Chukwuma Nweke	Deputy Managing Director	-	-	-	Member [1]	Member [2]
Mr. Ugochukwu Nwaghodoh	Executive Director, Finance and Risk Management	-	-	Member	-	Member
Mr. Alex Alozie	Executive Director, Abuja & North Central	-	-	-	Member [1]	-
Mrs. Abiola Bawuah	Executive Director, Lagos 2 & West Bank	-	-	-	-	Member [1]
Ms. Sola Yomi-Ajayi	Executive Director/ CEO, UBA Africa 1	-	-	Member	-	-
Ms. Angela Aneke	Independent Non-Executive Director	Chairman	Member	-	-	-
Erelu Angela Adebayo	Non-Executive Director	Member	-	Member [3]	Member [1]	Member [2]
Mr. Abdulqadir Bello, (FCA)	Non-Executive Director	Member	Chairman			
Ms. Aisha Hassan-Baba, (OON)	Independent Non-Executive Director	Member	-	-	-	Member [2]
Mrs. Caroline Anyanwu.	Non-Executive Director	-	Member	Chairman		-
Mr. Emmanuel N. Nnorom	Non-Executive Director	-	-	Member		Chairman
Mrs. Henrietta Ugboh	Independent Non-Executive Director	-	Member	Member [2]	Chairman	Member [1]
Mr. Emmanuel N. Nnorom	Non-Executive Director	-	-	Member [2]	Chairman [2]	
Mrs. Henrietta Ugboh	Independent Non-Executive Director	-	Member [5]	Member [5]	-	

[1] Appointed a member of the Committee on April 22, 2025
[2] Cessation of membership following the reconstitution of the Board Committee on April 22, 2025
[3] Appointed a member of the Committee on February 13, 2025

Board of Directors Attendance Analysis: January – December 2025

Name of Director	Classification	Annual General Meetings	Board of Directors Meetings
No of meetings to be held for the year		1	8
Mr. Tony O. Elumelu, CFR	Board Chairman (NED)	1	8
Mr. Oliver Alawuba	GMD/CEO, UBA Group	1	8
Mr. Muyiwa Akinyemi	DMD	1	8
Mr. Chukwuma Nweke	DMD/ Group Chief Operating Officer	1	8
Mr. Ugochukwu Nwaghodoh	ED, Risk and Finance Mgt	1	8
Mr. Alex Alozie	ED, Abuja & North Central	1	8
Mrs. Abiola Bawuah	ED, Lagos 2 & West Bank	1	8
Ms. Sola Yomi-Ajayi	ED/CEO, UBA Africa 1	1	8
Ms. Angela Aneke	Independent (NED)	1	7
Erelu Angela Adebayo	Non-Executive Director	1	8
Mr. Abdulqadir Bello, (FCA)	Non-Executive Director	1	8
Ms. Aisha Hassan-Baba, (OON)	Independent (NED)	1	8
Mrs. Caroline Anyanwu	Non-Executive Director	1	8
Mr. Emmanuel N. Nnorom	Non-Executive Director	1	8
Mrs. Henrietta Ugboh	Independent (NED)	1	8

Directors Committee Attendance Analysis: January – December 2025

Name of Director	Classification	Board Audit, Governance, Nomination and Remuneration Committee	Board Credit Committee	"Board Risk Management Committee"	Board Operations & Technology Committee	Finance & General Purpose Committee
No of meetings to be held for the period		**13**	**9**	**9**	**6**	**10**
Mr. Tony O. Elumelu, CFR	Chairman/Non- Executive Director	-	-	-	-	-
Mr. Oliver Alawuba	GMD/CEO	-	-	9	-	10
Mr. Muyiwa Akinyemi	DMD	-	-	-	-	6 [1]
Mr. Chukwuma Nweke	DMD/ Group Chief Operating Officer	-	-	-	6 [1]	4 [2]
Mr. Ugochukwu Nwaghodoh	ED, Risk and Finance Mgt	-	-	9	-	10
Mr. Alex Alozie	ED, Abuja & North Central	-	-	-	6 [1]	-
Mrs. Abiola Bawuah	ED, Lagos 2 & West Bank	-	-	-	-	6 [1]
MS. Sola Yomi-Ajayi	ED/CEO, UBA Africa 1	-	-	9	-	-
Ms. Angela Aneke	Independent (NED)	13	9	-	-	-
Erelu Angela Adebayo	Non-Executive Director	13	-	9 [3]	6 [1]	2 [2]
Mr. Abdulqadir Bello, (FCA)	Non-Executive Director	13	9	-	-	-
Ms. Aisha Hassan-Baba, (OON)	Independent (NED)	13	-	-		2 [2]
Mrs. Caroline Anyanwu.	Non-Executive Director	-	8	9	-	-
Mr. Emmanuel N. Nnorom[4]	Non-Executive Director	-	-	9		10
Mrs. Henrietta Ugboh [5]	Independent (NED)	-	9	2[2]	6	-

[1] Appointed a member of the Committee on April 22, 2025

[2] Cessation of membership following the reconstitution of the Board Committee on April 22, 2025

[3] Appointed a member of the Committee on February 13, 2025

F. Executive Management Committees

In addition to the Board Committees, there are Management Committees which ensure effective and good corporate governance at the managerial level. These are Committees comprising of senior management of the Bank. The Committees are also risk-driven, as they are basically set up to identify, analyse, synthesize and make recommendations on risks arising from day-to-day activities of the Bank. They also ensure that risk limits as contained in the Board and policies are complied with at all times. They provide inputs for the respective Board Committees and also ensure that recommendations of the Board Committees are effectively and efficiently implemented. They meet as frequently as issues occur to immediately take actions and decisions within the confines of their delegated authorities. Some of these Executive Management Committees include the Executive Management Committee (EMC), the Executive Credit Committee (ECC), the Group Assets and Liabilities Committee (GALCO), the Information Security Steering Committee (ISSC), the Criticized Assets Committee (CAC), the Group Risk Management Committee (GRMC), IT Steering Committee (ITSC), Assurance Committee and Africa Credit Committee (ACC).

G. Statutory Audit Committee

The Statutory Audit Committee was set up in accordance with the provisions of the Companies and Allied Matters Act 2020. It comprises of a mixture of Non-Executive Directors and ordinary shareholders elected at the Annual General Meeting.

Its Terms of Reference include the monitoring of processes designed to ensure compliance by the Group in all respects with legal and regulatory requirements, including disclosure, controls and procedures and the impact (or potential impact) of developments related thereto. It evaluates annually, the independence and performance of the External Auditors. The Committee also reviews the annual audited financial statements with Management and the External Auditors.

The Members of the Statutory Audit Committee as at December, 2025 were as follows:

a. Mr. Feyi Ogoji – Chairman/Shareholder
b. Mr. Matthew Esonanjor, SAN – Shareholder
c. Mr. Alex Adio – Shareholder
d. Ms. Angela Aneke - Independent Non-Executive Director
e. Mrs. Henrietta Ugboh - Independent Non-Executive Director [1]
f. Mr. Emmanuel Nnorom – Non-Executive Director [2]

[1] Cessation of membership on April 25, 2025

[2] Appointed as a member on April 25, 2025

In line with the Companies and Allied Matters Act 2020, the membership of the SAC was restructured by the shareholders at the AGM to have three (3) shareholder representatives and two (2) Directors.

The record of attendance for the Statutory Audit Committee Meetings for FY 2025 financial year is presented below:

Statutory Audit Committee Meetings		
Members	**Number of Meetings Held**	**Number of Meetings Attended**
Mr. Feyi Ogoji	3	3
Mr. Matthew Esonanjor, SAN	3	3
Mr. Alex Adio	3	3
Ms. Angela Aneke	3	3
Mrs. Henrietta Ugboh [1]	3	1
Mr. Emmanuel Nnorom [2]	3	2

[1] Cessation of membership on April 25, 2025
[2] Appointed as a member on April 25, 2025

H. Meetings Management

In view of current business realities, particularly the advancement of digital technology and the global impact of the COVID-19 pandemic, the Board approved for all Board, Board Committee and Executive Management meetings in 2021 to hold virtually via either Microsoft Teams or Zoom. Towards this purpose, the Board also approved a Virtual Meeting & Communication Technology Framework to promote effective virtual meetings, provide broad guidelines for implementation of processes involving technology aided communication, and ensure compliance with all relevant COVID-19 Related Directives and Safety Protocols & Guidelines.

The Board has also complied strictly with the requirements of the Federal & State Governments and the CAC Guidelines for the convening and conduct of the Bank's Annual General Meetings. The Bank conducted its 2025 Annual General Meeting on April 25, 2025 at the Transcorp Hilton Hotel, Abuja.

I. Directors' Compensation

Package	Type	Description	Timing
Basic salary	Fixed	This is part of gross salary package for Executive Directors only It reflects the banking industry competitive salary package and the extent to which the Bank's objectives have been met for the financial year	Paid monthly during the financial year
13th Month Salary	Fixed	This is part of gross salary package for Executive Directors only It reflects the banking industry competitive salary package and the extent to which the Bank's objectives have been met for the financial year	Paid in a month during the financial year
Directors fees	Fixed	This is paid biannually to Non-Executive Directors only	Paid biannually
Sitting allowances	Fixed	Sitting allowances are paid to the Non-Executive Directors only for attending Board and Board Committee meetings.	Paid after each meeting

J. Details of Training Attended by Directors

Board Facilitator-led Session

Training Programme	Training Objective	Participants	Date
Chicago Booth School of Business, USA	Learn what drives or destroys high-performance. Encourage a highperformance environment. Develop impactful communications strategies. Embrace mindfulness and self-care, Learn the critical necessities of courage.	• Muyiwa Akinyemi • Abiola Bawuah • Alex Alozie	Apr. 28 – May 2, 2025
Oxford Advanced Management & Leadership - Oxford Said Business School England	This programme will evolve participant's leadership skills and stimulate a bold new strategic direction for their organisation, ensuring sustainable growth and societal impact.	• Ugo Nwaghodoh	Jun. 8 - Jun. 28, 2025
Oxford Advanced Management & Leadership - Oxford Said Business School England	Enhance strategic thinking and governance oversight capabilities for global banking operations. Examine cutting-edge management and leadership concepts relevant to high-level board roles. Strengthen cross-cultural leadership competencies for UBA's multi-market environment. Equip members with practical tools for navigating uncertainty, managing change, and fostering innovation.	• Chukwuma Nweke	Oct. 26 - Nov. 15, 2025
Cambridge Judge Business School, England	Cambridge Advanced Leadership Programme	• Alex Alozie	Nov. 2 - Nov. 21, 2025

K. Group Board & Board Committee Meeting Dates

Meetings	Board	Board Audit, Governance, Nomination and Remuneration Committee	Board Credit Committee	Board Risk Management Committee	Board Operations & Technology Committee	Finance, Operations & Technology Committee
1	13-Feb-25	4-Feb-25	14-Jan-25	12-Mar-25	13-May-25	15-Jan-25
2	11-Apr-25	February 11, 2025*	19-Mar-25	18-Mar-25	26-Jun-25	February 11, 2025*
3	22-Apr-25	15-Apr-25	3-Apr-25	4-Jun-25	4-Sep-25	8-Apr-25
4	1-Aug-25	16-Apr-25	11-Jun-25	25-Jun-25	12-Sep-25	10-Apr-25
5	14-Aug-25	22-Apr-25	16-Jul-25	17-Sep-25	26-Nov-25	July 18, 2025*
6	30-Oct-25	18-Jul-25	18-Sep-25	2-Oct-25	27-Nov-25	7-Oct-25
7	11-Dec-25	July 18, 2025*	3-Oct-25	19-Nov-25		9-Oct-25
8	31-Dec-25	20-Aug-25	13-Nov-25	21-Nov-25		23-Oct-25
9		24-Sep-25	3-Dec-25	17-Dec-25		2-Dec-25
10		25-Sep-25				6-Dec-25
11		16-Oct-25				
12		20-Nov-25				
13		25-Nov-25				

* Joint session of BAGNRC & F&GPC

Report of the Statutory Audit Committee

FOR THE YEAR ENDED 31 DECEMBER 2025

To members of United Bank for Africa Plc

In accordance with the provision of Section 404[7] of the Companies and Allied Matters Act of the Federation of Nigeria 2020 , we the members of the Audit Committee hereby report as follows:

(i) We confirm that we have seen the Audit Plan and Scope, and the Management Letter on the Audit of the UBA Group Consolidated and Separate Financial Statements for the year ended December 31, 2025 and the responses to the said letter.

(ii) In our opinion, the Plan and Scope of the Audit for the year ended 31 December, 2025 were adequate. We have reviewed the Auditors' findings and we are satisfied with the Management responses thereon.

(iii) We also confirm that the accounting and reporting policies of the Bank are in accordance with legal requirements and ethical practices.

(iv) As required by the provisions of the Central Bank of Nigeria circular BSD/1//2004 dated February 18, 2004 on "Disclosure of Insider-Related Credits in Financial Statements", we reviewed the insider-related credits of the Bank and found them to be as analysed in the Consolidated and Separate Financial Statements for the year ended 31 December 2025.

19 February 2026

MR. FEYI OGOJI (FCA)
FRC/2016/ICAN/00000015438
Chairman, Statutory Audit Committee

Members of the audit committee are:

a.	Mr. Feyi Ogoji	–	Chairman/Shareholder
b.	Mr. Matthew Esonanjor, SAN	–	Shareholder
c.	Mr. Alex Adio	–	Shareholder
d.	Ms. Angela Aneke	–	Independent Non-Executive Director
e.	Mrs. Henrietta Ugboh	–	Independent Non-Executive Director [1]
f.	Mr. Emmanuel Nnorom	–	Non-Executive Director [2]

[1] Cessation of membership on April 25, 2025

[2] Appointed as a member on April 25, 2025

Statement of Directors' Responsibilities

IN RELATION TO THE PREPARATION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

In accordance with the provisions of Sections 334 and 335 of the Companies and Allied Matters Act and Sections 24 and 28 of the Banks and Other Financial Institutions Act, the Directors are responsible for the preparation of the financial statements which give a true and fair view of the state of affairs of the Bank and of the profit or loss and other comprehensive income for the year ended 31 December, 2025 and in so doing they ensure that:

(i) Proper accounting records are maintained;

(ii) Applicable accounting standards are followed;

(iii) Suitable accounting policies are adopted and consistently applied;

(iv) Judgments and estimates made are reasonable and prudent;

(v) The going concern basis is used, unless it is inappropriate to presume that the Bank will continue in business; and

(vi) Internal control procedures are instituted which as far as reasonably possible, safeguard the assets of the Bank and prevent and detect fraud and other irregularities.

The Directors accept responsibility for the preparation of the financial statements that give a true and fair view in accordance with IFRS Accounting standards as issued by the International Accounting Standards Board and in the manner required by the Companies and Allied Matters Act, the Financial Reporting Council of Nigeria (Amendment) Act 2023, the Banks and Other Financial Institutions Act, the Central Bank of Nigeria Prudential guidelines and other relevant regulations issued by the Central Bank of Nigeria.

The Directors accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of the financial statements as well as adequate systems of financial control.

Nothing has come to the attention of the Directors to indicate that the Group will not remain a going concern for at least twelve months from the date of this statement.

SIGNED ON BEHALF OF THE DIRECTORS:

19 February 2026

Oliver Alawuba

FRC/2022/PRO/DIR/003/589226

Tony O. Elumelu, CFR

FRC/2013/PRO/DIR/003/00000002590

Statement of Corporate Responsibility

FOR THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

In line with the provision of Section 405 of the Companies and Allied Matters Act (CAMA) 2020, we have reviewed the audited financial statements of the Group for the year ended 31 December, 2025 and based on our knowledge confirm as follows:

Financial Information

(i) The audited financial statements do not contain any untrue statement of material fact or omit to state a material fact, which would make the statements misleading.

(ii) The audited financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the bank as of and for the year ended 31 December 2025.

Effectiveness of Internal Controls

(iii) The bank's internal controls have been designed to ensure that all material information relating to the bank and its subsidiaries is received and provided to the Auditors in the course of the audit.

(iv) The bank's internal controls were evaluated within 90 days of the financial reporting date and are effective as of 31 December 2025.

Disclosures

(v) That we have disclosed to the bank's External Auditors and the Audit Committee the following information:

(a) there are no significant deficiencies in the design or operation of the bank's internal controls which could adversely affect the bank's ability to record, process, summarise and report financial data, and have discussedwith the auditors any weaknesses in internal controls observed in the cause of the Audit.

(b) there is no fraud involving management or other employees which could have any significant role in the bank's internal control.

(vi) There are no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of this audit, including any corrective actions with regard to any observed deficiencies and material weaknesses.

19 February 2026

Ugo A. Nwaghodoh
ED Finance and Risk Management
FRC/2012/ICAN/00000000272

Oliver Alawuba
Group Managing Director/CEO
FRC/2022/PRO/DIR/003/589226

Management's Assessment of, and Report on, United Bank for Africa Plc's Internal Control over Financial Reporting

FOR THE YEAR ENDED 31 DECEMBER 2025

In line with the provision of Section 1.3 of Securities and Exchange Commission's guidance on implementation of Sections 60-63 of the Investments and Securities Act (ISA) 2007, and Financial Reporting Council's guideline in fulfilment of Sec.7(2f) of the FRC Act. 6, 2011(As Amended), we hereby make the following statements regarding the Internal Controls over Financial Reporting of UBA Plc for the year ended 31 December 2025:

(a) Management is responsible for establishing and maintaining a system of internal control over financial reporting ("ICFR") that provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards.

(b) Management used the Committee of Sponsoring Organization of the Treadway Commission (COSO) Internal Control-Integrated Framework to conduct the required evaluation of the effectiveness of the bank's ICFR.

We have reviewed the audited consolidated and separate financial statements of the Group for the year ended 31 December 2025 and based on our knowledge we certify as follows:

(i) The audited financial statements do not contain any untrue statement of material fact or omit to state a material fact, which would make the statements misleading.

(ii) The audited consolidated and separate financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition, results of operation and cash flows of the bank as of and for the year ended 31 December, 2025.

(iii) The bank's management has assessed that the entity's Internal Control over Financial Reporting (ICFR) as of the end of 31 December 2025 is effective.

(iv) The bank's internal controls were evaluated within 90 days of the financial reporting date and are effective as of 31 December 2025.

(v) The bank's external auditors (Messrs Ernst and Young Nigeria) has issued an attestation report on management's assessment of internal control over financial reporting.

The attestation report of Messrs Ernst and Young Nigeria that audited the financial statements is included as part of this annual report.

19 February 2026

Ugo A. Nwaghodoh
ED Finance and Risk Management
FRC/2012/ICAN/00000000272

Oliver Alawuba
Group Managing Director/CEO
FRC/2022/PRO/DIR/003/589226

Certification of Management's Assessment on Internal Control over Financial Reporting

FOR THE YEAR ENDED 31 DECEMBER 2025

In line with the provision of Section 1.3 of Securities and Exchange Commission's guidance on implementation of Sections 60-63 of the Investments and Securities Act (ISA) 2007 and Financial Reporting Council's guideline in fulfilment of Sec.7(2f) of the FRC Act. 6, 2011 (As Amended), we hereby make the following statements regarding the Internal Controls over Financial Reporting of UBA Plc for the year ended 31 December 2025:

I, **Oliver Alawuba**, certify that:

a. I have reviewed this management's assessment on internal control over financial reporting of **United Bank for Africa Plc.**

b. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

c. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;

d. The entity's other certifying officer and I:

   1. are responsible for establishing and maintaining internal controls;

   2. have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to **United Bank for Africa Plc**, and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   3. have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Generally Accepted Accounting Principles (GAAPs);

   4. have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.

e. The entity's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the entity's auditors and the Board Audit, Governance, Nomination and Remuneration Committee:

   1. All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the entity's ability to record, process, summarize and report financial information; and

   2. Any fraud, whether or not material, that involves management or other employees who have a significant role in the entity's internal control system.

f. The entity's other certifying officer and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

19 February 2026

Oliver Alawuba
Group Managing Director/CEO
FRC/2022/PRO/DIR/003/589226

Certification of Management's Assessment on Internal Control over Financial Reporting

FOR THE YEAR ENDED 31 DECEMBER 2025

In line with the provision of Section 1.3 of Securities and Exchange Commission's guidance on implementation of Sections 60-63 of the Investments and Securities Act (ISA) 2007 and Financial Reporting Council's guideline in fulfilment of Sec.7(2f) of the FRC Act. 6, 2011(As Amended), we hereby make the following statements regarding the Internal Controls over Financial Reporting of UBA Plc for the year ended 31 December 2025:

I, **Ugo A. Nwaghodoh** , certify that:

a. I have reviewed this management's assessment on internal control over financial reporting of **United Bank for Africa Plc**.

b. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

c. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the entity as of, and for, the periods presented in this report;

d. The entity's other certifying officer and I:

   1. are responsible for establishing and maintaining internal controls;

   2. have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to **United Bank for Africa Plc**, and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   3. have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Generally Accepted Accounting Principles (GAAPs);

   4. have evaluated the effectiveness of the entity's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.

e. The entity's other certifying officer and I have disclosed, based on our most recent evaluation of internal control system, to the entity's auditors and the Board Audit, Governance and Remuneration Committee:

   1. All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the entity's ability to record, process, summarize and report financial information; and

   2. Any fraud, whether or not material, that involves management or other employees who have a significant role in the entity's internal control system.

f. The entity's other certifying officer and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

19 February 2026

Ugo A. Nwaghodoh
ED Finance and Risk Management
FRC/2012/ICAN/00000000272

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Independent Auditor's Attestation Report on Management's Assessment of Internal Control over Financial Reporting

To the members of United Bank for Africa Plc

Scope

We have been engaged by United Bank for Africa Plc ('the Bank') to perform a 'limited assurance engagement', based on International Standards on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)') and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, herein referred to as the engagement, to report on United Bank for Africa Plc Internal Control over Financial Reporting (ICFR) (the "Subject Matter") contained in the United Bank for Africa Plc's (the "Bank") and its subsidiaries (together "the Group") Management's Assessment on Internal Control over Financial Reporting as of 31 December 2025 (the "Report").

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that:

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

***Criteria applied by* United Bank for Africa Plc**

In designing, establishing and operating the Internal Control over Financial Reporting (ICFR) and preparing the Management's assessment of the Internal Control over Financial Reporting (ICFR), United Bank for Africa Plc applied the requirements of Internal Control-Integrated Framework (2013) of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Framework and SEC Guidance on Management Report on Internal Control Over Financial Reporting (Criteria). Such Criteria were specifically designed to enable organizations effectively and efficiently develop systems of internal control that adapt to changing business and operating environments, mitigate risks to acceptable levels, and support sound decision making and governance of the organization; As a result, the subject matter information may not be suitable for another purpose.

United Bank for Africa *Plc's responsibilities*

United Bank for Africa Plc's management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying United Bank for Africa Plc's *management's assessment of the Internal Control over Financial reporting as of 31 December 2025* in accordance with the criteria.

Our responsibilities

Our responsibility is to express a conclusion on the design and operating effectiveness of the Internal Control over Financial Reporting based on our Assurance engagement.

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ISAE 3000 (Revised)') and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, those standards require that we plan and perform our engagement to obtain limited assurance on the Bank's internal control over financial reporting based on our assurance engagement.

Our independence and quality management
We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA code) and have the required competencies and experience to conduct this assurance engagement.

We also apply International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements*, which requires that we design, implement, and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

The procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

Our engagement also included performing such other procedures as we considered necessary in the circumstances. We believe the procedures performed provides a basis for our report on the internal control put in place by management over financial reporting.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have obtained had a reasonable assurance engagement been performed.

Conclusion

In conclusion, nothing has come to our attention to indicate that the internal control over financial reporting put in place by management is not adequate as of 31 December 2025, based on the requirements of Committee of Sponsoring Organizations of the Treadway Commission (COSO) Framework and SEC Guidance on Management Report on Internal Control Over Financial Reporting.

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Other Matter

We also have audited, in accordance with the International Standards on Auditing, the consolidated and separate financial statements for the year ended 31 December 2025 of United Bank for Africa Plc and we expressed an unmodified opinion in our Auditor's report dated *17 April 2026*. Our conclusion is not modified in respect of this matter.

Abiodun Akinnusi

Abiodun Akinnusi
FRC/2021/PRO/ICAN/004/00000023386
For: Ernst & Young
Lagos, Nigeria
17 April 2026

Independent Auditor's Report

To the Members of United Bank for Africa Plc

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated and separate financial statements of United Bank for Africa Plc ("the Company") and its subsidiaries (together "the Group"), which comprise the consolidated and separate statements of financial position as at 31 December 2025, and the consolidated and separate statements of profit or loss and other comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of the Group and the Company as at 31 December 2025, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, the provisions of the Companies and Allied Matters Act, 2020 the Banks and Other Financial Institutions Act, 2020, Central Bank of Nigeria Circulars and in compliance with the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report. We are independent of the Group and the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) *as* applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the consolidated and separate financial statements in Nigeria, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated and separate financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated and separate financial statements.

The Key Audit Matters apply equally to the audit of the consolidated and separate financial statements.

Key Audit Matter	How the matter was addressed in the audit
Expected Credit Loss (ECL) assessment on loans and advances to customers This is considered a key audit matter in the consolidated and separate financial statements given the significance of the amounts and the complexity and judgement involved in the determination of ECL on loans and advances to customers, which required considerable audit time and expertise. The gross balance of loans and advances to customers as at 31 December 2025 was N3.82 trillion for the Bank and N7.58 trillion for the Group. The associated allowance for credit loss was N310.38 billion for the Bank and N554.08 billion for the Group. Loans and advances to customers are subject to impairment assessment using the expected credit loss model (ECL) under the International Financial Reporting Standards (IFRS) 9 – Financial Instruments. The ECL involves the application of judgement and estimation in determining inputs for ECL calculation such as: ‣ determining criteria for significant increase in credit risk (SICR) for the purpose of staging.	Our audit procedures included the following, we: ‣ assessed the reasonableness of management's model for determining impairment on loans and advances to customers in accordance with the requirements of IFRS 9. ‣ evaluated the reasonableness of the Group's determination of significant increase in credit risk by checking that a lifetime ECL is recognised when credit risk has increased significantly (Stage 2), a lifetime ECL is recognised on impaired facilities (Stage 3) and a 12-month ECL (Stage 1) is recognised if otherwise. ‣ checked that the Group applied a default definition that is consistent with International Financial Reporting Standards. ‣ selected material loans and checked the repayment history to determine if there are indications of default and significant increase in credit risk. With the assistance of our credit risk modelling specialists, we:

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‣ determining the definition of default. ‣ incorporating forward looking information (FLI) in the model. ‣ reasonability and accuracy of macroeconomic historical data and forecasts which were used by management for FLI analysis. ‣ factors incorporated in determining the Probability of Default (PD), the Loss Given Default (LGD), and the Exposure at Default (EAD). See notes to the consolidated and separate financial statements for further information. • 3.29 - IFRS 9: Financial Instruments • 4.5 - Credit Risk • 8(a) - Key sources of estimation uncertainty • 12(a) - Impairment charge for credit losses on Loans • 26 - Loans and advances to customers.	‣ tested macro-economic indicators (Forward Looking Information) for reasonableness, taking into consideration publicly available information and checked the multiple economic scenarios considered. ‣ gained an understanding of how the Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD) were determined. ‣ tested the reasonableness of the assumptions used in determining the 12month and lifetime Probability of Default (PD), Loss given default (LGD) and Exposure at Default (EAD). ‣ recalculated the ECL on loans and advances to customers. We reviewed the qualitative and quantitative disclosures for reasonableness.
Derivatives valuation The group has significant derivative financial instruments, the valuation of which is determined through the application of valuation techniques which often involve the exercise of judgement and the use of assumptions and estimates. Due to the significance of financial instruments and the related estimation uncertainty, this is considered a key audit matter. Auditing the valuation of certain derivatives requires the application of significant judgement and assessment of complex models and non-observable inputs used, including any significant valuation adjustments applied.	Our audit procedures included the following, we: ‣ obtained an understanding of the bank's processes and procedures for derivatives recognition and Identified controls in the bank's processes and procedures. ‣ verified the existence and ownership of recorded derivatives through confirmation with the counterparties or, when appropriate, examination of evidence of ownership. We confirmed both settled and unsettled transactions with the counterparties.

The Bank entered into derivative contracts arrangement with notional amount of N1.08 trillion and carrying value of N1.37 billion with various counterparties. The associated liability for these derivatives' transaction is N1.21 trillion for notional amount and N124.23 billion for the carrying value. Derivatives valuation involves the application of judgement and estimation in determining inputs such as: ‣ the risk-free rates ‣ the forward rates using published rate ‣ interest rate parity formula for other currencies ‣ the present value cashflow for each contract using the applicable interest rate curves Furthermore, certain valuation inputs used to determine fair value may be non-observable. The valuation of certain derivatives is sensitive to these inputs as they are forward-looking and could be affected by future economic and market condition See notes to the consolidated and separate financial statements for further information. • 3.13- Derivative financial instruments • 8(a)(iv) – Key sources of estimation uncertainty • 14 – Net trading and foreign exchange income • 33- Derivative financial instruments	With the assistance of our credit risk modelling specialists, we: ‣ recalculated the fair value of derivatives and the appropriate disclosures in the financial statements in accordance with the entity's accounting policies and International Financial Reporting Standards. ‣ assessed the appropriateness of the methodology and to assess the key underlying models used

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Other Information

The Directors are responsible for the other information. The other information comprises the information included in the document titled "United Bank for Africa Plc Consolidated and Separate Financial Statements for the year ended 31 December 2025", which includes the Directors' Report, Complaints and Feedback, Corporate Governance Report, Report of Statutory Audit Committee, Statement of Directors' Responsibilities in relation to the preparation of the Financial Statements for the year ended 31 December 2025, Statement of Corporate Responsibility for the Financial Statements for the year ended 31 December 2025, Report of the Independent Consultants on the Review of Corporate Governance Framework of United Bank for Africa Plc, Report of the Independent Consultants on the Performance Evaluation of the Board of Directors of United Bank for Africa Plc, Management's Assessment Of, And Report On, United Bank For Africa Plc's Internal Control Over Financial Reporting for the year ended 31 December 2025, Certification Of Management's Assessment On Internal Control Over Financial Reporting - GMD, Certification Of Management's Assessment On Internal Control Over Financial Reporting – ED Finance & Risk Management and Other National Disclosures, which we obtained prior to the date of this report, and the Annual Report, which is expected to be made available to us after that date. Other information does not include the consolidated or the separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon as part of this opinion.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The Directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, the provisions of the Companies and Allied Matters Act, 2020, the Banks and Other Financial Institutions Act, 2020, Central Bank of Nigeria Circulars and in compliance with the Financial Reporting Council of Nigeria (Amendment) Act, 2023, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate

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financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirement of the Fifth Schedule of the Companies and Allied Matters Act, 2020, we confirm that:

- We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
- In our opinion, proper books of account have been kept by the Group and Company, in so far as it appears from our examination of those books;
- The consolidated and separate statements of financial position and the consolidated and separate statements of profit or loss and other comprehensive income are in agreement with the books of account; and
- In our opinion, the consolidated and separate financial statements have been prepared in accordance with the provisions of the Companies and Allied Matters Act, 2020 so as to give a true and fair view of the state of affairs and financial performance of the Company and its subsidiaries.

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In accordance with the requirements of the Financial Reporting Council of Nigeria (FRC) Guidance on Assurance Engagement Report on Internal Control over Financial Reporting:

We performed a limited assurance engagement and reported on management's assessment of the Company's internal control over financial reporting as of 31 December 2025. The work performed was done in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)') and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, and we have issued a unmodified conclusion in our report dated 17 April 2026.

In compliance with the Banks and Other Financial Institutions Act, 2020 and circulars issued by the Central Bank of Nigeria:

i) The information required by the Central Bank of Nigeria Circular BSD/1/2004 on insider related credits is disclosed in Note 42 to the consolidated and separate financial statements.

ii) As disclosed in Note 46 to the consolidated and separate financial statements, the Bank paid penalties in respect of contraventions of certain circulars issued by the Central Bank of Nigeria during the year ended 31 December 2025.

INSTITUTE OF CHARTERED ACCOUNTANTS OF NIGERIA
ICAN
0829825

Abiodun Akinnusi
FRC/2021/PRO/ICAN/004/00000023386
For: Ernst & Young
Lagos, Nigeria
17 April 2026

A member firm of Ernst & Young Global Limited

UNITED BANK FOR AFRICA PLC
Consolidated and Separate Statements of Comprehensive Income

For the year ended 31 December 2025

		Group		Bank	
In millions of Nigerian Naira, except per share amounts	**Notes**	**2025**	**2024**	**2025**	**2024**
Interest income	10	2,649,047	2,411,632	1,424,342	1,340,460
Interest income on amortised cost and FVOCI securities		2,639,831	2,337,485	1,420,203	1,336,564
Interest income on FVTPL securities		9,216	74,147	4,139	3,896
Interest expense	11	(1,030,708)	(859,162)	(688,604)	(501,602)
Net interest income		**1,618,339**	**1,552,470**	**735,738**	**838,858**
Impairment charge for credit losses on Loans	12a	(331,071)	(216,967)	(300,803)	(177,802)
Net impairment charges on other financial assets	12b	1,723	(17,553)	(2,886)	(21,746)
Modification (loss)/gain on purchased or originated credit impaired	12c	-	(19,045)	-	1,888
Net interest income after impairment on financial instruments		**1,288,991**	**1,298,905**	**432,049**	**641,198**
Fees and commission income	13a	532,947	547,406	172,244	161,601
Fees and commission expense	13b	(200,472)	(214,086)	(92,397)	(96,553)
Net fee and commission income		**332,475**	**333,320**	**79,847**	**65,048**
Net trading and foreign exchange (loss)/ gain	14	(140,568)	181,762	(231,020)	78,185
Other operating income	15	48,542	46,080	323,114	255,540
Net monetary loss on hyperinflation	16	(2,162)	(10,163)	-	-
Employee benefit expenses	17	(376,268)	(314,660)	(123,497)	(92,368)
Depreciation and amortisation	18	(66,680)	(48,608)	(34,751)	(23,228)
Other operating expenses	19	(660,930)	(682,910)	(395,621)	(437,841)
Profit before income tax		**423,400**	**803,726**	**50,121**	**486,534**
Income tax (expense)/credit	20	(18,704)	(37,158)	115,182	78,161
Profit for the year		**404,696**	**766,568**	**165,303**	**564,695**
Other comprehensive income/(loss)					
Items that will be reclassified to Profit or loss:					
Exchange differences on translation of foreign operations	20	54,836	590,050	-	-
Fair value changes on investments in debt securities at fair value through other comprehensive income (FVOCI):					
Net change in fair value for the year	20	87,167	(161,817)	87,167	(176,914)
ECL on debt instruments classified as FVOCI	20	513	(18,959)	513	(18,959)
Tax relating to net change in fair value for the year & ECL on debt instruments	20	(8,871)	18,078	(8,871)	19,587
Net amount transferred to profit or loss		(495)	(2,033)	(495)	(2,033)
		133,150	**425,319**	**78,314**	**(178,319)**
Items that will not be reclassified to Profit or loss:					
Fair value changes on equity investments designated at FVOCI	20	20,254	241,818	19,221	235,506
Tax relating to net change in fair value on equity investments designated at FVOCI	20	(2,025)	(24,182)	(1,922)	(23,551)
Impact of adopting IAS 29 - Hyperinflationary Accounting	44	2,162	125,981	-	-
		20,391	**343,617**	**17,299**	**211,955**
Other comprehensive profit/(loss) for the year, net of tax		**153,541**	**768,935**	**95,613**	**33,636**
Total comprehensive income for the year		**558,237**	**1,535,503**	**260,916**	**598,330**
Profit for the year attributable to:					
Owners of Parent		373,654	743,121	165,303	564,695
Non-controlling interests		31,042	23,447	-	-
Profit for the year		**404,696**	**766,568**	**165,303**	**564,695**
Total comprehensive income attributable to:					
Owners of Parent		529,411	1,501,462	260,916	598,330
Non-controlling interests		28,826	34,041	-	-
Total comprehensive income for the year		**558,237**	**1,535,503**	**260,916**	**598,330**
Earnings per share attributable to owners of the parent					
Basic and diluted earnings per share (Naira)	**21**	**9.66**	**21.73**	**4.27**	**16.51**

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

Consolidated and Separate Statements of Financial Position

As at 31 December 2025

		Group		Bank	
In millions of Nigerian Naira	**Notes**	**31 Dec. 25**	**31 Dec. 24**	**31 Dec. 25**	**31 Dec. 24**
ASSETS					
Cash and bank balances	22	8,952,012	8,163,668	6,254,780	6,732,741
Financial assets at fair value through profit or loss	23	194,652	100,687	16,967	18,018
Assets under management	24	17,567	15,175	17,567	15,175
Derivative assets	33(a)	1,368	188,583	1,368	188,583
Loans and advances to banks	25	437,526	556,072	257,874	290,941
Loans and advances to customers	26	7,022,394	6,954,545	3,507,589	3,920,533
Investment securities:					
- At fair value through other comprehensive income	27	4,518,170	4,942,037	3,837,422	4,131,218
- At amortised cost	27	9,909,047	7,592,468	856,483	463,033
Other assets	28	1,395,079	1,186,262	911,892	977,818
Investment in subsidiaries	29	-	-	260,555	184,290
Property and equipment	30	448,997	416,623	287,656	250,148
Intangible assets	31	68,584	66,864	14,065	13,641
Deferred tax assets	32	207,792	140,371	182,496	105,817
TOTAL ASSETS		**33,173,188**	**30,323,355**	**16,406,714**	**17,291,956**
LIABILITIES					
Deposits from banks	34	3,259,133	2,756,472	756,602	1,643,031
Deposits from customers	35	23,948,907	21,571,750	11,913,128	11,511,737
Derivative liabilities	33(b)	124,227	33,849	124,227	33,849
Other liabilities	36	619,819	1,003,252	469,960	1,113,704
Current income tax payable	20	36,997	138,983	7,527	79,506
Borrowings	37	923,656	1,394,796	912,133	1,223,973
Deferred tax liability	32	7,507	5,614	-	-
TOTAL LIABILITIES		**28,920,246**	**26,904,716**	**14,183,577**	**15,605,800**
EQUITY					
Share capital	39	22,098	17,100	22,098	17,100
Share premium	39	482,639	98,715	482,639	98,715
Retained earnings	39	1,265,537	1,425,037	811,342	787,808
Other reserves	39	2,351,768	1,775,713	907,058	782,533
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		4,122,042	3,316,565	2,223,137	1,686,156
Non-controlling interests	29	130,900	102,074	-	-
TOTAL EQUITY		**4,252,942**	**3,418,639**	**2,223,137**	**1,686,156**
TOTAL LIABILITIES AND EQUITY		**33,173,188**	**30,323,355**	**16,406,714**	**17,291,956**

The accompanying notes 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 19 February 2026 and signed on its behalf by :

Tony O. Elumelu, CFR
Chairman, Board of Directors
FRC/2013/PRO/DIR/003/00000002590

Ugo A. Nwaghodoh
ED Finance and Risk Management
FRC/2012/ICAN/00000000272

Oliver Alawuba
Group Managing Director/CEO
FRC/2022/PRO/DIR/003/589226

UNITED BANK FOR AFRICA PLC

Consolidated and Separate Statements of Changes in Equity

For the year ended 31 December 2025

(i) Group

In millions of Nigerian naira	Attributable to equity holders of the parent										
	Share capital	Share premium	Foreign operations translation reserve	Regulatory credit risk reserve	Fair value reserve	Hyper-inflation reserve	Statutory reserve	Retained earnings	Total	Non-controlling interests	Total equity
At 1 January 2024	**17,100**	**98,715**	**450,488**	**18,146**	**123,151**	**77,941**	**256,749**	**919,872**	**1,962,162**	**68,033**	**2,030,195**
Impact of adoption of IAS 29 - Hyperinflationary Accounting	-	-	-	-	-	125,981	-	-	125,981	-	125,981
Profit for the year	-	-	-	-	-	-	-	743,121	743,121	23,447	766,568
Exchange differences on translation of foreign operations	-	-	579,456	-	-	-	-	-	579,456	10,594	590,050
Fair value change in debt instruments classified as FVOCI	-	-	-	-	(161,817)	-	-	-	(161,817)	-	(161,817)
ECL on debt instruments classified as FVOCI	-	-	-	-	(18,959)	-	-	-	(18,959)	-	(18,959)
Tax relating to net change in fair value for the year & ECL on debt instruments	-	-	-	-	18,078	-	-	-	18,078	-	18,078
Fair value change in equity instruments classified as FVOCI	-	-	-	-	241,818	-	-	-	241,818	-	241,818
Tax relating to net change in fair value on equity investments designated at FVOCI	-	-	-	-	(24,182)	-	-	-	(24,182)	-	(24,182)
Net amount transferred to profit or loss	-	-	-	-	(2,033)	-	-	-	(2,033)	-	(2,033)
Total comprehensive income for the period	**-**	**-**	**579,456**	**-**	**52,903**	**125,981**	**-**	**743,121**	**1,501,463**	**34,041**	**1,535,502**
Transfer between reserves	-	-	-	-	-	-	90,898	(90,898)	-	-	-
Transactions with owners											
Dividends paid (Note 40)	-	-	-	-	-	-	-	(147,058)	(147,058)	-	(147,058)
Balance at 31 December 2024	**17,100**	**98,715**	**1,029,944**	**18,146**	**176,054**	**203,922**	**347,647**	**1,425,037**	**3,316,567**	**102,074**	**3,418,639**
At 1 January 2025	**17,100**	**98,715**	**1,029,944**	**18,146**	**176,054**	**203,922**	**347,647**	**1,425,037**	**3,316,567**	**102,074**	**3,418,639**
Impact of adoption of IAS 29 - Hyperinflationary Accounting	-	-	-	-	-	2,162	-	-	2,162	-	2,162
Profit for the year	-	-	-	-	-	-	-	373,654	373,654	31,042	404,696
Exchange differences on translation of foreign operations	-	-	57,052	-	-	-	-	-	57,052	(2,216)	54,836
Fair value change in debt instruments classified as FVOCI net of tax	-	-	-	-	87,167	-	-	-	87,167	-	87,167
ECL on debt instruments classified as FVOCI net of tax	-	-	-	-	513	-	-	-	513	-	513
Tax relating to net change in fair value for the year & ECL on debt instruments	-	-	-	-	(8,871)	-	-	-	(8,871)	-	(8,871)
Fair value change in equity instruments classified as FVOCI	-	-	-	-	20,254	-	-	-	20,254	-	20,254
Tax relating to net change in fair value on equity investments designated at FVOCI	-	-	-	-	(2,025)	-	-	-	(2,025)	-	(2,025)
Net amount transferred to profit or loss	-	-	-	-	(495)	-	-	-	(495)	-	(495)
Total comprehensive income for the period	**-**	**-**	**57,052**	**-**	**96,543**	**2,162**	**-**	**373,654**	**529,411**	**28,826**	**558,237**
Transfer between reserves	-	-		183,431	-		236,865	(420,296)	-	-	-
Transactions with owners									-	-	-
Issuance of Right Issues	4,998	390,047							395,045	-	395,045
Right Issues expenses		(6,122)							(6,122)	-	(6,122)
Dividends paid (Note 40)	-	-	-	-	-	-	-	(112,858)	(112,858)		(112,858)
Balance at 31 December 2025	**22,098**	**482,639**	**1,086,996**	**201,577**	**272,597**	**206,084**	**584,512**	**1,265,537**	**4,122,042**	**130,900**	**4,252,942**

he accompanying notes are an integral part of these interim consolidated and separate financial statements.

UNITED BANK FOR AFRICA PLC
Consolidated and Separate Statements of Changes in Equity

For the year ended 31 December 2025

(i) Bank

In millions of Nigerian naira	Share capital	Share premium	Regulatory credit risk reserve	Fair value reserve	Statutory reserve	Retained earnings	Total
At 1 January 2024	**17,100**	**98,715**	**164,346**	**202,263**	**220,370**	**532,088**	**1,234,883**
Profit for the year	-	-	-	-	-	564,695	564,695
Fair value change in debt instruments classified as FVOCI	-	-	-	(176,914)	-	-	(176,914)
ECL on debt instruments classified as FVOCI	-	-	-	(18,959)	-	-	(18,959)
Tax relating to net change in fair value for the year & ECL on debt instruments	-	-	-	19,587	-	-	19,587
Fair value change in equity instruments classified as FVOCI	-	-	-	235,506	-	-	235,506
Tax relating to net change in fair value on equity investments designated at FVOCI	-	-	-	(23,551)	-	-	(23,551)
Net amount transferred to profit or loss	-	-	-	(2,033)	-	-	(2,033)
Total comprehensive income for the period	**-**	**-**	**-**	**33,635**	**-**	**564,695**	**598,330**
Transfer between reserves	-	-	77,214	-	84,704	(161,918)	-
Transactions with owners							
Dividends paid (Note 40)	-	-	-	-	-	(147,058)	(147,058)
Balance at 31 December 2024	**17,100**	**98,715**	**241,560**	**235,898**	**305,075**	**787,808**	**1,686,155**
At 1 January 2025	**17,100**	**98,715**	**241,560**	**235,898**	**305,075**	**787,808**	**1,686,155**
Profit for the year	-	-	-	-	-	165,303	165,303
Fair value change in debt instruments classified as FVOCI	-	-	-	87,167	-	-	87,167
ECL on debt instruments classified as FVOCI	-	-	-	513	-	-	513
Tax relating to net change in fair value for the year & ECL on debt instruments	-	-	-	(8,871)	-	-	(8,871)
Fair value change in equity instruments classified as FVOCI	-	-	-	19,221	-	-	19,221
Tax relating to net change in fair value on equity investments designated at FVOCI	-	-	-	(1,922)	-	-	(1,922)
Net amount transferred to profit or loss	-	-	-	(495)	-	-	(495)
Total comprehensive income for the period	**-**	**-**	**-**	**95,614**	**-**	**165,303**	**260,916**
Transfer between reserves	-	-	4,115	-	24,796	(28,911)	-
Transactions with owners							
Issuance of Right Issues	4,998	390,047	-				395,045
Right Issues expenses	-	(6,122)	-				(6,122)
Dividends paid (Note 40)	-	-	-	-	-	(112,858)	(112,858)
Balance at 31 December 2025	**22,098**	**482,639**	**245,675**	**331,512**	**329,871**	**811,342**	**2,223,135**

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

UNITED BANK FOR AFRICA PLC
Consolidated and Separate Statements of Cash Flows

For the year ended 31 December 2025

In millions of Nigerian Naira	Notes	Group 2025	Group 2024	Bank 2025	Bank 2024
Cash flows from operating activities					
Profit before income tax		**423,400**	**803,726**	**50,121**	**486,534**
Adjustments for:					
Depreciation of property and equipment	18	41,259	32,382	21,302	15,430
Amortisation of intangible assets	18	11,664	7,733	9,859	6,049
Depreciation of right-of-use assets	18	13,757	8,493	3,590	1,749
Impairment charge on loans to customers	12	381,209	246,890	317,897	189,056
Impairment (write back)/charge on investment securities	12	(11,949)	17,770	3,225	21,630
Impairment charge/(writeback) on investment securities- FVOCI	12	513	(18,959)	513	(18,959)
Impairment charge/(write back) on off-balance sheet items	12	614	(240)	632	(1,962)
Impairment charge on loans to banks	12	6,581	11,703	775	126
Impairment charge/(write back) on placements	12	485	(596)	819	(596)
Write-off of loans and advances	12	12,984	13,015	1,226	1,871
Impairment charge/(write back) on other assets	12	8,614	19,578	(2,303)	21,634
Net fair value loss on derivative financial instruments	14	277,593	342,205	277,593	342,205
Foreign currency revaluation gain	14	4,858	(293,085)	25,017	(277,567)
Dividend income	15	(17,733)	(16,884)	(319,101)	(251,551)
Net loss/(gain) on disposal of property and equipment	15/19	2,291	(107)	99	(31)
Write-off of property and equipment & Intangible assets	19	246	798	223	619
Net amount transferred to the profit or loss	14	(495)	(2,033)	(495)	(2,033)
Net monetary loss on hyperinflation	16	2,162	10,163	-	-
Net interest income	10 / 11	(1,618,339)	(1,552,470)	(735,738)	(838,858)
Provision on litigation	36	31,142	1,553	377	1,553
		(429,144)	**(368,365)**	**(344,369)**	**(303,102)**
Changes in operating assets and liabilities					
Change in financial assets at FVTPL	38	(93,505)	(66,998)	1,546	(17,678)
Change in cash reserve balance with CBN	38	53,183	(1,243,390)	161,918	(1,004,069)
Change in loans and advances to banks	38	101,535	(249,310)	34,401	(143,520)
Change in loans and advances to customers	38	(445,645)	(1,873,693)	(4,266)	(530,982)
Change in other assets	38	(3,073,886)	(302,659)	(931,467)	(501,407)
Change in deposits from banks	38	405,340	291,637	(967,642)	29,714
Change in deposits from customers	38	2,571,006	6,909,369	395,334	3,083,890
Change in placement with banks	38	64,548	(146,696)	(339,263)	30,567
Change in other liabilities and provisions	38	(371,717)	348,642	(640,170)	431,436
Interest received	38	2,549,019	2,214,758	1,422,940	988,109
Interest paid on deposits from banks and customers	38	(1,023,339)	(558,808)	(501,096)	(349,515)
Income tax paid	20(c)	(197,116)	(122,770)	(44,269)	(18,981)
Net cash generated from in/(used) operating activities		**110,280**	**4,831,717**	**(1,756,403)**	**1,694,462**
Cash flows from investing activities					
Proceeds from sale/redemption of investment securities	38	596,741	3,523,881	455,980	4,591,020
Purchase of investment securities	38	(2,343,115)	(8,410,568)	(385,721)	(6,209,150)
Purchase of property and equipment	30	(104,649)	(102,998)	(58,565)	(61,940)
Pre-paid lease payments	30	(10,313)	(13,222)	(3,143)	(12,721)
Purchase of intangible assets	31	(14,873)	(19,685)	(10,641)	(17,399)
Additional investment in subsidiaries	29	-	-	(76,265)	-
Proceeds from disposal of property and equipment		11,826	6,695	1,003	982
Proceeds from disposal of intangible assets		1,412	1,514	108	54
Dividend received	38	58,768	25,830	269,546	111,419
Net cash (used in)/generated from investing activities		**(1,804,202)**	**(4,988,554)**	**192,302**	**(1,597,735)**
Cash flows from financing activities					
Interest paid on borrowings	37	(107,094)	(133,331)	(107,094)	(133,331)
Proceeds from borrowings	37	470,660	825,607	459,138	823,197
Repayment of borrowings	37	(887,071)	(934,045)	(716,248)	(934,045)
Payments of principal on leases	36	(14,484)	(8,170)	(5,531)	(2,188)
Payments of interest on leases	36	-	(295)	-	(36)
Right Issues expenses	39	(6,122)	-	(6,122)	-
Proceeds from capital raise via right issue	39	395,045	-	395,045	-
Dividend paid to shareholders	40	(112,858)	(147,058)	(112,858)	(147,058)
Net cash used in financing activities		**(261,925)**	**(397,291)**	**(93,671)**	**(393,461)**
Decrease in cash and cash equivalents		(1,955,847)	(554,128)	(1,657,772)	(296,734)
Effects of exchange rate changes on cash and cash equivalents		2,831,160	1,263,436	968,190	1,022,260
Cash and cash equivalents at beginning of year	22	3,936,525	3,227,218	2,923,424	2,197,898
Cash and cash equivalents at end of year	**22**	**4,811,838**	**3,936,525**	**2,233,842**	**2,923,424**

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

For the year ended 31 December 2025

1. GENERAL INFORMATION

United Bank for Africa Plc. (the 'Bank'; UBA) is a Nigerian registered company incorporated on 23 February 1961 to take over the business of British and French Bank Limited (BFB). UBA listed its shares on the Nigerian Stock Exchange (NSE) in 1970 and became the first Nigerian bank to subsequently undertake an Initial Public Offering (IPO). The Bank's registered address is at 57 Marina, Lagos, Nigeria.

The interim consolidated and separate financial statements of the Group for the year ended 31 December 2025 comprise the Bank (Parent) and its subsidiaries (together referred to as the "Group" and individually referred to as "Group entities"). The Bank and its subsidiaries are primarily involved in corporate, commercial and retail banking, trade services, cash management, treasury and custodial services.

The interim consolidated and separate financial statements for the year ended 31 December, 2025 were approved and authorised for issue by the Board of Directors on 19 February 2026.

2. BASIS OF PREPARATION

These consolidated and separate financial statements comply and have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and interpretations issued by the IFRS Interpretations Committee (IFRS IC), and in the manner required by the Companies and Allied Matters Act of Nigeria 2020, the Financial Reporting Council of Nigeria (Amendment) Act 2024 and the Banks and other Financial Institutions Act 2020 and relevant Central Bank of Nigeria circulars.

3. MATERIAL ACCOUNTING POLICIES

3.1 Basis of measurement

These financial statements have been prepared on a historical cost basis, except for the following:

- Derivative financial instruments which are measured at fair value.
- Financial assets measured at fair value through profit or loss.
- Financial instruments measured at fair value through other comprehensive income..

3.2 Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Nigerian Naira (N) which is the Bank's functional currency and the Group's presentation currency.

3.3 Use of estimates and judgements

The preparation of financial statements requires the directors to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, incomes and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

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3.4 Basis of consolidation

(a) Subsidiaries

Subsidiaries (including structured entities) are entities controlled by the Group. Control exists when the Group has rights to variable returns from its involvement in an entity and has the ability to affect those returns through its power over the entity. The Group also assesses existence of control where it does not have more than 50% of the voting power but is able to govern the financial and operating policies by virtue of de-facto control. Subsidiaries are fully consolidated from the date in which control is transferred to the Group. They are deconsolidated from the date control ceases.

The accounting policies of subsidiaries have been changed, where necessary, to align with the policies adopted by the Group. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests.

In the separate financial statements, investments in subsidiaries are carried at cost less impairment.

(b) Business combinations

Business combinations are accounted for using the acquisition method.

The Group measures goodwill at the acquisition date as the total of:

- the fair value of the consideration transferred; plus
- the amount of any non-controlling interest in the acquiree; plus if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree;
- less the net amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When this total is negative, a bargain purchase gain is recognised in profit or loss.

Non-controlling interests are measured at their proportionate share of the acquiree's identifiable net assets at the acquisition date. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities that the Group incurs in connection with a business combination are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of any previously held equity interest in the acquiree is re-measured to fair value at the acquisition date and any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

(c) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income, in respect of that entity, are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(d) Transactions eliminated on consolidation

Intra-group balances and any unrealised gains or losses or incomes and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates are eliminated to the extent of the Group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(e) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals of non-controlling interests are also recorded in equity.

(f) Associates

Associates are all entities over which the group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The group's investment in associates includes goodwill identified on acquisition. In the separate financial statements, investments in associates are carried at cost less impairment.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profit or loss is recognised in profit or loss and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the group does not recognise further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of profit/(loss)' of associates in profit or loss.

Profits and losses resulting from transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Dilution gains and losses arising on investments in associates are recognised in the profit or loss.

3.5 Foreign currency transactions and balances

(a) Foreign currency transactions

Foreign currency transactions are recorded at the rate of exchange on the date of the transaction. At the reporting date, monetary assets and liabilities denominated in foreign currencies are reported using the closing exchange rate. Exchange differences arising on the settlement of transactions at rates different from those at the date of the transaction, as well as unrealized foreign exchange differences on unsettled foreign currency monetary assets and liabilities, are recognized in profit or loss.

Unrealized exchange differences on non-monetary financial assets are a component of the change in their entire fair value. For non-monetary financial assets measured at fair value through profit or loss, unrealized exchange differences are recognized in profit or loss. For non-monetary financial assets measured at fair value through other comprehensive income, unrealized exchange differences are recorded in other comprehensive income until the asset is sold or becomes impaired.

(b) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Nigerian Naira at exchange rates at each reporting date. The income and expenses of foreign operations are translated to Nigerian Naira at average rates..

Foreign currency differences are recognised in other comprehensive income, and presented in the foreign currency translation reserve in equity. However, if the operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interest. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is re-classified to profit or loss as part of the gain or loss on disposal.

3.6 Interest income and interest expense

'Interest income and expense for all interest bearing financial instruments are calculated by applying the effective interest rate to the gross carrying amount for non-credit impaired financial assets and are recognised within 'interest income' and 'interest expense' in the profit or loss . The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the net carrying amount of the financial asset or liability.

For credit-impaired financial assets subsequent to initial recognition, interest income is calculated by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset.

The calculation of the effective interest rate includes all transaction costs and fees paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or liability.

3.7 Fees and commissions income and expenses

Fees and commission income and expenses that are integral to the effective interest rate on a financial asset or liability are included in the measurement of the effective interest rate. Other fees and commission income, including account servicing fees, investment management and other fiduciary activity fees, sales commission, placement fees and syndication fees, are recognised at a point in time, or over time as the performance obligations are satisfied.

3.8 Net trading and foreign exchange income

Net trading and foreign exchange income comprises gains less losses related to trading assets and liabilities, and includes all realised and unrealised fair value changes and foreign exchange differences. Net gains or losses on derivative financial instruments measured at fair value through profit or loss are also included in net trading income.

3.9 Dividend income

Dividend income is recognised when the right to receive income is established. Dividends are reflected as a component of other operating income and recognised gross of the associated withholding tax. The withholding tax expense is included as a component of taxation charge for the relevant period.

3.10 Income tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current income tax liability is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on laws that have been enacted or substantively enacted by the reporting date.

'Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, associates and joint arrangements, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries, associates and joint arrangements only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities against current tax assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.11 Cash and bank balances

Cash and bank balances include notes and coins on hand, current balances with other banks, balances held with central banks and placements with banks which are used by the Group in the management of its short-term commitments.

Cash and cash equivalents as referred to in the statement of cash flow comprises cash on hand, non-restricted current accounts with central banks and amounts due from banks on demand or with an original maturity of three months or less.

Cash and bank balances are carried at amortised cost in the statement of financial position.

3.12 Financial assets at fair value through profit or loss

These are the assets the Group acquires principally for the purpose of selling in the near term, or holds as part of a portfolio that is managed together for short-term profit or position taking. They are measured at fair value with changes in fair value recognised as part of net trading and foreign exchange income in profit or loss.

3.13 Derivative financial instruments

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at their fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and valuation techniques. Derivatives are carried as assets when their fair value are positive and as liabilities when their fair value are negative. All changes in fair value are recognized as part of net trading and foreign exchange income in profit or loss.

3.14 Property and equipment

(a) Recognition and measurement

Items of property and equipment are carried at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. When parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

(b) Subsequent costs

The cost of replacing part of an item of property and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property and equipment are recognised in profit or loss as incurred.

(c) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property and equipment since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Leased assets are depreciated over the shorter of the lease term and their useful lives. Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is derecognised or classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

The estimated useful lives for the current and comparative period are as follows:

Land	Not depreciated
Buildings	50 years
Leasehold improvements	Over the shorter of the useful life of item or the lease period
Aircraft	Between 16 and 20 years, depending on the component
Motor vehicles	6 years
Furniture and Fittings	5 years
Computer hardware	5 years
Equipment	5 years
Work in progress	Not depreciated
Lifts*	10 years

*In the financial statements, lifts are not treated as a separate class of property and equipment. They are included as part of Buildings.

Work in progress represents costs incurred on assets that are not available for use. On becoming available for use, the related amounts are transferred to the appropriate category of property and equipment.

Depreciation methods, useful lives and residual values are reassessed at each reporting date and adjusted if appropriate. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

(d) De-recognition

An item of property and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

3.15 Intangible assets

(a) Goodwill

Goodwill represents the excess of consideration over the Group's interest in net fair value of net identifiable assets, liabilities and contingent liabilities of the acquired subsidiaries at the date of acquisition. When the excess is negative, it is recognised immediately in profit or loss. Goodwill is measured at cost less accumulated impairment losses.

Subsequent measurement

Goodwill is allocated to cash-generating units or groups of cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. Goodwill is tested annually as well as whenever a trigger event has been observed for impairment by comparing the present value of the expected future cash flows from a cash generating unit with the carrying value of its net assets, including attributable goodwill. Impairment losses on goodwill are not reversed.

(b) Software

Software acquired by the Group is stated at cost less accumulated amortisation and accumulated impairment losses..

Expenditure on internally developed software is recognised as an asset when the Group is able to demonstrate its intention and ability to complete the development and use the software in a manner that will generate future economic benefits, and can reliably measure the costs to complete the development. The capitalised costs of internally developed software include all costs directly attributable to developing the software, and are amortised over its useful life. Internally developed software is stated at capitalised cost less accumulated amortisation and impairment.

Subsequent expenditure on software assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful life not exceeding five years, from the date that it is available for use. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each reporting date. Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortisation period or methodology, as appropriate, which are then treated as changes in accounting estimates.

3.16 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs to sell and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre–tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceeds the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss. Impairment losses relating to goodwill are not reversed in future periods.

3.17 Non-Current Assets Held for Sale

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell. Non-current assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition, subject to terms that are usual and customary for sales of such assets.

Immediately before classification as held for sale or distribution, the assets are re-measured in accordance with the Group's accounting policies. Thereafter generally the assets are measured at the lower of their carrying amount and fair value less costs to sell.

3.18 Repossessed collateral

Repossessed collateral represents financial and non-financial assets acquired by the Group in settlement of overdue loans. The assets are initially recognised at fair value when acquired and included in the relevant assets depending on the nature and the Group's intention in respect of recovery of these assets; and are subsequently remeasured and accounted for in accordance with the accounting policies for these categories of assets. In situation property is repossessed following the foreclosure on loans that are in default,repossessed properties are measured at the lower of carrying amount and fair value less costs to sell and reported as assets held for sale.

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Where repossessed collateral results in acquiring control over a business, the business combination is accounted for using the acquisition method of accounting with fair value of the settled loan representing the cost of acquisition (refer to the accounting policy for consolidation). Accounting policy for associates is applied to repossessed shares where the Group obtains significant influence, but not control. The cost of the associate is the fair value of the loan settled by repossessing the pledged shares.

3.19 Debt securities issued

The Group classifies debt and equity as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instrument.

Debt securities issued are initially measured at fair value plus transaction costs, and subsequently measured at their amortised cost using the effective interest method, except where the Group chooses to carry the liabilities at fair value through profit or loss.

3.20 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating costs are not provided for.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

3.21 Financial guarantee contracts

Financial guarantee contracts are contracts that require the Group (issuer) to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee liabilities are initially recognised at their fair value, which is the premium received, and then amortised over the life of the financial guarantee. Subsequent to initial recognition, the financial guarantee liability is measured at the higher of the expected credit loss provision and the unamortised premium. Financial guarantees are included within other liabilities.

3.22 Employee benefits

Post-employment benefits

Defined contribution plans

The Group operates a defined contribution pension scheme. A defined contribution plan is a pension plan under which the Group makes fixed contributions on contractual basis. The group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Obligations for contributions to defined contribution plans are recognised as an expense in profit or loss when they are due.

UBA Plc operates a contributory pension plan in accordance with the Pension Reform Act, wherein the Bank contributes 10% of employees' basic salary, housing and transport allowance to the designated pension fund administrator chosen by each employee. As a part of the scheme, the Bank also remits employees' contribution of 8% of the relevant compensation to the same account, as provided by the Pension Reform Act , as amended. Other entities in the Group operate their contributory plan in accordance with relevant local laws in their locations.

Termination benefits

The Group recognises termination benefits as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. The Group settles termination benefits within twelve months and are accounted for as short-term benefits.

Short term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term employee benefits if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

3.23 Share capital and reserves

(a) Share issue costs

Incremental costs directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instruments.

(b) Dividend on ordinary shares

Dividends on the Group's ordinary shares are recognised in equity in the period in which they are paid or, if earlier, approved by the Group's shareholders.

(c) Treasury shares

Where the Group or any member of the Group purchases the Group's shares, the consideration paid is deducted from the shareholders' equity as treasury shares until they are cancelled. Where such shares are subsequently sold or reissued, any consideration received is included in shareholders' equity.

3.24 Earnings per share

The Group presents basic earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

3.25 Fiduciary activities

The Group commonly acts as trustees in other fiduciary capacities that result in the holding or placing of assets on behalf of individuals, trusts, retirement benefit plans and other institutions. These assets and incomes arising thereon are excluded from these financial statements, as they are not assets of the Group.

3.26 Stock of consumables

Stock of consumables comprise materials to be consumed in the process of rendering of services as well as banking accessories held for subsequent issuance to customers. They are measured at the lower of cost and net realisable value. Cost comprises costs of purchase and other costs incurred in bringing the items of stock to their present location and condition. Net realisable value is the estimated issuance price. When items of stock are issued to customers, their carrying amount is recognised as an expense in the period in which the related revenue is recognised.

3.27 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, whose operating results are reviewed regularly by the Executive Management Committee headed by the Chief Executive Officer, and the Board of Directors, to make decisions about resources allocated to each segment and assess its performance, and for which discrete financial information is available. All costs that are directly traceable to the operating segments are allocated to the segment concerned, while indirect costs are allocated based on the benefits derived from such cost.

3.28 IFRS 15: Revenue from contracts with customers

IFRS 15 - Revenue from Contracts with Customers defines principles for recognising revenue and is applicable to all contracts with customers. However, interest and fee income integral to financial instruments and leases will continue to fall outside the scope of IFRS 15 and will be accounted for using the other applicable standards (e.g., IFRS 9, and IFRS 16 Leases).

Revenue under IFRS 15 is recognised as goods and services are transferred, to the extent that the transferor anticipates entitlement to goods and services. The standard also specifies a comprehensive set of disclosure requirements regarding the nature, extent and timing as well as any uncertainty of revenue and the corresponding cash flows with customers.

3.29 IFRS 9: Financial instruments

a. Initial recognition, classification and measurement of financial assets

Regular-way purchases and sales of financial assets are recognized on the settlement date. Financial assets, which include both debt and equity securities are measured at initial recognition at fair value, and are classified and subsequently measured at fair value through profit or loss (FVTPL), fair value through other comprehensive income (FVOCI) or amortised cost. Subsequent classification and measurement for debt securities is based on the business model for managing the financial instruments and the contractual cash flow characteristics of the instruments.

Debt instruments are measured at amortised cost if both of the following conditions are met and the asset is not designated as FVTPL: (a) the asset is held within a business model that is Hold-to-Collect (HTC) as described below, and (b) the contractual terms of the instrument give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

Debt instruments are measured at FVOCI if both of the following conditions are met and the asset is not designated as FVTPL: (a) the asset is held within a business model that is Hold-to-Collect-and-Sell (HTC&S) as described below, and (b) the contractual terms of the instrument give rise, on specified dates, to cash flows that are SPPI.

All other debt instruments are measured at FVTPL.

The Group has irrevocably elected to measure equity instruments at FVOCI as no equity instrument is held for trading purposes.

b. Business model assessment

The Group determines the business models at the level that best reflects how portfolios of financial assets are managed to achieve the Group's business objectives. Judgment is used in determining the business models, which is supported by relevant, objective evidence including:

- How the economic activities of our businesses generate benefits, for example through trading revenue, enhancing yields or other costs and how such economic activities are evaluated and reported to key management personnel;
- The significant risks affecting the performance of our businesses, for example, market risk, credit risk, or other risks and the activities undertaken to manage those risks; and
- Historical and future expectations of sales of the loans or securities portfolios managed as part of a business model.

The Group's business models fall into three categories, which are indicative of the key strategies used to generate returns:

- Hold-to-Collect (HTC): The objective of this business model is to hold financial assets to collect contractual principal and interest cash flows. Sales are incidental to this objective and are expected to be insignificant or infrequent.
- Hold-to-Collect-and-Sell (HTC&S): Both collecting contractual cash flows and sales are integral to achieving the objective of the business model.

- Other fair value business models: These business models are neither HTC nor HTC&S, and primarily represent business models where assets are held-for-trading or managed on a fair value basis.

c. SPPI assessment

Instruments held within a HTC or HTC&S business model are assessed to determine if their contractual cash flows are comprised of solely payments of principal and interest (SPPI). SPPI payments are those which would typically be expected from basic lending arrangements. Principal amounts include par repayments from lending and financing arrangements, and interest primarily relates to basic lending returns, including compensation for credit risk and the time value of money associated with the principal amount outstanding over a period of time. Interest can also include other basic lending risks and costs (for example, liquidity risk, servicing or administrative costs) associated with holding the financial asset for a period of time, and a profit margin.

Where the contractual terms introduce exposure to risk or variability of cash flows that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at FVTPL.

d. Investment securities

Investment securities include all securities classified as FVOCI and amortised cost. All investment securities are initially recorded at fair value and subsequently measured according to the respective classification.

Investment securities carried at amortised cost are measured using the effective interest method, and are presented net of any allowance for credit losses, calculated in accordance with the Group's policy for allowance for credit losses, as described below. Interest income, including the amortization of premiums and discounts on securities measured at amortised cost are recorded in interest income. Impairment gains or losses recognized on amortised cost securities are recorded in Allowance for credit losses. When a debt instrument measured at amortised cost is sold, the difference between the sale proceeds and the amortised cost of the security at the time of the sale is recorded as a fixed income securities income in Net trading and foreign exchange income.

Debt securities carried at FVOCI are measured at fair value with unrealized gains and losses arising from changes in fair value included in fair value reserve in equity. Impairment gains and losses are included in allowance for credit losses and correspondingly reduce the accumulated changes in fair value included in fair value reserve. When a debt instrument measured at FVOCI is sold, the cumulative gain or loss is reclassified from fair value reserve to net trading and foreign exchange income.

Equity securities carried at FVOCI are measured at fair value. Unrealized gains and losses arising from changes in fair value are recorded in fair value reserve and not subsequently reclassified to profit or loss when realized. Dividends from FVOCI equity securities are recognized in other operating income.

The Group accounts for all securities using settlement date accounting and changes in fair value between the trade date and settlement date are reflected in income for securities measured at FVTPL, and changes in the fair value of securities measured at FVOCI between the trade and settlement dates are recorded in OCI except for changes in foreign exchange rates on debt securities, which are recorded in net trading and foreign exchange income.

e. Fair value option

A financial instrument with a reliably measurable fair value can be designated as FVTPL (the fair value option) on its initial recognition even if the financial instrument was not acquired or incurred principally for the purpose of selling or repurchasing. The fair value option can be used for financial assets if it eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities, or recognizing related gains and losses on a different basis (an "accounting mismatch"). The fair value option can be elected for financial liabilities if: (i) the election eliminates an accounting mismatch; (ii) the financial liability is part of a portfolio that is managed on a fair value basis, in accordance with a documented risk management or investment strategy; or (iii) there is an embedded derivative in the financial or non-financial host contract and the derivative is not closely related to the host contract. These instruments cannot be reclassified out of the FVTPL category while they are held or issued.

Financial assets designated as FVTPL are recorded at fair value and any unrealized gains or losses arising due to changes in fair value are included in net trading and foreign exchange income.

Financial assets are reclassified when and only when the business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent and none occurred during the period.

f. Loans

Loans are debt instruments recognized initially at fair value and are subsequently measured in accordance with the classification of financial assets policy provided above. Loans are carried at amortised cost using the effective interest method, which represents the gross carrying amount less allowance for credit losses.

Interest on loans is recognized in interest income using the effective interest method. The estimated future cash flows used in this calculation include those determined by the contractual term of the asset and all fees that are considered to be integral to the effective interest rate. Also included in this amount are transaction costs and all other premiums or discounts.

Fees that relate to activities such as originating, restructuring or renegotiating loans are deferred and recognized as Interest income over the expected term of such loans using the effective interest method. Where there is a reasonable expectation that a loan will be originated, commitment and standby fees are also recognized as interest income over the expected term of the resulting loans using the effective interest method. Otherwise, such fees are recorded as other liabilities and amortised into Other operating income over the commitment or standby period.

Impairment losses on loans are recognized at each balance sheet date in accordance with the three-stage impairment model outlined below.

g. Allowance for credit losses

An allowance for credit losses (ACL) is established for all financial assets, except for financial assets classified or designated as FVTPL and equity securities, which are not subject to impairment assessment. Assets subject to impairment assessment include loans, overdrafts, debt securities, interest receivable and other financial assets. These are carried at amortised cost and presented net of ACL on the Consolidated Statement of Financial Position. ACL on loans is presented in Allowance for credit losses - loans and advances. ACL on debt securities measured at FVOCI is presented in profit or loss with the corresponding entry to other comprehensive income. ACL on other financial assets is calculated using the 'general approach' and presented in 'Allowance for impairment on account receivable'.

Off-balance sheet items subject to impairment assessment include financial guarantees and undrawn loan commitments. For all other off-balance sheet products subject to impairment assessment, ACL is separately calculated and included in Other Liabilities – Provisions.

The Credit Conversion Factor (CCF) is used to determine the credit exposure equivalent of the off balance sheet exposure including the open or undrawn limits. The undrawn portion of the approved limit that would have been drawn at the time of default are converted to exposure at default(EAD), this is in addition to the other off-balance sheet exposures like bonds and guarantees, letters of credit etc. In determining the CCF, the bank considers the behavioural cash flow, collateral type and the collateral value securing the facility, time to discover and prevent further drawing during the time of increased credit risk, time lag to convert the collateral to cash, the recovery strategy and cost are also considered. CCF is applied on the off balance exposures to determine the EAD and then subsequently the expected credit loss (ECL).

The ACL is measured at each reporting date according to a three-stage expected credit loss impairment model which is based on changes in credit risk of financial assets since initial recognition:

1. Performing financial assets:

• Stage 1 – From initial recognition of a financial asset to the reporting date, where the asset has not experienced a significant increase in credit risk relative to its initial recognition, a loss allowance is recognized equal to the credit losses expected to result from defaults occurring over the 12 months following the reporting date. Interest income is calculated on the gross carrying amount of these financial assets.

2. **Underperforming financial assets:**

• Stage 2 – Following a significant increase in credit risk relative to the initial recognition of the financial asset, a loss allowance is recognized equal to the credit losses expected over the remaining lifetime of the asset. Interest income is calculated on the gross carrying amount of these financial assets.

3 . **Impaired financial assets**

• When a financial asset is considered to be credit-impaired, a loss allowance is recognized equal to credit losses expected over the remaining lifetime of the asset. The Stage 3 expected credit loss impairment model is based on changes in credit quality since initial recognition. Interest revenue is calculated based on the carrying amount of the asset, net of the loss allowance, rather than on its gross carrying amount.

The ACL is a discounted probability-weighted estimate of the cash shortfalls expected to result from defaults over the relevant time horizon. For loan commitments, credit loss estimates consider the portion of the commitment that is expected to be drawn over the relevant time period. For financial guarantees, credit loss estimates are based on the expected payments required under the guarantee contract.

Increases or decreases in the required ACL attributable to purchases and new originations, derecognitions or maturities, and remeasurements due to changes in loss expectations or stage migrations are recorded in Provision for credit losses. Write-offs and recoveries of amounts previously written off are recorded against ACL.

The ACL represents an unbiased estimate of expected credit losses on our financial assets as at the balance sheet date. Judgment is required in making assumptions and estimations when calculating the ACL, including movements between the three stages and the application of forward looking information. The underlying assumptions and estimates may result in changes to the provisions from period to period that significantly affect our results of operations.

h. Measurement of expected credit losses

Expected credit losses are based on a range of possible outcomes and consider all available reasonable and supportable information including internal and external ratings, historical credit loss experience, and expectations about future cash flows. The measurement of expected credit losses is based primarily on the product of the instrument's probability of default (PD), loss given default (LGD) and exposure at default (EAD) discounted to the reporting date. Stage 1 estimates project PD, LGD and EAD over a maximum period of 12 months while Stage 2 estimates project PD, LGD and EAD over the remaining lifetime of the instrument.

An expected credit loss estimate is produced for each individual exposure. Relevant parameters are modelled on a collective basis using portfolio segmentation (corporates, retail, public sector and commercial) that allows for appropriate incorporation of forward looking information.

Expected credit losses are discounted to the reporting period date using the effective interest rate.

Expected life

For instruments in Stage 2 or Stage 3, loss allowances reflect expected credit losses over the expected remaining lifetime of the instrument. For most instruments, the expected life is limited to the remaining contractual life.

An exemption is provided for certain instruments with the following characteristics: (a) the instrument includes both a loan and undrawn commitment component; (b) the Group has the contractual ability to demand repayment and cancel the undrawn commitment; and (c) the Group's exposure to credit losses is not limited to the contractual notice period. For products in scope of this exemption, the expected life may exceed the remaining contractual life and is the period over which exposure to credit losses is not mitigated by normal credit risk management actions. This period varies by product and risk category and is estimated based on the historical experience with similar exposures and consideration of credit risk management actions taken as part of regular credit review cycle. Products in scope of this exemption include credit cards, overdraft balances and certain revolving lines of credit. Determining the instruments in scope for this exemption and estimating the appropriate remaining life based on our historical experience and credit risk mitigation practices requires significant judgment.

j. Assessment of significant increase in credit risk

The assessment of significant increase in credit risk requires significant judgment. The Bank's process to assess changes in credit risk is based on the use 'backstop' indicators. Instruments which are more than 30 days past due may be credit-impaired. There is a rebuttable presumption that the credit risk has increased significantly if contractual payments are more than 30 days past due; this presumption is applied unless the Bank has reasonable and supportable information demonstrating that the credit risk has not increased significantly since initial recognition.

The following are considered as exception:

1. Outstanding obligation is a result of an amount being disputed between the bank and obligor where the dispute is not more than 90 days.
2. Outstanding obligation is an insignificant amount compared to the total amount due. Any amount not more than 10% of the total amount due is considered insignificant. Only applicable where there is no significant increase in credit risk and analysed on a case by case basis.

The assessment is generally performed at the instrument level and it is performed at least on quarterly basis. If any of the factors above indicate that a significant increase in credit risk has occurred, the instrument is moved from Stage 1 to Stage 2. The assessments for significant increases in credit risk since initial recognition and credit-impairment are performed independently at each reporting period. Assets can move in both directions through the stages of the impairment model. After a financial asset has migrated to Stage 2, if it is no longer considered that credit risk has significantly increased relative to initial recognition in a subsequent reporting period, it will move back to Stage 1 after 90 days.

Similarly, an asset that is in Stage 3 will move back to Stage 2 if it is no longer considered to be credit-impaired after 90 days. An asset will not move back from stage 3 to stage 1 until after a minimum of 180 days, if it is no longer considered to be credit impaired.

For certain instruments with low credit risk as at the reporting date, it is presumed that credit risk has not increased significantly relative to initial recognition. Credit risk is considered to be low if the instrument has a low risk of default, and the borrower has the ability to fulfil their contractual obligations both in the near term and in the longer term, including periods of adverse changes in the economic or business environment.

k. Use of forward-looking information

The measurement of expected credit losses for each stage and the assessment of significant increase in credit risk considers information about past events and current conditions as well as reasonable and supportable projections of future events and economic conditions. The estimation and application of forward-looking information requires significant judgment.

The PD, LGD and EAD inputs used to estimate Stage 1 and Stage 2 credit loss allowances are modelled based on the macroeconomic variables (or changes in macroeconomic variables) that are most closely correlated with credit losses in the relevant portfolio. Each macroeconomic scenario used in the expected credit loss calculation includes a projection of all relevant macroeconomic variables applying scenario weights. Macroeconomic variables used in the expected credit loss models include GDP growth rate, foreign exchange rates, inflation rate, crude oil prices and population growth rate.

The estimation of expected credit losses in Stage 1 and Stage 2 is a discounted probability-weighted estimate that considers a minimum of three future macroeconomic scenarios. The base case scenario is based on macroeconomic forecasts published by relevant government agencies. Upside and downside scenarios vary relative to our base case scenario based on reasonably possible alternative macroeconomic conditions. Additional and more severe downside scenarios are designed to capture material non-linearity of potential credit losses in portfolios. Scenario design, including the identification of additional downside scenarios, occurs at least on an annual basis and more frequently if conditions warrant.

Scenarios are designed to capture a wide range of possible outcomes and weighted according to the best estimate of the relative likelihood of the range of outcomes that each scenario represents. Scenario weights take into account historical frequency, current trends, and forward-looking conditions and are updated on a quarterly basis. All scenarios considered are applied to all portfolios subject to expected credit losses with the same probabilities.

The assessment of significant increases in credit risk is based on changes in probability-weighted forward-looking lifetime PD as at the reporting date, using the same macroeconomic scenarios as the calculation of expected credit losses.

l. Definition of default

A default is considered to have occurred with regard to a particular obligor when either or both of the following events have taken place.

- The bank considers that the obligor is unlikely to pay its credit obligations in full, without recourse by the bank to actions such as realising security (if held).
- The obligor is past due more than 90 days on any material credit obligation to the bank (principal or interest). Overdrafts will be considered as being past due once the customer has breached an advised limit or been advised of a limit smaller than current outstanding.
- Interest payments equal to 90 days or more have been capitalized, rescheduled, rolled over into a new loan (except where facilities have been reclassified).

The elements to be taken as indications of unlikeliness to pay include:

- The bank sells the credit obligation at a material credit-related economic loss.
- The bank consents to a distressed restructuring of the credit obligation where this is likely to result in a diminished financial obligation caused by the material forgiveness, or postponement, of principal, interest or (where relevant) fees.
- The bank has filed for the obligor's bankruptcy or a similar order in respect of the obligor's credit obligation to the banking group.

The following are considered as exceptions:

a. Outstanding obligation is a result of an amount being disputed between the bank and obligor where the dispute is not more than 150 days;

b. In the case of specialized loans, default is defined as where the obligor is past due more than 180 days on any material credit obligation to the bank (principal or interest). This is consistent with CBN guidelines on IFRS 9. In addition, it is consistent with the Bank's historical default pattern on this category of loans. The specialized loans to which this is applicable are Project Financing, Object Financing, Income Producing Real Estate, Commercial Real Estate and Mortgage Loans;

c. Outstanding obligation is an insignificant amount compared to the total amount due. Any amount not more than 10% of amount due is considered insignificant. Only applicable where there is no significant increase in credit risk and analysed on a case by case basis.

d. Exposure is still in default due to a new debit when the initial debit has been cleared. Usually occurs when the debit that initiated the initial days past due has been paid but the days past due continues to reflect a debit.

m. Credit-impaired financial assets (Stage 3)

Financial assets are assessed for credit-impairment at each balance sheet date and more frequently when circumstances warrant further assessment. Evidence of credit-impairment may include indications that the borrower is experiencing significant financial difficulty, probability of bankruptcy or other financial reorganization, as well as a measurable decrease in the estimated future cash flows evidenced by the adverse changes in the payments status of the borrower or economic conditions that correlate with defaults.

A loan is considered for transfer from stage 2 to stage 1 where there is significant improvement in credit risk and from stage 3 to stage 2 (declassified) where the facility is no longer in default. Factors that are considered in such backward transitioning include the following:

i) Declassification of the exposure by all the licensed private credit bureaux or the credit risk management system;

ii) Improvement of relevant credit risk drivers for an individual obligor (or pool of obligors);

iii) Evidence of full repayment of principal or interest.

Generally, the above are to represent an improvement in credit risk to warrant consideration for a backward transition of loans. Where there is evidence of significant reduction in credit risk, the following probationary periods should apply before a loan may be moved to a lower stage (indicating lower risk):

Transfer from Stage 2 to 1:- 90 days

Transfer from Stage 3 to 2:- 90 days

Transfer from Stage 3 to Stage 1:- 180 days

When a financial asset has been identified as credit-impaired, expected credit losses are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the instrument's original effective interest rate. For impaired financial assets with drawn and undrawn components, expected credit losses also reflect any credit losses related to the portion of the loan commitment that is expected to be drawn down over the remaining life of the instrument.

When a financial asset is credit-impaired, interest ceases to be recognised on the regular accrual basis, which accrues income based on the gross carrying amount of the asset. Rather, interest income is calculated by applying the original effective interest rate to the amortised cost of the asset, which is the gross carrying amount less the related ACL.

Following impairment, interest income is recognized on the unwinding of the discount from the initial recognition of impairment.

n. Purchase or Originated Credit Impaired Assets

Purchased or originated credit impaired (POCI) assets are financial assets that are credit impaired on initial recognition. POCI assets are recorded at fair value at original recognition and interest income is subsequently recognised based on a credit-adjusted EIR. The ECL allowance is only recognised or released to the extent that there is a subsequent change in the expected credit losses

POCI assets are financial assets that are credit impaired on initial recognition. The Group only recognises the cumulative changes in lifetime ECL since initial recognition, based on a probability-weighting of the four scenarios, discounted by the credit-adjusted EIR.

o. Write-off of loans

Loans and the related ACL are written off, either partially or in full, when there is no realistic prospect of recovery. Where loans are secured, they are generally written off after receipt of any proceeds from the realization of collateral. In circumstances where the net realizable value of any collateral has been determined and there is no reasonable expectation of further recovery, write off may be earlier.

Written-off loans are derecognised from the Group's books. However, the Group continues enforcement activities on all written-off loans until full recovery is achieved or such time when it is objectively evident that recovery is no longer feasible.

p. Modifications

The credit risk of a financial asset will not necessarily decrease merely as a result of a modification of the contractual cash flows. If the contractual cash flows on a financial asset have been renegotiated or modified and the financial asset was not derecognised, the Bank assesses whether there has been a significant increase in the credit risk of the financial by comparing:

(1) the risk of a default occurring at the reporting date (based on the modified contractual terms); and

(2) the risk of a default occurring at initial recognition (based on the original, unmodified contractual terms).

A modification will however lead to derecognition of existing loan and recognition of a new loan i.e. substantial modification if:

- the discounted present value of the cash flows under the new terms, including any fees received net of any fees paid and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial asset.

The following will be applicable to modified financial assets:

- The modification of a distressed asset is treated as an originated credit-impaired asset requiring recognition of life-time ECL after modification.
- The cumulative changes in lifetime expected credit losses since initial recognition is recognized as a loss allowance for purchase or originated credit-impaired financial asset at the reporting date.
- The general impairment model does not apply to purchased or originated credit-impaired assets.

The following situations (qualitative) may however not lead to a derecognition of the loan:

- Change in interest rate arising from a change in MPR which is the benchmark rate that drives borrowing rates in Nigeria;
- Change in financial asset's tenor (increase or decrease);
- Change in installment amount to higher or lower amount;
- Change in the annuity repayment pattern, for example, from monthly to quarterly, half-yearly or yearly
- Change in the applicable financial asset fee

Modification gain or loss is included as part of allowance for credit loss for each financial year.

q. Classification and measurement of financial liabilities

The Group recognizes financial liabilities when it first becomes a party to the contractual rights and obligations in the relevant contracts.

Under IFRS 9, financial liabilities are either classified as financial liabilities at amortised cost or financial liabilities at FVTPL.

The Group classifies its financial liabilities as measured at amortised cost, except for:

i. **Financial liabilities at FVTPL:** This classification is applied to derivatives, financial liabilities held for trading (e.g. short positions in the trading booking) and other financial liabilities designated as such at initial recognition. A financial liability is classified as held for trading if it is a part of a portfolio of specific financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking.

   Gains or losses from financial liabilities designated at fair value through profit or loss are presented partially in other comprehensive income (the amount of change in the fair value of the financial liability that is attributable to changes in the Group's own credit risk, which is determined as the amount that is not attributable to changes in market conditions that give rise to market risk) and partially profit or loss (the remaining amount of change in the fair value of the liability). This is unless such a presentation would create, or enlarge, an accounting mismatch, in which case the gains and losses attributable to changes in the Group's credit risk are also presented in profit or loss;

ii. **Financial guarantee contracts and commitments.**

   Financial liabilities that are not classified at fair value through profit or loss are measured at amortised cost using the effective interest rate method. Financial liabilities measured at amortised cost are deposits from banks or customers, borrowings, and subordinated liabilities.

r. De-recognition of financial instruments

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when the Group transfers the right to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial assets are transferred, or has assumed an obligation to pay those cash flows to one or more recipients, subject to certain criteria.

Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group may enter into transactions whereby it transfers assets , but retains either all risks and rewards of the transferred assets or a portion of them. If all or substantially all risks and rewards are retained, then the transferred assets are not derecognised. In transactions where the Group neither retains nor transfers substantially all the risks and rewards of ownership of a financial asset, it derecognises the asset if control over the asset is lost.

The rights and obligations retained in the transfer are recognised separately as assets and liabilities as appropriate. In transfers where control over the asset is retained, the Group continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

3.30 IFRS 16 Leases

At contract inception the Group assesses at whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group adopts a single measurement approach and recognizes right to use of assets and lease liability at commencement date of a lease contract.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Group is the lessor

When assets are leased to a third party under finance lease terms, the present value of the lease income is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method (before tax), which reflects a constant periodic rate of return.

3.31 IAS 29 - Financial Reporting in Hyperinflationary Economies

Classification of Ghana and Sierra Leone as hyperinflationary economies

IAS 29 'Financial Reporting in Hyperinflationary Economies' requires that the financial statements of entities whose functional currency is that of a hyperinflationary economy to be adjusted for the effects of changes in a suitable general price index and to be expressed in terms of the current unit of measurement at the closing date of the reporting period. Accordingly, the inflation produced from the date of acquisition or from the revaluation date, as applicable, must be computed in the non-monetary items.

The standard does not establish an absolute inflation rate at which an economy is considered hyperinflationary. Instead, it considers a variety of non-exhaustive characteristics of the economic environment of a country that are seen as strong indicators of the existence of hyperinflation. Hyperinflationary accounting is adopted for any of the entity in the Group when characteristics of the economic environment of the country has indicated any of the following:

(a) the general population prefers to keep its wealth in non-monetary assets or in a relatively stable foreign currency. Amounts of local 'currency held are immediately invested to maintain purchasing power;

(b) the general population regards monetary amounts not in terms of the local currency but in terms of a relatively stable foreign currency. Prices may be quoted in that currency;

(c) sales and purchases on credit take place at prices that compensate for the expected loss of purchasing power during the credit period, even if 'the period is short;

(d) interest rates, wages and prices are linked to a price index; and

(e) the cumulative inflation rate over three years is approaching, or exceeds, 100%.

The Ghana and Sierra Leone economies were designated as hyperinflationary from 1 January 2025. As a result, application of IAS 29 has been applied to United Bank for Africa (Ghana) Limited and United Bank for Africa (Sierra Leone) Limited which have a functional currency of Ghanaian cedi and Sierra Leonean leones respectively. 'During the year, Ghana exited hyperinflationary designation based on World Economic Report. Consequently for the year ended Ghana has not been designated a hyperinflationary economy.

The financial results of the group entities whose functional currencies are the currencies of hyperinflationary economies are adjusted in terms of the measuring unit current at the end of the reporting period following the historic cost approach.

The carrying amounts of non-monetary assets and liabilities are adjusted to reflect the change in the general price index from the date of acquisition to the end of the reporting period.

Gains or losses on the net monetary position are recognised in profit or loss. All items recognised in the income statement are restated by applying the change in the general price index from the dates when the items of income and expenses were initially earned or incurred.

At the beginning of the first period of application, the components of equity, except retained earnings, are restated by applying a general price index from the dates the components were contributed or otherwise arose. These restatements are recognised directly in equity as an adjustment to opening retained earnings. Restated retained earnings are derived from all other amounts in the restated statement of financial position. At the end of the first period and in subsequent periods, all components of equity are restated by applying a general price index from the beginning of the period or the date of contribution, if later. The combined effect of restating and translation is treated as a net change in OCI. The translation effect is recognised in foreign operations translation reserve, and restatement efefct is recognised in hyperinflation reserve, all within equity.

All items in the statement of cash flows are expressed in terms of the general price index at the end of the reporting period.

As the presentation currency of the Group and that of the Bank is that of a non-hyperinflationary economy, comparative amounts are not adjusted for the changes in the index or exchange rates in the current year.

3.32 New and amended IFRS Accounting Standards that are effective for the current year

Except for the following new standards, the Group has consistently applied the accounting policies as set out in Notes 3.1 - 3.30 to all periods presented in these consolidated and separate financial statements. The Group has adopted these new amendments with initial date of application of January 1, 2025.

a) Amendments to IAS 21: Lack of Exchangeability

The IASB's amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates require disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable. This is applied to annual reporting periods beginning on or after 1 January 2025 and can be applied earlier.

The amendment specifies when a currency is exchangeable into another currency and when it is not, how an entity determines the exchange rate to apply when a currency is not exchangeable, and require the disclosure of additional information when a currency is not exchangeable.

3.33 Standards and interpretations issued/amended but not yet effective

The standards listed below have been issued or amended by the IASB but are yet to become effective for annual periods beginning on or after 1 January 2025. The Group has not applied the following new or amended standards in preparing these consolidated and separate financial statements as it plans to adopt these standards at their respective effective dates. Commentaries on these new standards/amendments are provided below.

(a) Annual Improvements to IFRS Accounting Standards—Volume 11

The Group has considered the amendments issued under Annual Improvements to IFRS Accounting Standards—Volume 11 by the International Accounting Standards Board. These amendments provide clarifications and minor improvements to certain standards, including IFRS 1, IFRS 7, IFRS 9, IFRS 10, and IAS 7.

The amendments are intended to clarify existing requirements and correct minor inconsistencies in the standards without significantly changing the underlying accounting principles.

These amendments are effective for annual reporting periods beginning on or after 1 January 2026, with earlier application permitted. The Group is currently assessing the potential impact of these amendments and does not expect them to have a material effect on the Group's financial statements when applied.

(b) Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7

In May 2025, the Board issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7), which:

i) Clarifies that a financial liability is derecognised on the 'settlement date', i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met.

ii) Clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features.

iii) Clarifies the treatment of non-recourse assets and contractually linked instruments.

iv) Requires additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income

This is applied to annual reporting periods beginning on or after 1 January 2026 and can be applied earlier. The adoption did not have a material impact on the Group's financial position/performance.

(c) IFRS 18 – Presentation and Disclosure in Financial Statements

This standard is effective to annual reporting periods beginning on or after 1 January 2027.

In April 2024, the IFRS 18 was issued by the International Accounting Standards Board to replace IAS 1. The standard is effective for annual reporting periods beginning on or after 1 January 2027, with early application permitted. IFRS 18 introduces new requirements for the presentation and disclosure of information in the financial statements, particularly in the statement of profit or loss.

IFRS 18 introduces three defined categories of income and expenses in the statement of profit or loss:

i). Operating,

ii). Investing, and

iii). Financing

Entities are required to classify income and expenses into these categories to improve consistency and comparability across financial statements. The standard also introduces mandatory subtotals, including:

i). Operating profit or loss, and

ii). Profit or loss before financing and income taxes."

These subtotals are intended to enhance transparency and provide users with clearer insight into an entity's financial performance.

The standard further introduces new guidance on the aggregation and disaggregation of information in the financial statements and notes. Entities are required to present material items separately and provide more structured disclosures to ensure that financial information is not obscured by excessive aggregation.

In addition, IFRS 18 establishes specific requirements for Management-Defined Performance Measures (MPMs). An MPM is defined as a subtotal of income and expenses that is used in public communications outside the financial statements to communicate management's view of an aspect of the entity's financial performance. Where such measures are presented, entities will be required to disclose in a single note:

i). a description of the measure,

ii). how the measure is calculated,

iii). an explanation of why the measure provides useful information, and

iv). a reconciliation of the MPM to the most directly comparable subtotal specified by IFRS."

For the purpose of classifying income and expenses into the required categories, an entity must also assess whether it has a main business activity of investing in assets or providing financing to customers, as specific classification requirements apply to such entities. Determining whether an entity has such activities as its main business activity requires judgement based on the entity's facts and circumstances. An entity may have more than one main business activity.

The standard also introduces enhanced requirements for the presentation of expenses by nature or function, including additional disclosures when expenses are presented by function in the statement of profit or loss.

The Group is currently assessing the potential impact of adopting IFRS 18 on the presentation and disclosure of its financial statements. While the standard is not expected to affect the recognition or measurement of items in the financial statements, it may result in changes to the presentation, structure and disclosures within the Group's financial statements when implemented.

(d) IFRS 19 - Subsidiaries without Public Accountability: Disclosures

In May 2025, the Board issued IFRS 19 Subsidiaries without Public Accountability: Disclosures (IFRS 19), which allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. Unless otherwise specified, eligible entities that elect to apply IFRS 19 will not need to apply the disclosure requirements in other IFRS accounting standards.

An entity applying IFRS 19 is required to disclose that fact as part of its general IFRS accounting standards compliance statement. IFRS 19 requires an entity whose financial statements comply with IFRS accounting standards including IFRS 19 to make an explicit and unreserved statement of such compliance.

This standard is effective to annual reporting periods beginning on or after 1 January 2027. The Group is currently assessing the potential impact of these amendments and does not expect them to have a material effect on the Group's financial statements when applied.

(e) Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28

The amendments address the conflict between IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture.

The amendments clarify that a full gain or loss is recognised when a transfer to an associate or joint venture involves a business as defined in IFRS 3 Business combinations. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture.

(f) Power Purchase Agreements - Amendments to IFRS 9 and IFRS 7

In December 2025, the Board issued Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7).

The amendments include:

- Clarifying the application of the 'own-use' requirements
- Permitting hedge accounting if these contracts are used as hedging instruments
- Adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. Early adoption is permitted, but will need to be disclosed. The Group does not expect that the amendments will have a material impact on its financial statements.

(g) Translation to a Hyperinflationary Presentation Currency – Amendments to IAS 21

The Group has considered the amendments to IAS 21, titled Translation to a Hyperinflationary Presentation Currency—Amendments to IAS 21, issued by the International Accounting Standards Board. The amendments provide guidance on the accounting treatment where an entity translates the financial statements of a foreign operation with a non-hyperinflationary functional currency into a presentation currency that is hyperinflationary.

Where the Group presents its financial statements in a hyperinflationary presentation currency, the financial statements of foreign operations whose functional currency is not hyperinflationary are initially translated into the presentation currency using the closing exchange rate at the reporting date, in line with the requirements of IAS 21. Thereafter, the translated amounts are restated to reflect the effects of inflation in accordance with IAS 29.

In applying this approach, non-monetary assets and liabilities, equity balances, as well as income and expense items are adjusted using an appropriate general price index to account for changes in purchasing power during the reporting period. Monetary items are not restated because they are already stated in terms of the monetary unit current at the reporting date. Any resulting net monetary gain or loss arising from the restatement process is recognized in profit or loss for the period.

For subsidiaries and other foreign operations included in the consolidated financial statements, exchange differences arising from the translation of financial statements continue to be recognized in other comprehensive income and accumulated in the foreign currency translation reserve, except for those relating to hyperinflationary adjustments that are recognized in profit or loss.

The amendments to IAS 21, Translation to a Hyperinflationary Presentation Currency, becomes effective in the next financial year. The amendments provide guidance on translating financial statements into a hyperinflationary presentation currency; the Group is currently assessing the potential impact of these changes on its financial statements.

3.34 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest million Nigerian Naira (NGN) unless otherwise stated.

4. FINANCIAL RISK MANAGEMENT

4.1 Introduction and overview

Given the scale and scope of its operations as well as the diversity of the geographies within which it operates, United Bank for Africa Plc (UBA Plc) has adopted an enterprise wide, integrated approach to risk management. The key objectives are as follow:

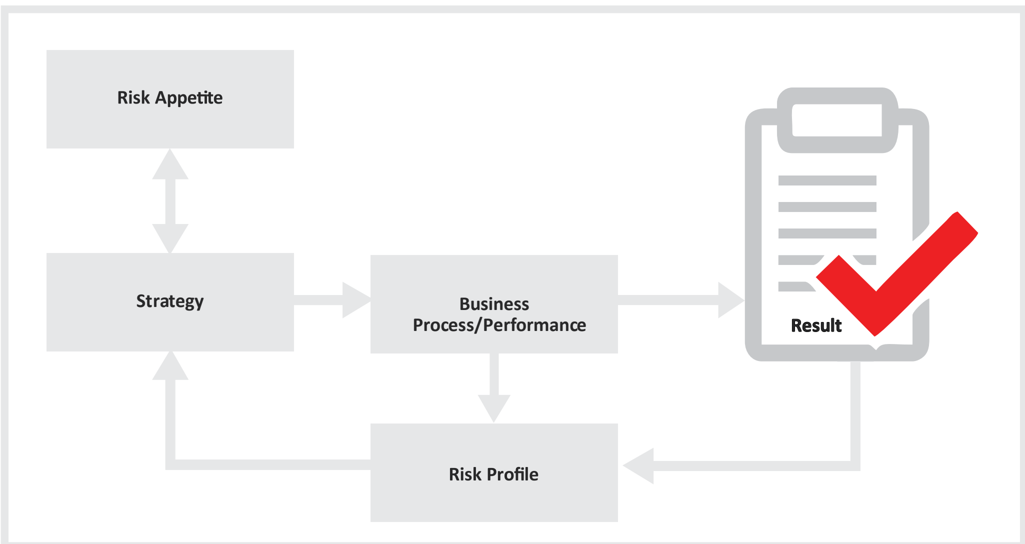
1. meet and exceed best practice global standards as defined by local and international regulatory bodies. The Group intend to achieve this by adhering to the principles of the Basel II Accords as adopted by the Central Bank of Nigeria (CBN);
2. ensure sustainable profitability and enterprise value protection by maintaining growth within appropriate risk-control boundaries; and
3. enhance corporate governance by involving the Board and Senior Management in setting the tone for the risk management agenda.

The key elements of the ERM framework are intended to enhance risk identification, measurement, control and reporting.

(a) Risk Management Strategy

UBA's risk management strategy is based on an embedded risk management process from the strategy formulation level to the business unit decision making. The strategic risk management objectives include:

- Evaluation of the strategic risks faced by the Group in the continuously evolving environment;
- Allocate resources in line with strategic objectives and risks;
- Determine the tolerable risk profile and formulate the acceptable risk appetite for the Group;
- Establish adequate risk management and internal control systems to support the business and the risk appetite; and
- Establish proper feedback mechanism as input into the strategic risk management process.



(b) Risk Management Culture

There is a commitment to ensuring that risk management is enshrined as a culture in the Group, from the Board of Directors to the individual business unit. There is considerable effort to infuse the risk/reward evaluation in the decision-making process to ensure that there is proper assessment of risk dimension in process design, performance appraisal, limit establishment, portfolio creation, monitoring activities and audit process. The aim is also to encourage a culture of constant re-evaluation of risk profile and prompt risk mitigation action , where required.

In order to do this, there is proper dissemination of information and policies, development of frameworks, and staff training to ensure that all staff are adequately aware of their roles in the risk management process of the Group. As part of the risk culture, the Bank aim to ensure the following:

- General understanding and uniform application of risk management principles;
- Strong and visible commitment from senior management;
- Clearly defined responsibility and accountability;
- Central oversight of risk management across the enterprise;
- Central oversight of corporate governance across the enterprise;
- Ownership of risk management is at all levels; and
- Clearly defined risk appetite.

(c) Role and responsibilities

The key players in the risk management framework and their responsibilities are as follows:

Board of Directors

The ultimate responsibility for risk management in UBA lies with the Board of Directors. The responsibilities of the Board with respect to risk management include, but are not limited to:

- Ensuring an appropriate corporate governance framework is developed and operated;
- Providing guidelines regarding the management of risk elements in the Group;
- Approving Group risk management policies;
- Determination of the Group's risk appetite;
- Ensuring that management controls and reporting procedures are satisfactory and reliable;
- Approving large credit exposures beyond the limit of the Board Credit Committee; and
- Approving capital demand plans based on risk budgets.

Board Committees

The Board of Directors has established various Board-level risk committees, to support its risk oversight roles and responsibilities. These committees review and advise on numerous risk matters requiring Board approvals.

The Board Risk Management Committee has direct oversight for the Bank's overall risk management framework. The Board Credit Committee considers and approves large exposure underwriting decisions within its authority and recommends those above its limit to the Board for consideration. The Board Audit, Governance, Nomination and Remuneration Committee assists the Board with regard to internal controls, audit assessments and compliance matters.

A list of various Board committees and their assigned responsibilities is contained in the corporate governance report.

Management Committees

Key Management Committees include:

(i) Executive Management Committee (EMC)

The EMC is responsible for the following, among others, and is accountable to the Board:

- Executing strategy once approved by the Board;
- Overall performance of the Group;
- Managing the Group's risks; and
- Day-to-day oversight for the Group.

All non-credit product approvals must go to the EMC which shall review and approve or recommend for approval to the appropriate Board Committees in line with the Bank's advised Approval Limits. Above the EMC approval limits, Non-Credit products are approved by the Board Audit & Governance Committee (BAGC).

All new business activities irrespective of capital commitment must be approved by the BAGC through the EMC.

(ii) Executive Credit Committee (ECC)

The Committee's main objective is to develop and maintain a sound credit risk portfolio for the Group and to oversee the development and deployment of credit risk practices across the Group.

Its principal activities and functions are:-

- Set frameworks and guidelines for credit risk management for the Group
- Review and recommend all Credit related policies for the Group to the BCC for approval
- Monitor implementation and compliance with credit policy paying particular attention to the following:
  - Credit concentration
  - Credit portfolio quality
- Review credit requests and recommend those above its limit to BCC for approval
- Ensure the Group's Non Performing Loans portfolio is within the acceptable ratio
- Review all major credit audit issues with a view to adopting learning points for enhancement to the credit process

(iii) Group Asset and Liability Committee

The Group Asset and Liability Committee (GALCO), is a sub-committee of the EMC whose decisions are reported to the Finance & General Purpose Committee. GALCO has responsibility for managing UBA Group's balance sheet as well as traded and non-traded market risks.

In playing this role, GALCO does the following:-

- Recommend Treasury policies, frameworks and procedures to the Board Risk Management Committee (BRMC) through EMC for approval
- Manage the Group's balance sheet and ensure compliance with regulatory and statutory ratios and requirements
- Develop an optimal structure of the Group's balance sheet to optimize risk-reward through a review of:
  - Liquidity Gap Analysis
  - Maximum Cumulative Outflow (MCO)

    - Stress Test
    - Wholesale Borrowing Guidelines
    - Contingency Liquidity Plan
- Review Liquidity, Interest Rate and Currency Risks and approve risk mitigation proposals subject to ratification by EMC
- Set pricing strategies for the Group on assets and liabilities (pool rate, asset and/or liability composition) subject to ratification by EMC

(iv) Group Risk Management Committee

The responsibilities of the Group Risk Management Committee are as follows:

(a) To support the EMC in the discharge of its risk management responsibilities which includes but is not limited to the management of risk, determining risk tolerance levels, risk appetite, risk monitoring, risk assurance and risk disclosures for the Group.

(b) To review, assess and make recommendations on the integrity and adequacy of the overall risk management function of the Group.

(c) To review, assess and make recommendations to the Executive Management Committee regarding policies relating to risk management.

(d) To review risk limits and periodic risk and compliance reports and make recommendations to the Executive Management Committee.

(e) Recommend risk approval limits to Executive Management Committee.

(f) To review and recommend on an annual basis the update of the risk management policies, frameworks and procedures of the Group.

(g) Advise Executive Management Committee on any emerging risks that the Group is or could be exposed to and recommend mitigation actions.

(h) Monitor overall risk management framework to ensure that the framework is uniformly applied in all the entities in the Group.

(i) Review IT Risk Management and make recommendations in accordance with the risk appetite of the Group.

(j) Monitor the Basel II Accord Capital Framework implementation and compliance program in the Group.

(k) Periodic review of the Risk Assets Portfolio and Limits in line with internal and regulatory benchmarks.

(l) Review and recommend yearly Risk Management staffing model and manpower development programs.

Group Chief Risk Officer

The Group Chief Risk Officer has oversight for the effective and efficient governance of all risk functions in the Group. He is responsible for development and implementation of Group's risk management frameworks, policies and processes across the entire risk spectrum.

(d) Central Risk Management Functions

Each risk function including Credit, Market, Operational and IT Risk has direct responsibility for the development and management of risk management activities. The responsibilities of divisional functions with respect to risk include:

- Develop and maintain policies, frameworks and risk management methodologies

- Provide guidance on the management of risks and ensure implementation of risk policies and strategies
- Provide recommendations for improvement of risk management
- Provide consolidated risk reports to the various Board and management committees such as EMC, ECC and/or Board of Directors
- Provide assurance that risk management policies and strategies are operating effectively to achieve the Group's business objectives.

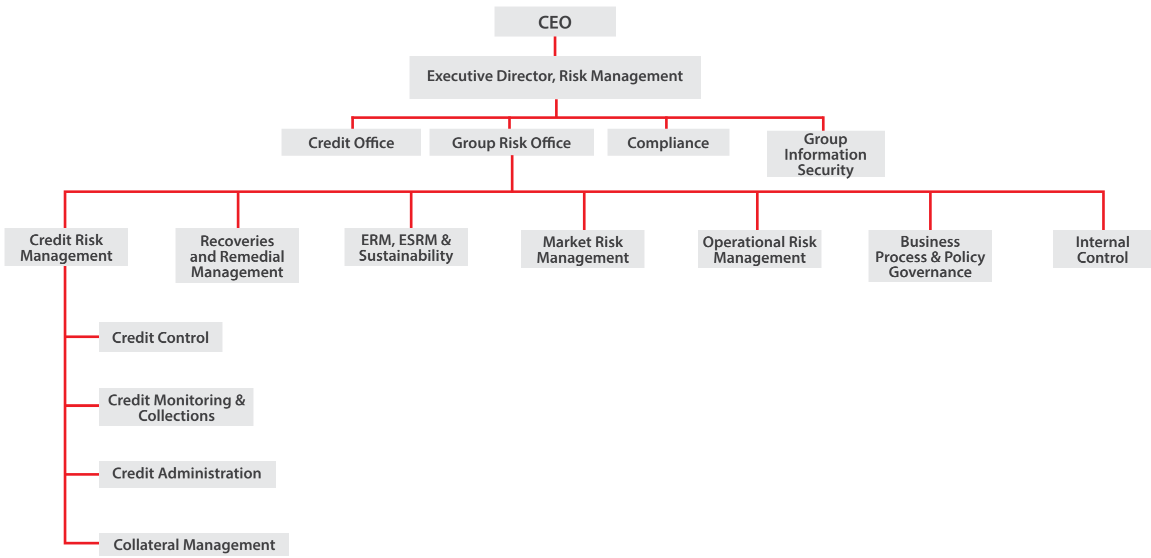
At a strategic level, our risk management objectives are as follows:

- To identify, assess, control, report and manage the Group's material risks and optimize risk/return decisions
- To ensure business growth plans are properly supported by effective risk infrastructure
- To manage the risk profile to ensure that specific financial deliverables remain possible under a range of adverse business conditions

(e) Risk Management Structure

The Group has in place an independent Risk Management Directorate which is essential to UBA's growth and earnings sustainability.

In response to the dynamic risk environment, the Credit Risk Management structure has been flattened to ensure increased oversight and improved responsiveness.



(f) Risk Management Policies

The principal risk policies cover the Group's main risk types, assigning responsibility for the management of specific risks and setting out requirements for control frameworks for all risk types. Fundamental to the delivery of the Group's risk management objectives are a series of methodologies that allow it to measure, model, price, stress-test, mitigate and report the risks that arise from its activities.

(i) Risk Appetite

A key responsibility of the Board is the determination of the organization's risk appetite. This is codified in a Risk Appetite framework which considers the level of risk that the Group is willing to take in pursuit of its business objectives. This is expressed as the Group's appetite for earnings volatility across all businesses from a credit, marketing and liquidity risk perspective.

Risk appetite is institutionalized by establishing scale of activities through clearly defined target market criteria, product risk acceptance criteria, portfolio limits as well as risk-return requirements.

(ii) Approval Authority

The Board of Directors also set internal approval limits which are reviewed from time to time as the circumstances of the Group demands. These are at all times guided by maximum regulatory limit as applicable.

(iii) Risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry or geographical location.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. The Group applies a concentration risk management framework that sets exposure limits as a function of capital across all dimensions of its asset portfolio including geography, sector, obligor, product etc. This is closely monitored to ensure diversification of risk.

(g) Environmental & Social Risk Management/Sustainability (ESRM/Sustainability)

The Group takes Environmental, Social and Governance (ESG) considerations as part of its overall strategy. This is achieved by integrating environmental and social standards into the Group's business operations and activities. The overall objective is to foster sustainable practices by creating equal benefits for people, the firm, and our planet. Our Environmental, Social and Governance framework is based on local and global standards such as the Nigerian Sustainable Banking Principles (NSBP), IFC Performance Standards, Equator Principles, the Sustainable Development Goals (SDGs). We are also guided by the World Bank good international industry practices as well as host country's local environmental laws and standards. The Group's sustainability targets are encapsulated in UBA Foundation's broader focus on the Environment, Education and Economic Empowerment.

4.2 Operational Risk

Operational Risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This includes legal risk but excludes reputational and strategic risks. The Operational Risk Management Policy of the Group provides guidelines to proactively identify operational risk in all business functions of the Bank. It provides a standardized approach and comprehensive procedures for risk identification, assessment, controlling, monitoring, management and reporting. In addition, creates risk awareness amongst all employees and facilitates best practice operational risk management.

Various tools and methodologies are deployed by the Bank to implement its operational risk management. This includes:

Risk and Control Self-Assessment (RCSA) – This is an important piece of the Bank's robust risk management strategy.

Key Risk Indicators (KRI) - This is the metrics that provide insight into business function risk profile and identification of early warning signs of potential vulnerability.

Losses & Loss Events Reporting – All business functions report losses using automated loss reporting tool.

Business Continuity Management (BCM) – The Bank is BCMS ISO 22301 certified and in compliance with the requirements of the standard. The Bank has developed and maintains robust business continuity plan that protect staff, its assets, and the interests of customers. These plans are designed to cover a wide range of business disruptions that may range from the inability to operate from a single building to more widespread events that impact a city or region.

Operational Risk Capital Calculation – The bank adopts the Basic Indicator Approach (BIA) in line with Central Bank of Nigeria requirements.

4.3 Compliance

UBA Group maintains zero tolerance for Compliance & regulatory infraction. To this end, the focus of the Compliance function as entrenched by the Board is to instill a Compliance culture within the Group by ensuring that Compliance is integrated in the Group's business practices and processes. Regulatory Compliance department within the Risk management structure ensures adherence to the requirements of the law, regulation, industry organizational codes, principles of good governance and ethical standards in the conduct of the Banks business.

The essence is geared towards combating Money Laundering, Terrorist Financing, and proliferations of equipment for mass destruction.

The objectives of our Regulatory Compliance function are as follows:

- Proactively mitigate all regulatory risks in the Group
- Design, plan and implement compliance programs that ensures that the Bank's policies, procedures, products and services are compliant with applicable laws, rules and regulatory requirements.
- Manage existing or potential threats related to legal or policy noncompliance—or ethical misconduct—that could lead to fines or penalties, reputational damage, or the inability to operate in key markets.
- Ensure there is a compliance culture within the Group.
- Ensure periodic review and update of the Anti-Money Laundering/ Counter Terrorist Financing (AML/CFT) Policy and Know Your Customer (KYC) policy & Procedural Manual annually
- Respond to government investigations and queries by acting as the principal point of contact whenever the government agent wants to get in touch with the Bank for issues relating to regulatory compliance.
- Report all regulatory Compliance issues and risks to Executive management committee and Board Risk Management Committee.

The Compliance function is independently reporting into the Risk management directorate and also reviewed by Group internal audit.

4.4 Group Information Security/Cybersecurity

The Bank recognised the importance of managing Cybersecurity Risks as part of its overall business sustainability and risk management strategy, with substantial investments made in the right people, processes and technologies to manage these risks. Aligning with our business strategy, we performed detailed evaluation of the specific risks we are susceptible to and developed a multi-year roadmap to address current and future threats. The Bank has a secure, vigilant and resilient strategy to cybersecurity, which means that we have a multilayered approach to the defence against cybercriminals; however, our people remain our first line of defence.

We have witnessed a significant increase in the awareness level among staff and customers regarding cyber security.

The Bank overhauled its Security Operations to provide the right level of 24/7 visibility into threats that may occur both within and outside the network of the Bank. We strategically invested in state-of-the-art security technologies that have Artificial Intelligence (AI) and Robotics Automation(RA) capabilities embedded. This ensures that we are always ready and can pre-empt attacks before they occur.

In an interconnected world, one in which we cannot thrive in isolation; we developed channels that would help us leverage interconnection with Regulators, Fintechs and other banks to create enhanced value to our customers. As a result, we also built up our cyber defences to boost our capabilities for detection, protection and response, especially around Cloud, Identity and Access Management and Third-party connections/interfaces.

Also the Bank onboarded the services of a tier-one international security Firm to support our cyber security capabilities and ensure we are aligned with international best practices as a global Bank.

Data privacy and protection are areas we have taken very seriously; from instituting the right processes to adhering to the various regulations/standards, we also invested in tools that would enforce the standards/procedures.

All cyber risk imperatives are reported to the Board Risk Management Committee (BRMC) monthly, and appropriate governance and oversight over cybersecurity have been instituted within the Group. Metrics and KRIs have also been developed and monitored Groupwide to track progress on our plans.

4.5 Credit Risk

(a) Overview

Credit risk is the potential for financial loss resulting from the failure of a borrower or counterparty to honour its financial or contractual obligations. Credit represent a significant part of the overall risk exposure of the Group and is largely represented by the loans and advances on the books of the Group. The Group has several policies and frameworks in place for managing credit risk across the Group.

(i) Credit Risk Management (CRM)

The Credit Risk Management division acts as the custodian of Group credit policies and recommends reviews based on regulatory changes and other developments in the operating environment. It develops and implements the Group credit risk management framework, as well as a portfolio management strategy towards achieving a diversified, high quality asset mix to minimize delinquencies.

In addition, CRM ensures appropriate control measures are taken in the documentation and administration of approved loans.

(ii) Credit Risk Governance

The Board through Board Credit Committee (BCC) is responsible for the overall governance of credit risk and the management of the credit portfolio of the Group. It reviews and recommends credit policies to the Board. The Executive Credit Committee (ECC) sets frameworks and guidelines for credit risk management for the Group and reviews and recommends for approval to the BCC all credit related policies for the Group. ECC monitors implementation and compliance with credit policy paying particular attention to the following:

a. Credit concentration
b. Credit portfolio performance
c. Credit quality

With regards to approval of credit facilities, the ECC approves facilities that are above the limit of the GMD, while the BCC approves credit facilities that are above the limit of the ECC. The Board of Directors is the overall approving authority, approving credit facilities that are above the limit of the BCC.

(iii) Credit Monitoring

Credit monitoring runs as a separate group of risk management to improve oversight of loan performance. Its primary function is to continuously monitor the bank's loan portfolio to ensure ongoing portfolio performance and achievement of portfolio quality targets. Credit Monitoring ensures all loans are booked in line with the Group's policy. They also identify exceptions which may prevent the loan from being paid in a timely manner. Observed Credit exceptions are escalated for possible resolution, sanction implementation and management attention. The group takes proactive steps to ensure follow up on accounts showing signs of delinquency.

(iv) Credit Concentration Management

The Group has a Credit Concentration Risk Management policy which provides a framework within which lending decisions can be made so as to ensure an adequate level of diversification of the Group's credit portfolio. The policy provides risk-based limits that restrict lending activities to within the Group's desired risk appetite and tolerance.

The Group ensures that:

It manages its portfolio by ensuring adequate diversification across industries, segments and jurisdictions to maintain high portfolio quality and liquidity

Provides risk based concentration limits to ensure that exposures to single obligors, sectors and countries are contained within acceptable risk appetite.

(v) Credit Risk Measurement

In measuring credit risk of loans and advances to various counterparties, the Group considers the credit worthiness and financial capacity of the obligor to pay or meet contractual obligations, current exposures to the counter party/obligor and its likely future developments, credit history of the counterparty/obligor; and the likely recovery ratio in case of default obligations-value of collateral and other ways out. Our credit exposure comprises wholesale and retail loans and advances and debt securities. The Group's policy is to lend principally on the basis of our customers' repayment capacity through quantitative and qualitative evaluation. However we strive to ensure that our loans are backed by collateral to reflect the risk of the obligors and the nature of the facility.

In the estimation of credit risk, the Group estimates the following parameters:

- Probability of Default (PD)

- Loss Given Default(LGD)

- Exposure at Default"

Probability of Default

This is the probability that an obligor or counterparty will default over a given period, usually one year. To measure expected credit loss, we develop a 12-month PD or equivalent (used in Stage 1 provisioning) and a lifetime PD or equivalent (used for Stages 2 and 3 provisioning). The PD is used to reflect the current expectation of default and considers available reasonable and supportive forwarding-looking information.

Loss Given Default

LGD is defined as the portion of the loan determined to be irrecoverable at the time of loan default (1 – recovery rate). Our methods for estimating LGD includes both quantitative and qualitative factors which are adjusted for forward looking information to measure lifetime expected credit losses.

Exposure at default

This represents the amount that is outstanding at the point of default. Its estimation includes the drawn amount and expected utilization of the undrawn commitment at default.

(vi) General Risk Rating Process

The Group adopts a two-dimensional approach to the assessment of credit risk in the Risk Rating Process for all obligors.

Obligors are assigned an Obligor Risk Rating (ORR) while a Facility Risk Rating (FRRs) is assigned to facilities. However certain obligors, retail and commercial loans applicants that do not have a risk rating, must access credit through product programmes while those that have credit ratings can access through the individually assessed credit window. Scoring system is used for consumer loans whereby loans that achieve a predetermined minimum score are approved.

Inputs used to determine obligor risk ratings (ORRs) are derived based on quantitative and qualitative factors. The quantitative factors are primarily based on a metrics that uses information on the obligor's financial position while the qualitative factors include:

- Management quality
- Industry risks
- Company profile
- Economic factors

The integrity of the Group's portfolio management process is dependent on accurate and timely risk ratings. Deterioration in credit risks is quickly identified and communicated to facilitate prompt action. The rating is reviewed on a periodic basis and this is reflected in the management of such portfolio. The default also leads to prevention of further drawdown while steps are taken to recover the outstanding balance and/or realise the collateral.

Deterioration in credit risk are identified based on factors such as

- Ratings downgrade
- Missed payments
- Non-compliance with loan covenants
- Deterioration of quality/value of collateral

(vii) Credit Rating of Counterparty/Obligor

All risk rating processes are reviewed and validated periodically to ensure relevance to business realities, and relate to loans and advances to customers, loans and advances to banks, financial assets held for trading and investment securities. External ratings may also be obtained where such is available. The Risk Rating buckets and definitions are as highlighted below:

UBA Risk Buckets and Definition

Description	Rating Bucket	Range of Scores	Risk Range	Risk Range (Description)
Extremely Low Risk	AAA	1.00 - 1.99	90% - 100%	Low Risk Range
Very Low Risk	AA	2.00 - 2.99	80% - 89%	
Low Risk	A	3.00 - 3.99	70% - 79%	
Acceptable Risk	BBB	4.00 - 4.99	60% - 69%	Acceptable Risk Range
Moderately High Risk	BB	5.00 - 5.99	50% - 59%	
High Risk	B	6.00 - 6.99	40% - 49%	High Risk Range
Very High Risk	CCC	7.00 - 7.99	30% - 39%	
Extremely High Risk	CC	8.00 - 8.99	0% - 29%	Unacceptable Risk Range
High Likelihood of Default	C	9.00 - 9.99	Below 0%	
Default	D	Above 9.99	Below 0%	

The risk ratings are a primary tool in the review and decision making in the credit process. The Group does not lend on unsecured basis to obligors that are below investment grade (BB and above). The Group shall discourage lending to obligors in the unacceptable risk range.

(viii) Remedial Management Process

This process is managed by the Group Remedial & Recovery Division (GRRD). Depending on the severity of classification, the Group undertakes remedial corrective action geared towards ensuring performance of weak credits. Early attention, including substantive discussions with borrowers, is required to correct deficiencies.

Remedial process covers the evaluation, analysis or restructuring of credit facilities for existing PDOs. It may include new extensions of credit and/or restructuring of terms. Some of the possible actions are summarised as follows:

- Rate/Payment modification or longer-term payment relief - adjusting interest rates or payment frequency;
- Ageing/Extension: Modifying the length of the loan;
- Cash Out: Refinancing a loan at a higher principal amount in order to get additional funds for other uses;
- Short Sale – Loan is discounted to prevent imminent foreclosure; and
- Deed in lieu – Voluntary conveyance of interest in property to the Bank

The process calls for full information gathering, together with financial and risk analysis leading up to the approval decision. Analysis and standards vary according to business product, market, transaction characteristics and environmental issues. In all cases, we strive to achieve good judgment, in ensuring that all relevant issues have been addressed in each situation.

(ix) Work out and recovery

The Remedial Management & Credit Recovery Division ("RMCRD") is the collections arm of Credit Risk Management that evaluates, monitors and supervises the re-structuring, repayments and collections of all past due obligations that have been prudentially classified and shown early warning signs of default. The division has a three level governance structure:

Level 1 is an oversight and supervisory function performed by the Divisional Head through the Regional Heads;

Level 2 is a supervisory and management function performed by the Regional Heads through the Zonal Heads; and

Level 3 is an operational function performed by the Zonal Head in conjunction with the Recovery/Remedial officers from the regional bank offices.

RMCRD maintains effective governance and control over its entire process and adopts a standard methodology consisting of five steps.

Risk Management and Credit Recovery Division methodology

	Steps	Activities
1.	Identification	Identification of past due obligations due for recovery, collections and remedial action Identification of strategies to be adopted Identification of the least cost alternative of achieving timely collections within resource constraints
2.	Assessment & Implementation	Accurate review and professional assessment of credit records Implementation of identified strategies Update the database
3.	Management & Monitoring	Proffer professional work-out situations to aid prompt settlement Review identified strategies for adequacy in managing past due obligations Proffer solutions that will aid the credit decision making process
4.	Controlling	Establish key control processes, practices and reporting requirements on a case-by-case basis. Ensure work-out situations align with UBA's strategic framework Proffer solutions that will aid the credit decision making process
5.	Reporting	Communicate learning points from case profiles on past due obligations in order to improve the quality of lending practices Report cases of imminent crystallisation of default Present remedial actions to reduce and/or mitigate default

4. FINANCIAL RISK MANAGEMENT - CONTINUED

4.2 Credit risk - Continued

(b) Credit risk Exposure

(i) Maximum exposure to credit risk before collateral held or other credit enhancements

The following table shows the maximum exposure to credit risk by class of financial asset. The Group's maximum exposure to credit risk is represented by the net carrying amounts of the financial assets with the exception of financial and other guarantees issued by the Group for which the maximum exposure to credit risk is represented by the maximum amount the Group would have to pay if the guarantees are called on.

Credit risk exposures relating to on-balance sheet assets are as follows:

	Maximum exposure Group		Maximum exposure Bank	
In millions of Nigerian Naira	**Dec. 2025**	**Dec. 2024**	**Dec. 2025**	**Dec. 2024**
Cash and bank balances				
Current balances with banks	2,205,031	2,553,448	1,906,730	2,534,636
Unrestricted balances with Central Banks	932,920	958,127	21,109	7
Money market placements	1,670,849	429,252	858,577	517,190
Restricted balances with central banks	3,876,770	3,929,953	3,427,729	3,589,647
Financial assets at fair value through profit or loss				
Treasury bills	16,965	18,016	16,965	18,016
Bonds	177,687	82,671	2	2
Derivative assets	1,368	188,583	1,368	188,583
Assets under management	17,567	15,175	17,567	15,175
Loans and advances to banks	437,526	556,072	257,874	290,941
Loans and advances to individuals				
Overdraft	65,515	67,203	10,432	15,885
Term loan	523,379	505,573	73,751	61,435
Loans and advances to corporate entities and others				
Overdraft	792,083	1,008,319	167,762	299,679
Term Loan	5,641,419	5,367,529	3,255,645	3,537,613
Others	-	5,921	-	5,921
Investment securities at fair value through other comprehensive income:				
Treasury bills	2,423,907	2,767,735	2,094,255	2,107,442
Bonds	1,582,891	1,656,762	1,238,912	1,523,095
Promissory notes	18,028	12,196	18,028	10,266
Investment securities at amortised cost:				
Treasury bills	5,915,194	4,107,346	-	-
Bonds	4,061,544	3,581,506	864,100	467,307
Other assets	1,111,152	1,150,968	858,554	919,532
Total	**31,471,795**	**28,962,355**	**15,089,360**	**16,102,372**
Loans exposure to total exposure	24%	26%	25%	26%
Debt securities exposure to total exposure	45%	42%	28%	26%
Other financial assets exposure to total exposure	31%	32%	47%	48%
	100%	**100%**	**100%**	**100%**

Credit risk exposures relating to off-balance sheet assets are as follows:

	Group		Bank	
In millions of Nigerian Naira	**Dec. 2025**	**Dec. 2024**	**Dec. 2025**	**Dec. 2024**
Performance bonds and guarantees	1,251,147	1,631,992	937,213	873,231
Letters of credits	265,322	262,050	203,417	105,621
	1,516,469	**1,894,042**	**1,140,630**	**978,852**
Bonds and guarantee exposure to total exposure	83%	86%	82%	89%
Letters of credit exposure to total off-balance sheet exposure	17%	14%	18%	11%
	100%	**100%**	**100%**	**100%**
Credit risk exposures relating to loan commitment are as follows:				
Loan commitment to corporate entities and others				
Term Loan	151,785	23,711	94,188	15,006
	151,785	**23,711**	**94,188**	**15,006**

There are no loan commitments to individuals.
The credit risk exposure as at period end is representative of the average exposure in the period.

4. FINANCIAL RISK MANAGEMENT - CONTINUED

4.2 Credit risk - Continued)

(b) Credit risk Exposure - Continued

(ii) Credit concentration - location

The Group monitors concentrations of credit risk by sector, geographic location and industry. Concentration by location for loans and advances is measured based on the location of the Group entity holding the asset, which has a high correlation with the location of the borrower. Concentration by location for investment securities is measured based on the location of the issuer of the security. The amounts stated are net of impairment allowances.

An analysis of concentrations of credit risk at the reporting date is shown below:

December 31, 2025

	Group				Bank			
In millions of Nigerian Naira	Nigeria	Rest of Africa	Rest of the world	Total	Nigeria	Rest of Africa	Rest of the world	Total
Financial assets								
Cash and bank balances:								
- Current balances with banks	-	298,301	1,906,730	2,205,031	-	-	1,906,730	1,906,730
- Unrestricted balances with Central Banks	21,109	911,811	-	932,920	21,109	-	-	21,109
- Money market placements	-	888,796	780,904	1,670,034	-	76,524	780,904	857,428
- Restricted balances with central banks	3,427,729	449,041	-	3,876,770	3,427,729	-	-	3,427,729
Assets under management	17,567	-	-	17,567	17,567	-	-	17,567
Financial assets at FVTPL:								
- Treasury bills	16,965	-	-	16,965	16,965	-	-	16,965
- Government bonds	2	177,685	-	177,687	2	-	-	2
Derivative assets	1,368	-	-	1,368	1,368	-	-	1,368
Loans and advances to banks								
- Corporates	257,874	-	179,652	437,526	-	-	257,874	257,874
Loans and advances to customers:								
Individuals:								
- Overdrafts	10,432	55,083	-	65,515	10,432	-	-	10,432
- Term loans	73,751	449,628	-	523,379	73,751	-	-	73,751
Corporates:								
- Overdrafts	167,762	624,321	-	792,083	167,762	-	-	167,762
- Term loans	3,009,275	2,381,644	250,500	5,641,419	3,009,275	-	246,370	3,255,645
- Others	-	-	-	-	-	-	-	-
Investment securities:								
At amortised cost								
- Treasury bills	-	5,915,194	-	5,915,194	-	-	-	-
- Bonds	864,100	3,190,407	7,037	3,993,730	856,360	-	-	856,360
At FVOCI								
- Treasury bills	2,094,255	329,652	-	2,423,907	2,094,255	-	-	2,094,255
- Bonds	1,260,485	170,421	151,985	1,582,891	1,260,485	-	(21,573)	1,238,912
- Promissory notes	18,028	-	-	18,028	18,028	-	-	18,028
Other assets	780,662	330,490	-	1,111,152	780,663	77,891	-	858,554
Total financial assets	**12,021,364**	**16,172,474**	**3,277,957**	**31,471,795**	**11,763,490**	**154,415**	**3,171,455**	**15,089,359**
Commitments and guarantees								
- Performance bonds and guarantees	937,213	313,934	-	1,251,147	937,213	-	-	937,213
- Letters of credits	203,417	61,905	-	265,322	203,417	-	-	203,417
- Loan commitments	94,188	57,597	-	151,785	94,188	-	-	94,188
Total commitments and guarantees	**1,234,818**	**433,436**	**-**	**1,668,254**	**1,234,818**	**-**	**-**	**1,234,818**

4 FINANCIAL RISK MANAGEMENT - CONTINUED

4.2 Credit risk - Continued

December 31, 2024

	Group				Bank			
In millions of Nigerian Naira	Nigeria	Rest of Africa	Rest of the world	Total	Nigeria	Rest of Africa	Rest of the world	Total
Financial assets								
Cash and bank balances:								
- Current balances with banks	-	18,812	2,534,636	2,553,448	-	-	2,534,636	2,534,636
- Unrestricted balances with Central Banks	7	958,120	-	958,127	7	-	-	7
- Money market placements	-	(11,744.24)	440,996	429,252	-	76,194	440,996	517,190
- Restricted balances with central banks	3,589,647	340,306	-	3,929,953	3,589,647	-	-	3,589,647
Assets under management	**15,175**	**-**	**-**	**15,175**	**15,175**	**-**	**-**	**15,175**
Financial assets at FVTPL:				-				-
- Treasury bills	18,016	-	-	18,016	18,016	-	-	18,016
- Government bonds	2	82,669	-	82,671	2	-	-	2
Derivative assets	188,583	-	-	188,583	188,583	-	-	188,583
Loans and advances to banks				-				-
- Corporates	290,941	-	265,131	556,072	-	-	290,941	290,941
Loans and advances to customers:				-				-
Individuals:				-				-
- Overdrafts	15,885	51,318	-	67,203	15,885	-	-	15,885
- Term loans	61,435	444,138	-	505,573	61,435	-	-	61,435
Corporates:				-				-
- Overdrafts	299,679	708,640	-	1,008,319	299,679	-	-	299,679
- Term loans	3,396,633	1,816,522	154,374	5,367,529	3,396,633	-	140,980	3,537,613
- Others	5,921	-	-	5,921	5,921	-	-	5,921
Investment securities:				-				-
At amortised cost				-				-
- Treasury bills	-	4,107,346	-	4,107,346	-	-	-	-
- Bonds	462,964	3,082,471	36,071	3,581,506	467,307	-	-	467,307
At FVOCI				-				-
- Treasury bills	2,107,442	660,293	-	2,767,735	2,107,442	-	-	2,107,442
- Bonds	1,523,095	67,617	66,050	1,656,762	1,523,095	-	-	1,523,095
- Promissory notes	10,266	1,930	-	12,196	10,266	-	-	10,266
Other assets	861,982	288,986	-	1,150,968	861,982	57,550	-	919,532
Total financial assets	**12,847,673**	**12,617,425**	**3,497,257**	**28,962,355**	**12,561,075**	**133,744**	**3,407,553**	**16,102,372**
Commitments and guarantees								
- Performance bonds and guarantees	873,231	758,761	-	1,631,992	873,231	-	-	873,231
- Letters of credits	105,621	156,429	-	262,050	105,621	-	-	105,621
- Loan commitments	15,006	8,705	-	23,711	15,006	-	-	15,006
Total commitments and guarantees	**993,858**	**923,895**	**-**	**1,917,753**	**993,858**	**-**	**-**	**993,858**

4 FINANCIAL RISK MANAGEMENT - CONTINUED

Credit risk - Continued

(iii) Credit concentration - Industry

The following table analyses the Group's credit exposure at carrying amounts (without taking into account any collateral held or other credit support), as categorised by the industry sectors of the Group's counterparties. The amounts stated are net of impairment allowances.

Group *In millions of Nigerian Naira*	Agriculture	Construction and Real Estate	Education	Finance and Insurance	General	General Commerce	Govern-ments	Information and Communication	Manufacturing	Oil and Gas	Power and Energy	Transportation and Storage	Total
December 31, 2025													
Cash and bank balances:													
- Current balances with banks	-	-	-	2,205,031	-	-	-	-	-	-	-	-	2,205,031
- Unrestricted balances with Central Banks	-	-	-	932,920	-	-	-	-	-	-	-	-	932,920
- Money market placements	-	-	-	1,670,849	-	-	-	-	-	-	-	-	1,670,849
- Restricted balances with central banks	-	-	-	3,876,770	-	-	-	-	-	-	-	-	3,876,770
Assets under management	-	-	-	17,567	-	-	-	-	-	-	-	-	17,567
Financial assets at FVTPL:													
- Treasury bills	-	-	-	-	-	-	16,965	-	-	-	-	-	16,965
- Government bonds	-	-	-	-	-	-	177,687	-	-	-	-	-	177,687
Derivative assets	-	-	-	1,368	-	-	-	-	-	-	-	-	1,368
Loans and advances to banks	-	-	-	437,526	-	-	-	-	-	-	-	-	437,526
Loans and advances to customers:													
Individuals													
- Overdrafts	-	-	-	-	65,515	-	-	-	-	-	-	-	65,515
- Term loans	-	-	-	-	523,379	-	-	-	-	-	-	-	523,379
Corporates													
- Overdrafts	113,556	23,451	1,034	65,402	4,936	233,820	40,685	68,305	97,848	91,819	28,762	22,465	792,083
- Term loans	145,615	910,294	1,818	341,833	79,397	577,549	987,737	200,658	510,266	1,442,313	317,830	126,109	5,641,419
- Others	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment securities:													
At Amortised cost													
- Treasury bills	-	-	-	-	-	-	5,915,194	-	-	-	-	-	5,915,194
- Bonds	-	-	-	250,500	-	-	3,811,044	-	-	-	-	-	4,061,544
At FVOCI													
- Treasury bills	-	-	-	-	-	-	2,423,907	-	-	-	-	-	2,423,907
- Bonds	-	-	-	-	-	-	1,582,891	-	-	-	-	-	1,582,891
- Promissory notes	-	-	-	-	-	-	18,028	-	-	-	-	-	18,028
Other assets	-	-	-	330,490	780,662	-	-	-	-	-	-	-	1,111,152
Total financial assets	**259,171**	**933,745**	**2,852**	**10,130,256**	**1,453,889**	**811,369**	**14,974,138**	**268,963**	**608,114**	**1,534,132**	**346,592**	**148,574**	**31,471,795**
Commitments and guarantees													
- Performance bonds and guarantees	3,264	788,498	546	1,015	1,060	73,955	-	12,032	53,198	258,999	26,474	32,106	1,251,147
- Letters of credits	-	627	-	71,829	-	13,251	-	20,410	70,713	88,492	-	-	265,322
- Loan Commitments	-	-	-	-	-	-	-	50,000	-	101,785	-	-	151,785
Total commitments and guarantees	**3,264**	**789,125**	**546**	**72,844**	**1,060**	**87,205**	**-**	**82,442**	**123,911**	**449,277**	**26,474**	**32,106**	**1,668,254**

4 FINANCIAL RISK MANAGEMENT - CONTINUED

4.2 Credit risk - Continued

Credit concentration - Industry - Continued

The following table analyses the Bank's credit exposure at carrying amounts (without taking into account any collateral held or other credit support), as categorised by the industry sectors of the Banks counterparties. The amounts stated are net of impairment allowances.

Bank *In millions of Nigerian Naira*	Agriculture	Construction and Real Estate	Education	Finance and Insurance	General	General Commerce	Govern-ments	Information and Communication	Manufacturing	Oil and Gas	Power and Energy	Transportation and Storage	Total
December 31, 2025													
Financial assets													
In millions of Nigerian Naira													
Cash and bank balances:													
- Current balances with banks	-	-	-	1,906,730	-	-	-	-	-	-	-	-	1,906,730
- Unrestricted balances with Central Banks	-	-	-	21,109	-	-	-	-	-	-	-	-	21,109
- Money market placements	-	-	-	858,577	-	-	-	-	-	-	-	-	858,577
- Restricted balances with central banks	-	-	-	3,427,729	-	-	-	-	-	-	-	-	3,427,729
Assets under management	-	-	-	17,567	-	-	-	-	-	-	-	-	17,567
Financial assets at FVTPL:													
- Treasury bills	-	-	-	-	-	-	16,965	-	-	-	-	-	16,965
- Government bonds	-	-	-	-	-	-	2	-	-	-	-	-	2
Derivative assets	-	-	-	1,368	-	-	-	-	-	-	-	-	1,368
Loans and advances to banks	-	-	-	257,874	-	-	-	-	-	-	-	-	257,874
Loans and advances to customers:													
Individuals													
- Overdrafts	-	-	-	-	10,432	-	-	-	-	-	-	-	10,432
- Term loans	-	-	-	-	73,751	-	-	-	-	-	-	-	73,751
Corporates													
- Overdrafts	4,297	2,797	732	59,873	2,465	67,200	10,127	2,460	9,711	6,263	1,836	1	167,762
- Term loans	37,888	500,883	651	327,901	75,563	432,787	180,605	90,870	257,763	1,019,720	261,911	69,103	3,255,645
- Others	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment securities:													
At amortised cost													
- Bonds	-	-	-	-	-	-	864,100	-	-	-	-	-	864,100
At FVOCI													
- Treasury bills	-	-	-	-	-	-	2,094,255	-	-	-	-	-	2,094,255
- Promissory notes	-	-	-	-	-	-	18,028	-	-	-	-	-	18,028
- Bonds	-	-	-	-	-	-	1,238,912	-	-	-	-	-	1,238,912
Other assets	-	-	-	77,891	780,662	-	-	-	-	-	-	-	858,553
Total financial assets	**42,185**	**503,680**	**1,383**	**6,956,619**	**942,873**	**499,987**	**4,422,994**	**93,330**	**267,474**	**1,025,983**	**263,747**	**69,104**	**15,089,359**
Commitments and guarantees													
- Performance bonds and guarantees	2,981	590,529	546	-	1,060	37,779	-	9,323	7,369	264,577	22,995	54	937,213
- Letters of credits	-	627	-	71,829	-	519	-	14,904	31,301	84,237	-	-	203,417
- Loan Commitments	-	-	-	-	-	-	-	50,000	-	44,188	-	-	94,188
Total commitments and guarantees	**2,981**	**591,156**	**546**	**71,829**	**1,060**	**38,297**	**-**	**74,227**	**38,670**	**393,003**	**22,995**	**54**	**1,234,818**

4 FINANCIAL RISK MANAGEMENT - CONTINUED

Credit concentration - Industry - Continued

Group *In millions of Nigerian Naira*	Agriculture	Construction and Real Estate	Education	Finance and Insurance	General	General Commerce	Govern- ments	Information and Communication	Manufacturing	Oil and Gas	Power and Energy	Transportation and Storage	Total
December 31, 2024													
Cash and bank balances:													
- Current balances with banks	-	-	-	2,553,448	-	-	-	-	-	-	-	-	2,553,448
- Unrestricted balances with Central Banks	-	-	-	958,127	-	-	-	-	-	-	-	-	958,127
- Money market placements	-	-	-	429,252	-	-	-	-	-	-	-	-	429,252
- Restricted balances with central banks	-	-	-	3,929,953	-	-	-	-	-	-	-	-	3,929,953
Assets under management	-	-	-	15,175	-	-	-	-	-	-	-	-	15,175
Financial assets at FVTPL:													-
- Treasury bills	-	-	-	-	-	-	18,016	-	-	-	-	-	18,016
- Government bonds	-	-	-	-	-	-	82,671	-	-	-	-	-	82,671
Derivative assets	-	-	-	188,583	-	-	-	-	-	-	-	-	188,583
Loans and advances to banks	-	-	-	556,072	-	-	-	-	-	-	-	-	556,072
Loans and advances to customers:													-
Individuals													-
- Overdrafts	-	-	-	-	67,203	-	-	-	-	-	-	-	67,203
- Term loans	-	-	-	-	505,573	-	-	-	-	-	-	-	505,573
Corporates													-
- Overdrafts	106,863	21,034	9,255	109,269	16,350	217,525	41,155	89,240	150,399	131,944	92,713	22,572	1,008,319
- Term loans	128,400	502,979	8,055	514,292	323,877	1,019,763	637,719	226,355	514,134	1,104,957	324,640	62,358	5,367,529
- Others	-	-	-	-	-	5,921	-	-	-	-	-	-	5,921
Investment securities:													-
At Amortised cost													-
- Treasury bills	-	-	-	-	-	-	4,107,346	-	-	-	-	-	4,107,346
- Bonds	-	-	-	154,374	-	-	3,427,132	-	-	-	-	-	3,581,506
At FVOCI													-
- Treasury bills	-	-	-	-	-	-	2,767,735	-	-	-	-	-	2,767,735
- Bonds	-	-	-	-	-	-	1,656,762	-	-	-	-	-	1,656,762
- Promissory notes	-	-	-	-	-	-	12,196	-	-	-	-	-	12,196
Other assets	-	-	-	288,986	861,982	-	-	-	-	-	-	-	1,150,968
Total financial assets	**235,263**	**524,013**	**17,310**	**9,697,531**	**1,774,985**	**1,243,209**	**12,750,732**	**315,595**	**664,533**	**1,236,901**	**417,353**	**84,930**	**28,962,355**
Commitments and guarantees													
- Performance bonds and guarantees	4,328	1,203,072	475	4,380	14,953	22,840	45,592	3,903	63,165	220,444	18,627	30,213	1,631,992
- Letters of credits	4,636	1,071	-	8,698	374	-	1,424	2,269	93,425	149,897	256	-	262,050
- Loan commitments	-	-	-	-	-	-	-	-	-	23,711	-	-	23,711
Total commitments and guarantees	**8,964**	**1,204,143**	**475**	**13,078**	**15,327**	**22,840**	**47,016**	**6,172**	**156,590**	**394,052**	**18,883**	**30,213**	**1,917,753**

4 FINANCIAL RISK MANAGEMENT - CONTINUED

Credit Concentration - Industry - Continued

Bank *In millions of Nigerian Naira*	Agriculture	Construction and Real Estate	Education	Finance and Insurance	General	General Commerce	Governments	Information and Communication	Manufacturing	Oil and Gas	Power and Energy	Transportation and Storage	Total
December 31, 2023													
Financial assets													
- Cash and bank balances:													
- Current balances with banks	-	-	-	2,534,636	-	-	-	-	-	-	-	-	2,534,636
- Unrestricted balances with Central Banks	-	-	-	7	-	-	-	-	-	-	-	-	7
- Money market placements	-	-	-	517,520	-	-	-	-	-	-	-	-	517,520
- Restricted balances with central banks	-	-	-	3,589,647	-	-	-	-	-	-	-	-	3,589,647
Assets under management	-	-	-	15,175	-	-	-	-	-	-	-	-	15,175
Financial assets at FVTPL:													
- Treasury bills	-	-	-	-	-	-	18,016	-	-	-	-	-	18,016
- Government bonds	-	-	-	-	-	-	2	-	-	-	-	-	2
Derivative assets	-	-	-	188,583	-	-	-	-	-	-	-	-	188,583
Loans and advances to banks	-	-	-	290,941	-	-	-	-	-	-	-	-	290,941
Loans and advances to customers:													
Individuals													
- Overdrafts	-	-	-	-	15,885	-	-	-	-	-	-	-	15,885
- Term loans	-	-	-	-	61,435	-	-	-	-	-	-	-	61,435
Corporates													
- Overdrafts	6,966	1,982	543	101,708	10,624	19,810	7,254	9,751	44,211	29,889	66,745	196	299,679
- Term loans	37,014	282,250	742	498,774	317,753	626,796	302,884	92,778	345,146	774,838	258,638	-	3,537,613
- Others	-	-	-	-	-	5,921	-	-	-	-	-	-	5,921
Investment securities:													
At Amortised cost													
- Bonds	-	-	-	-	-	-	467,307	-	-	-	-	-	467,307
At FVOCI													
- Treasury bills	-	-	-	-	-	-	2,107,442	-	-	-	-	-	2,107,442
- Promissory notes	-	-	-	-	-	-	10,266	-	-	-	-	-	10,266
- Bonds	-	-	-	-	-	-	1,523,095	-	-	-	-	-	1,523,095
Other assets	-	-	-	76,138	861,982	-	-	-	-	-	-	-	938,120
Total financial assets	**43,980**	**284,232**	**1,285**	**7,813,129**	**1,267,679**	**652,527**	**4,436,266**	**102,529**	**389,357**	**804,727**	**325,383**	**196**	**16,121,290**
Commitments and guarantees													
- Performance bonds and guarantees	3,129	649,100	475	-	14,927	22,840	449	1,028	11,273	153,700	15,911	399	873,231
- Letters of credits	-	-	-	-	-	-	-	-	-	105,621	-	-	105,621
- Loan commitments	-	-	-	-	-	-	-	-	-	15,006	-	-	15,006
Total commitments and guarantees	**3,129**	**649,100**	**475**	**-**	**14,927**	**22,840**	**449**	**1,028**	**11,273**	**274,327**	**15,911**	**399**	**993,858**

4 FINANCIAL RISK MANAGEMENT - CONTINUED

4.2 Credit risk - Continued

(c) Credit Quality

The Group manages the credit quality of its financial assets using internal credit ratings. It is the Group's policy to maintain accurate and consistent risk ratings across the credit portfolio. This facilitates focused management of the applicable risks and the comparison of credit exposures across all lines of business, geographic regions and products. The rating system is supported by a variety of financial analytics, combined with processed market information to provide the main inputs for the measurement of counterparty risk.

All internal risk ratings are tailored to the various categories and are derived in accordance with the Group's rating policy. The attributable risk ratings are assessed and updated regularly.

The credit quality of the Group's loans and advances are categorized as follows:

Stage 1 Loans and Advances:
These are loans and advances that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk (where the optional simplification is applied) at the reporting date.

Stage 2 Loans and Advances:

These are loans and advances that have deteriorated significantly in credit quality since initial recognition but do not have objective evidence of a credit loss event.

Stage 3 Loans and Advances:

These are loans and advances that have objective evidence of a credit loss event. Stage 3 allocation is driven by either the identification of credit impairment or an exposure being classified as defaulted.

Impaired loans and securities

Impaired loans and securities are loans and securities for which the Group determines that it is probable that it will be unable to collect all principal and interest due according to the contractual terms of the loan / securities agreement(s). These are loans and securities specifically impaired.

Loans with renegotiated terms

The contractual terms of a loan may be modified for a number of reasons including changing market conditions, customer retention and other factors not related to a current or potential credit deterioration of the customer. The Group renegotiates loans to customers to maximise collection opportunities and minimise the risk of default. The revised terms of renegotiated facilities usually include extended maturity, changing timing of interest payments and amendments to the terms of the loan agreement. As at 31 December 2025, the carrying amount of loans with renegotiated terms was N99.55 billion (December 2024 : N73.30 billion). There are no other financial assets with renegotiated terms as at 31 December 2025 (December 2024: nil).

Impairment assessment under IFRS

The Group assesses its impairment for the purpose of IFRS reporting using the 'forward-looking' Expected Credit Loss (ECL) model in line with provisions of IFRS 9 - Financial Instrument.

The Group records an allowance for expected losses for all loans and other debt financial assets not held at FVPL, together with loan commitments and financial guarantee contracts. The allowance is based on the expected credit losses associated with the probability of default in the next twelve months unless there has been a significant increase in credit risk since origination, in which case, the allowance is based on the probability of default over the life of the asset.

The measurement of expected credit losses is based on the product of the instrument's probability of default (PD), loss given default (LGD), and exposure at default (EAD), discounted to the reporting date using the effective interest rate.

The ECL model has three stages. The Group recognises a 12-month expected loss allowance on initial recognition (stage 1) and a lifetime expected loss allowance when there has been a significant increase in credit risk since initial recognition (stage 2). Stage 3 requires objective evidence that an asset is credit-impaired and then a lifetime expected loss allowance is recognised.

These factors revolve around:

4 FINANCIAL RISK MANAGEMENT - CONTINUED

4.2 Credit risk - Continued

(c) Credit Quality

1. Discounting of the expected future cashflows from individual obligors with their respective effective interest rate (EIR) on the set future dates to present value.
2. Application of varying haircut to underlying collateral and further discounting with their respective EIR.
3. Application of varying forward looking information in relation to underlying macroeconomic assumptions and the degree of responsiveness of the obligors to the assumptions at different degree of normal, downturn and upturn scenarios. The weighting applied to the multiple economic scenarios are upturn – 27%, normal – 38%, and downturn -35%.

i Disclosures of various factors that impact the Bank ECL Model as at 31st December 2025.

The following macro-economic forecasts under the different scenarios were adopted in the bank for individual customers.

Macro-Economic variable assumptions:

	Scenario	2026	2027	2028
Exchange rate (N/USD)	Upturn	1358.10	1456.01	1537.59
	Normal	1492.88	1590.79	1672.37
	Downturn	1627.66	1725.57	1807.15
Inflation rate (%)	Upturn	13.16	23.13	36.04
	Normal	15.38	27.28	46.31
	Downturn	17.97	32.17	59.5
Unemployment (%)	Upturn	3.72	3.28	3.05
	Normal	4.14	4.00	3.92
	Downturn	5.15	5.8	6.13
GDP growth rate (%)	Upturn	4.96	4.44	6.05
	Normal	4.43	3.40	4.78
	Downturn	3.80	1.76	3.51

The following macro-economic forecasts under the different scenarios were adopted in the bank for corporate customers.

Macro-Economic variable assumptions:

	Scenario	2026	2027	2028
Exchange rate (N/USD)	Upturn	1358.10	1456.01	1537.59
	Normal	1492.88	1590.79	1672.37
	Downturn	1627.66	1725.57	1807.15
Inflation rate (%)	Upturn	6.17	4.87	4.67
	Normal	12.50	11.20	11.00
	Downturn	18.83	17.53	17.33
Crude oil prices (USD/barrel)	Upturn	131.47	126.11	121.85
	Normal	91.55	82.53	78.52
	Downturn	63.75	54.01	50.72
Crude oil production (barrel)	Upturn	1762000	1924000	2008000
	Normal	1646000	1727000	1776000
	Downturn	1454000	1380000	1342000
GDP growth rate (%)	Upturn	4.96	4.44	6.05
	Normal	4.43	3.40	4.78
	Downturn	3.8	1.76	3.51

4 FINANCIAL RISK MANAGEMENT - CONTINUED

4.2 Credit risk - Continued

(c) Credit Quality

ii Disclosures of various factors that impact the subsidiaries ECL Model as at 31st December 2025

The following macro-economic forecasts under the different scenarios were adopted in the stated jurisdictions:

Macro-Economic variable assumptions for individual customers:

Scenario	Macro - economic variable	UBA Ghana	UBA Liberia	UBA Cote D' Ivoire	UBA Senegal	UBA Kenya	UBA Guinea	UBA Gabon	UBA Benin	UBA Sierra Leone	UBA Burkina Faso	UBA Chad
Normal	Exchange rate (per US$)	1.204	8.58	166.00	23.10	1,400	23.10	1,400.00	1,400.00	1,400.00	1,400.00	1,400
	Inflation rate	3.90%	54.10%	6.60%	29.75%	6.00%	29.75%	6.00%	6.00%	6.00%	6.00%	6.00%
	Unemployment rate	3.70%	4.50%	4.90%	4.98%	17.00%	4.98%	17.00%	17.00%	17.00%	17.00%	17.00%
	Residential Property Prices	N/A	N/A	N/A	N/A	120,000	N/A	120,000	120,000	120,000	120,000	120,000
	GDP	0.50%	0.90%	5.00%	4.74%	6.60%	4.74%	6.60%	6.60%	6.60%	6.60%	6.60%
Upturn	Exchange rate (per US$)	1.071	8.05	147.74	24.10	1,470	24.10	1,470.00	1,470.00	1,470.00	1,470.00	1,470
	Inflation rate	4.53%	35.20%	5.87%	22.87%	7.20%	22.87%	7.20%	7.20%	7.20%	7.20%	7.20%
	Unemployment rate	3.29%	4.00%	4.36%	3.70%	18.40%	3.70%	18.40%	18.40%	18.40%	18.40%	18.40%
	Residential Property Prices	N/A	N/A	N/A	N/A	400,000	N/A	400,000	400,000	400,000	400,000	400,000
	GDP	1.94%	2.50%	5.55%	4.00%	8.00%	4.00%	8.00%	8.00%	8.00%	8.00%	8.00%
Downturn	Exchange rate (per US$)	1.449	12.00	188.41	24.50	1,485	24.50	1,484.70	1,484.70	1,484.70	1,484.70	1,485
	Inflation rate	6.14%	65.00%	7.33%	26.87%	8.00%	26.87%	8.00%	8.00%	8.00%	8.00%	8.00%
	Unemployment rate	4.45%	4.70%	5.44%	4.47%	19.30%	4.47%	19.30%	19.30%	19.30%	19.30%	19.30%
	Residential Property Prices	N/A	N/A	N/A	N/A	50,000.00	N/A	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00
	GDP	1.39%	0.50%	4.45%	3.60%	7.20%	3.60%	7.20%	7.20%	7.20%	7.20%	7.20%

4 FINANCIAL RISK MANAGEMENT - CONTINUED

4.2 Credit risk - Continued

(c) Credit Quality

Scenario	Macro-econmic variable	UBA Uganda	UBA Congo Braz-za-ville	UBA Mozambique	UBA Cameroun	UBA Pension Custodian	UBA Mali	UBA Tanzania	UBA Congo DRC	UBA UK Limited	UBA Zambia Limited
Normal	Exchange rate (per US$)	66.04	1.204	8.58	166.00	23.10	1,400	23.10	1,400.00	1,400.00	1,400.00
	Inflation rate	17.30%	3.90%	54.10%	6.60%	29.75%	6.00%	29.75%	6.00%	6.00%	6.00%
	Unemployment rate	8.60%	3.70%	4.50%	4.90%	4.98%	17.00%	4.98%	17.00%	17.00%	17.00%
	Residential Property Prices	N/A	N/A	N/A	N/A	N/A	120,000	N/A	120,000	120,000	120,000.00
	GDP	5.60%	0.50%	0.90%	5.00%	4.74%	6.60%	4.74%	6.60%	6.60%	6.60%
Upturn	Exchange rate (per US$)	65.00	1.071	8.05	147.74	24.10	1,470	24.10	1,470.00	1,470.00	1,470.00
	Inflation rate	17.00%	4.53%	35.20%	5.87%	22.87%	7.20%	22.87%	7.20%	7.20%	7.20%
	Unemployment rate	8.00%	3.29%	4.00%	4.36%	3.70%	18.40%	3.70%	18.40%	18.40%	18.40%
	Residential Property Prices	N/A	N/A	N/A	N/A	N/A	400,000	N/A	400,000	400,000	400,000.00
	GDP	6.20%	1.94%	2.50%	5.55%	4.00%	8.00%	4.00%	8.00%	8.00%	8.00%
Downturn	Exchange rate (per US$)	67.00	1.449	12.00	188.41	24.50	1,485	24.50	1,484.70	1,484.70	1,484.70
	Inflation rate	18.00%	6.14%	65.00%	7.33%	26.87%	8.00%	26.87%	8.00%	8.00%	8.00%
	Unemployment rate	9.80%	4.45%	4.70%	5.44%	4.47%	19.30%	4.47%	19.30%	19.30%	19.30%
	Residential Property Prices	N/A	N/A	N/A	N/A	N/A	50,000.00	N/A	50,000.00	50,000.00	50,000.00
	GDP	5.20%	1.39%	0.50%	4.45%	3.60%	7.20%	3.60%	7.20%	7.20%	7.20%

For the year ended 31 December 2025

4 FINANCIAL RISK MANAGEMENT - CONTINUED

4.2 Credit risk - Continued

(c) Credit Quality

Macro-Economic variable assumptions for corporate customers:

Scenario	Macro-econmic variable	UBA Ghana	UBA Liberia	UBA Cote D' Ivoire	UBA Sene-gal	UBA Kenya	UBA Guinea	UBA Gabon	UBA Benin	UBA Sierra Leone	UBA Burki-na Faso	UBA Chad
Normal	Exchange rate (per US$)	1.204	8.58	166.00	23.10	1,400	23.10	1,400.00	1,400.00	1,400.00	1,400.00	1,400
	Inflation rate	3.90%	54.10%	6.60%	29.75%	6.00%	29.75%	6.00%	6.00%	6.00%	6.00%	6.00%
	Unemployment rate	3.70%	4.50%	4.90%	4.98%	17.00%	4.98%	17.00%	17.00%	17.00%	17.00%	17.00%
	Residential Property Prices	N/A	N/A	N/A	N/A	120,000	N/A	120,000	120,000	120,000	120,000	120,000
	GDP	0.50%	0.90%	5.00%	4.74%	6.60%	4.74%	6.60%	6.60%	6.60%	6.60%	6.60%
Upturn	Exchange rate (per US$)	1.071	8.05	147.74	24.10	1,470	24.10	1,470.00	1,470.00	1,470.00	1,470.00	1,470
	Inflation rate	4.53%	35.20%	5.87%	22.87%	7.20%	22.87%	7.20%	7.20%	7.20%	7.20%	7.20%
	Unemployment rate	3.29%	4.00%	4.36%	3.70%	18.40%	3.70%	18.40%	18.40%	18.40%	18.40%	18.40%
	Residential Property Prices	N/A	N/A	N/A	N/A	400,000	N/A	400,000	400,000	400,000	400,000	400,000
	GDP	1.94%	2.50%	5.55%	4.00%	8.00%	4.00%	8.00%	8.00%	8.00%	8.00%	8.00%
Down-turn	Exchange rate (per US$)	1.449	12.00	188.41	24.50	1,485	24.50	1,484.70	1,484.70	1,484.70	1,484.70	1,485
	Inflation rate	6.14%	65.00%	7.33%	26.87%	8.00%	26.87%	8.00%	8.00%	8.00%	8.00%	8.00%
	Unemployment rate	4.45%	4.70%	5.44%	4.47%	19.30%	4.47%	19.30%	19.30%	19.30%	19.30%	19.30%
	Residential Property Prices	N/A	N/A	N/A	N/A	50,000.00	N/A	50,000.00	50,000.00	50,000.00	50,000.00	50,000
	GDP	1.39%	0.50%	4.45%	3.60%	7.20%	3.60%	7.20%	7.20%	7.20%	7.20%	7.20%

Scenario	Macro-econmic variable	UBA Ugan-da	UBA Congo Braz-za-ville	UBA Mozam-bique	UBA Camer-oun	UBA Pension Custo-dian	UBA Mali	UBA Tanza-nia	UBA Congo DRC	UBA UK Limited	UBA Zambia Limited
Normal	Exchange rate (per US$)	66.04	1.204	8.58	166.00	23.10	1,400	23.10	1,400.00	1,400.00	1,400.00
	Inflation rate	17.30%	3.90%	54.10%	6.60%	29.75%	6.00%	29.75%	6.00%	6.00%	6.00%
	Unemployment rate	8.60%	3.70%	4.50%	4.90%	4.98%	17.00%	4.98%	17.00%	17.00%	17.00%
	Residential Property Prices	N/A	N/A	N/A	N/A	N/A	120,000	N/A	120,000	120,000	120,000.00
	GDP	5.60%	0.50%	0.90%	5.00%	4.74%	6.60%	4.74%	6.60%	6.60%	6.60%
Upturn	Exchange rate (per US$)	65.00	1.071	8.05	147.74	24.10	1,470	24.10	1,470.00	1,470.00	1,470.00
	Inflation rate	17.00%	4.53%	35.20%	5.87%	22.87%	7.20%	22.87%	7.20%	7.20%	7.20%
	Unemployment rate	8.00%	3.29%	4.00%	4.36%	3.70%	18.40%	3.70%	18.40%	18.40%	18.40%
	Residential Property Prices	N/A	N/A	N/A	N/A	N/A	400,000	N/A	400,000	400,000	400,000.00
	GDP	6.20%	1.94%	2.50%	5.55%	4.00%	8.00%	4.00%	8.00%	8.00%	8.00%
Downturn	Exchange rate (per US$)	67.00	1.449	12.00	188.41	24.50	1,485	24.50	1,484.70	1,484.70	1,484.70
	Inflation rate	18.00%	6.14%	65.00%	7.33%	26.87%	8.00%	26.87%	8.00%	8.00%	8.00%
	Unemployment rate	9.80%	4.45%	4.70%	5.44%	4.47%	19.30%	4.47%	19.30%	19.30%	19.30%
	Residential Property Prices	N/A	N/A	N/A	N/A	N/A	50,000	N/A	50,000.00	50,000.00	50,000.00
	GDP	5.20%	1.39%	0.50%	4.45%	3.60%	7.20%	3.60%	7.20%	7.20%	7.20%

4. FINANCIAL RISK MANAGEMENT - CONTINUED

4.2 Credit Quality - Continued

(i) The table below shows the credit quality by class of asset for all financial assets exposed to credit risk.

December 31, 2025	**Group**					**Bank**				
In millions of Nigerian Naira	**Stage 1 - 12-month ECL**	**Stage 2 - Lifetime ECL**	**Stage 3 - Lifetime ECL**	**POCI**	**Total**	**Stage 1 - 12-month ECL**	**Stage 2 - Lifetime ECL**	**Stage 3 - Lifetime ECL**	**POCI**	**Total**
Cash and bank balances:										
- Current balances with banks	2,205,031	-	-	-	2,205,031	1,906,730	-	-	-	1,906,730
- Unrestricted balances with Central Banks	932,920	-	-	-	932,920	21,109	-	-	-	21,109
- Money market placements	1,670,849	-	-	-	1,670,849	858,577	-	-	-	858,577
- Restricted balances with central banks	3,876,770	-	-	-	3,876,770	3,427,729	-	-	-	3,427,729
Assets under management	17,567			-	17,567	17,567			-	17,567
Financial assets at FVTPL:				-					-	
- Treasury bills	16,965	-	-	-	16,965	16,965	-	-	-	16,965
- Government bonds	177,687	-	-	-	177,687	2	-	-	-	2
Derivative assets	1,368	-	-	-	1,368	1,368	-	-	-	1,368
Loans and advances to banks	442,336	-	-	-	442,336	259,227	-	-	-	259,227
Loans and advances to customers										
Individuals										
- Overdrafts	6,678	6,003	67,600	-	80,281	3,476	-	16,013	-	19,489
- Term loans	525,435	7,543	24,771	-	557,749	77,337	-	1,164	-	78,501
Corporates	-					-				
- Overdrafts	644,187	84,170	212,159	-	940,516	160,398	2,631	38,498	-	201,527
- Term loans	5,147,530	539,538	310,864	-	5,997,932	2,738,237	487,255	292,957	-	3,518,449
- Others	-	-	-	-	-	-	-	-	-	-
Investment securities:										
At Amortised Cost										
- Treasury bills	5,915,194	-	-	-	5,915,194	-	-	-	-	-
- Bonds	4,061,544	-	-	-	4,061,544	864,100	-	-	-	864,100
At FVOCI				-					-	
- Treasury bills	2,423,907	-	-	-	2,423,907	2,094,255	-	-	-	2,094,255
- Bonds	1,562,397	-	-	20,494	1,582,891	1,218,418	-	-	20,494	1,238,912
- Promissory notes	18,028	-	-	-	18,028	18,028	-	-	-	18,028
Other assets	1,062,025	-	49,127	-	1,111,152	816,662	-	41,891	-	858,553
Gross financial assets	**30,708,417**	**637,254**	**664,521**	**20,494**	**32,030,686**	**14,500,185**	**489,886**	**390,523**	**20,494**	**15,401,088**
Allowance for impairment on financial assets is as follows:										
Allowance for credit losses										
Loans and advances to customers										
- Individuals	20,490	4,009	24,637	-	49,136	3,020	7	10,780	-	13,807
- Corporates	101,246	77,665	326,035	-	504,946	32,084	65,252	199,232	-	296,569
Loans and advances to banks	4,810	-	-	-	4,810	1,353	-	-	-	1,353
	126,546	**81,674**	**350,672**	**-**	**558,892**	**36,457**	**65,259**	**210,012**	**-**	**311,729**
Allowance for impairment										
Other assets	49,127	-	-	-	49,127	41,891	-	-	-	41,891
Investment securities	66,735	-	-	1,079	67,814	6,661	-	-	1,079	7,740
	115,862	**-**	**-**	**1,079**	**116,941**	**48,552**	**-**	**-**	**1,079**	**49,631**
Total impairment allowance on financial assets	**242,408**	**81,674**	**350,672**	**1,079**	**675,833**	**85,009**	**65,259**	**210,012**	**1,079**	**361,360**
Net amount	**30,466,009**	**555,580**	**313,849**	**19,415**	**31,354,853**	**14,415,176**	**424,627**	**180,511**	**19,415**	**15,039,728**

4. FINANCIAL RISK MANAGEMENT - CONTINUED

4.2 Credit Quality - Continued

December 31, 2024	Group					Bank				
In millions of Nigerian Naira	Stage 1 - 12-month ECL	Stage 2 - Lifetime ECL	Stage 3 - Life-time ECL	POCI	Total	Stage 1 - 12-month ECL	Stage 2 - Life-time ECL	Stage 3 - Life-time ECL	POCI	Total
Cash and bank balances:										
- Current balances with banks	2,553,448	-	-		2,553,448	2,534,636	-	-		2,534,636
- Unrestricted balances with Central Banks	958,127	-	-		958,127	7	-	-		7
- Money market placements	429,582	-	-		429,582	517,520	-	-		517,520
- Restricted balances with central banks	3,929,953	-	-		3,929,953	3,589,646	-	-		3,589,646
Assets under management	15,175				15,175	15,175				15,175
Financial assets at FVTPL:					-					
- Treasury bills	18,016	-	-		18,016	18,016	-	-		18,016
- Government bonds	82,671	-	-		82,671	2	-	-		2
Derivative assets	188,583	-	-		188,583	188,583	-	-		188,583
Loans and advances to banks	570,958	-	-		570,958	294,126	-	-		294,126
Loans and advances to customers					-					-
Individuals					-					-
- Overdrafts	17,855	9,125	50,770	-	77,750	14,989	-	3,163	-	18,152
- Term loans	502,680	12,177	20,830	-	535,687	69,180	68	721	-	69,969
Corporates	-				-	-				-
- Overdrafts	722,633	151,424	247,612	-	1,121,669	225,867	75,128	44,306	-	345,301
- Term loans	4,489,256	926,548	118,414	-	5,534,218	2,832,647	729,351	55,008	-	3,617,006
- Others	6,019	-	-	-	6,019	6,019	-	-	-	6,019
Investment securities:					-					-
At Amortised Cost					-					-
- Treasury bills	4,107,346	-	-	-	4,107,346	-	-	-	-	-
- Bonds	3,550,496	-	-	31,010	3,581,506	467,307	-	-	-	467,307
At FVOCI				-	-				-	-
- Treasury bills	2,767,735	-	-	-	2,767,735	2,107,442	-	-	-	2,107,442
- Bonds	1,633,060	-	-	23,702	1,656,762	1,499,393	-	-	23,702	1,523,095
- Promissory notes	12,196	-	-	-	12,196	10,266	-	-	-	10,266
Other assets	1,150,968	-	47,953	-	1,198,921	938,120	-	44,836	-	982,956
Gross financial assets	**27,706,757**	**1,099,274**	**485,579**	**54,712**	**29,346,322**	**15,328,942**	**804,547**	**148,034**	**23,702**	**16,305,224**
Allowance for impairment on financial assets is as follows:										
Allowance for credit losses										
Loans and advances to customers										
- Individuals	17,464	3,897	19,300	-	40,661	8,177	14	2,610	-	10,801
- Corporates	80,313	22,459	177,366	-	280,138	17,274	14,189	93,650	-	125,113
Loans and advances to banks	14,886	-	-	-	14,886	3,185	-	-	-	3,185
	112,663	**26,356**	**196,666**		**335,685**	**28,636**	**14,203**	**96,260**		**139,099**
Allowance for impairment										
Other assets	47,953	-	-	-	47,953	44,836	-	-	-	44,836
Investment securities	96,453	-	-	-	96,453	4,343	-	-	-	4,343
	144,406	**-**	**-**		**144,406**	**49,179**	**-**	**-**		**49,179**
Total impairment allowance on financial assets	**257,069**	**26,356**	**196,666**	**-**	**480,091**	**77,815**	**14,203**	**96,260**		**188,278**
Net amount	**27,449,688**	**1,072,918**	**288,913**	**54,712**	**28,866,231**	**15,251,127**	**790,344**	**51,774**		**16,116,946**

4. FINANCIAL RISK MANAGEMENT - CONTINUED

4.2 Credit Quality - Continued

(ii) The internal credit rating of financial assets that are classified as Stage 1 at the reporting date is as follows:

Group

December 31, 2025

In millions of Nigerian Naira	Very Low risk	Low risk	Acceptable risk	Moderately High risk	Unrated	Gross Amount	Allowance for credit losses	Carrying amount
Cash and bank balances:								
- Current balances with banks	-	2,205,031	-	-	-	2,205,031	-	2,205,031
- Unrestricted balances with Central Banks	932,920	-	-	-	-	932,920	-	932,920
- Money market placements	-	1,670,849	-	-	-	1,670,849	-	1,670,849
- Restricted balances with central banks	3,876,770	-	-	-	-	3,876,770	-	3,876,770
Assets under management	-	17,567	-	-	-	17,567	-	17,567
Financial assets at FVTPL:								
- Treasury bills	16,965	-	-	-	-	16,965	-	16,965
- Government bonds	177,687	-	-	-	-	177,687	-	177,687
Derivative assets	1,368	-	-	-	-	1,368	-	1,368
Loans and advances to banks	-	27,423	414,913	-	-	442,336	(4,810)	437,526
Loans and advances to customers								
Individuals								
- Overdrafts	-	-	17,855	-	-	6,678	(3,297)	3,381
- Term loans	-	-	502,680	-	-	525,435	(17,193)	508,242
Corporates						-		
- Overdrafts	5,077	681	638,429	-	-	644,187	(6,106)	638,081
- Term loans	55,928	364,733	4,726,869	-	-	5,147,530	(95,140)	5,052,389
- Others	-	-	-	-	-	-	-	-
Investment securities:								
At Amortised Cost								
- Treasury bills	5,915,194	-	-	-	-	5,915,194	-	5,915,194
- Bonds	4,010,081	30,969	-	20,494	-	4,061,544	(67,691)	3,993,853
At FVOCI								
- Treasury bills	2,423,907	-	-	-	-	2,423,907	-	2,423,907
- Bonds	1,562,397	-	-	-	-	1,562,397	-	1,562,397
-Promissory notes	18,028	-	-	-	-	18,028		18,028
Other assets	-	-	-	-	1,062,025	1,062,025	(49,127)	1,012,898
	18,996,322	**4,317,253**	**6,300,746**	**20,494**	**1,062,025**	**30,708,417**	**(243,364)**	**30,465,052**

4. FINANCIAL RISK MANAGEMENT - CONTINUED

4.2 Credit Quality - Continued

(ii) The internal credit rating of financial assets that are classified as Stage 1 at the reporting date is as follows:

Group

December 31, 2024

In millions of Nigerian Naira	Very Low risk	Low risk	Acceptable risk	Moderately High risk	Unrated	Gross Amount	Allowance for credit losses	Carrying amount
Cash and bank balances:								
- Current balances with banks	-	2,553,448	-	-	-	2,553,448	-	2,553,448
- Unrestricted balances with Central Banks	958,127	-	-	-	-	958,127	-	958,127
- Money market placements	-	429,582	-	-	-	429,582	-	429,582
- Restricted balances with central banks	3,929,953	-	-	-	-	3,929,953	-	3,929,953
Assets under management	-	15,175	-	-	-	15,175	-	15,175
Financial assets at FVTPL:								
- Treasury bills	18,016	-	-	-	-	18,016	-	18,016
- Government bonds	82,671	-	-	-	-	82,671	-	82,671
Derivative assets	188,583	-	-	-	-	188,583	-	188,583
Loans and advances to banks	-	27,423	543,535	-	-	570,958	(14,886)	556,072
Loans and advances to customers								
Individuals								
- Overdrafts	-	-	17,855	-	-	17,855	(2,167)	15,688
- Term loans	-	-	502,680	-	-	502,680	(15,297)	487,383
Corporates						-		
- Overdrafts	12,358	107,589	602,686	-	-	722,633	(4,403)	718,230
- Term loans	294,732	385,139	3,809,385	-	-	4,489,256	(75,812)	4,413,444
- Others	-	-	6,019	-	-	6,019	(98)	5,921
Investment securities:								
At Amortised Cost								
- Treasury bills	4,107,346	-	-	-	-	4,107,346	-	4,107,346
- Bonds	3,581,506	30,969	-	54,712	-	3,550,496	(96,453)	3,454,043
At FVOCI								
- Treasury bills	2,767,735	-	-	-	-	2,767,735	-	2,767,735
- Bonds	1,633,060	-	-	-	-	1,633,060	-	1,633,060
-Promissory notes	12,196	-	-	-	-	12,196		12,196
Other assets	-	-	-	-	1,150,968	1,150,968	(47,953)	1,103,015
								-
	17,586,283	**3,549,325**	**5,482,160**	**54,712**	**1,150,968**	**27,706,757**	**(257,069)**	**27,449,687**

4. FINANCIAL RISK MANAGEMENT - CONTINUED

4.2 Credit Quality - Continued

Bank

December 31, 2025

In millions of Nigerian Naira	Very Low risk	Low risk	Accept-able risk	Mod-erately High risk	Unrated	Gross Amount	Allowance for credit losses	Carrying amount
Cash and bank balances:								
- Current balances with banks	-	1,906,730	-	-	-	1,906,730	-	1,906,730
- Unrestricted balances with Central Banks	21,109	-	-	-	-	21,109	-	21,109
- Money market placements	-	858,577	-	-	-	858,577	-	858,577
- Restricted balances with central banks	3,427,729	-	-	-	-	3,427,729	-	3,427,729
Assets under management	-	17,567	-	-	-	17,567	-	17,567
Financial assets at FVTPL:								-
- Treasury bills	16,965	-	-	-	-	16,965	-	16,965
- Government bonds	2	-	-	-	-	2	-	2
Derivative assets	1,368	-	-	-	-	1,368	-	1,368
Loans and advances to banks	-	80,189	179,038	-	-	259,227	(1,353)	257,874
Loans and advances to customers								
Individuals								
- Overdrafts	-	-	3,476	-	-	3,476	(217)	3,259
- Term loans	-	-	77,337	-	-	77,337	(2,803)	74,534
Corporates								-
- Overdrafts	5,077	681	154,640	-	-	160,398	(697)	159,701
- Term loans	55,928	364,733	2,317,576	-	-	2,738,237	(31,387)	2,706,850
- Others	-	-	-	-	-	-	-	-
Investment securities:								-
At Amortised Cost								-
- Treasury bills	-	-	-	-	-	-	-	-
- Bonds	833,131	30,969	-	-	-	864,100	(7,617)	856,483
At FVOCI								-
- Treasury bills	2,094,255	-	-	-	-	2,094,255	-	2,094,255
- Bonds	1,197,924	-	-	20,494	-	1,218,418	-	1,218,418
- Promissory notes	18,028	-	-	-	-	18,028	-	18,028
Other assets	-	-	-	-	816,662	816,662	(41,891)	774,771
	7,671,516	**3,259,446**	**2,732,067**	**20,494**	**816,662**	**14,500,185**	**(85,965)**	**14,414,220**

For the year ended 31 December 2025

4. FINANCIAL RISK MANAGEMENT - CONTINUED

4.2 Credit Quality - Continued

Bank

December 31, 2024

In millions of Nigerian Naira	Very Low risk	Low risk	Acceptable risk	Moderately High risk	Unrated	Gross Amount	Allowance for credit losses	Carrying amount
Cash and bank balances:								
- Current balances with banks	-	2,534,636	-	-	-	2,534,636	-	2,534,636
- Unrestricted balances with Central Banks	7	-	-	-	-	7	-	7
- Money market placements	-	517,520	-	-	-	517,520	-	517,520
- Restricted balances with central banks	3,589,646	-	-	-	-	3,589,646	-	3,589,646
Assets under management	-	15,175	-	-	-	15,175	-	15,175
Financial assets at FVTPL:								
- Treasury bills	18,016	-	-	-	-	18,016	-	18,016
- Government bonds	2	-	-	-	-	2	-	2
Derivative assets	188,583	-	-	-	-	188,583	-	188,583
Loans and advances to banks	-	15,665	278,461	-	-	294,126	(3,185)	290,941
Loans and advances to customers								
Individuals								
- Overdrafts	-	-	14,989	-	-	14,989	(104)	14,885
- Term loans	-	-	69,180	-	-	69,180	(8,073)	61,107
Corporates								
- Overdrafts	4,481	17,605	203,781	-	-	225,867	(1,022)	224,845
- Term loans	202,820	275,681	2,354,146	-	-	2,832,647	(16,154)	2,816,493
- Others	-	-	6,019	-	-	6,019	(98)	5,921
Investment securities:								
At Amortised Cost								
- Treasury bills	-	-	-	-	-	-	-	-
- Bonds	436,338	30,969	-	-	-	467,307	(4,343)	462,964
At FVOCI								
- Treasury bills	2,107,442	-	-	-	-	2,107,442	-	2,107,442
- Bonds	1,475,691	-	-	23,702	-	1,499,393	-	1,499,393
- Promissory notes	10,266	-	-	-	-	10,266	-	10,266
Other assets								-
	8,033,292	**3,407,251**	**2,926,576**	**23,702**	**938,120**	**15,328,942**	**(77,815)**	**15,251,126**

4. FINANCIAL RISK MANAGEMENT - CONTINUED

4.2 Credit Quality - Continued

(d) Statement of Prudential Adjustments

Provisions under prudential guidelines are determined using the time based provisioning prescribed by the Revised Central Bank of Nigeria (CBN) Prudential Guidelines and the Central Banks of the foreign subsidiaries' regulations. This is at variance with the expected credit loss model required by IFRS under IFRS 9. As a result of the differences in the methodology/provision, there will be variances in the impairments allowances required under the two methodologies.

Paragraph 12.4 of the revised Prudential Guidelines for Deposit Money Banks in Nigeria stipulates that Banks would be required to make provisions for loans as prescribed in the relevant IFRS Standards when IFRS is adopted.

However, Banks would be required to comply with the following:

Provisions for loans recognized in the profit and loss account should be determined based on the requirements of IFRS. However, the IFRS provision should be compared with provisions determined under prudential guidelines and the expected impact/changes in general reserves should be treated as follows:

- Prudential Provisions is greater than IFRS provisions; the excess provision resulting therefrom should be transferred from the general reserve account to a "regulatory risk reserve".
- Prudential Provisions is less than IFRS provisions; IFRS determined provision is charged to the statement of comprehensive income. The cumulative balance in the regulatory risk reserve is thereafter reversed to the general reserve account.

As at 31 December 2025, the difference between the Prudential provision and IFRS impairment was N201.58 billion for the Group (December 2024: N18.146 billion) and N245.68 billion for the Bank (December 2024: N241.56 billion). As the IFRS impairment is less than the prudential provision, a transfer of additional N183,431 is required from retained earnings to regulatory credit risk reserve at the Group and a transfer of N4.115billion was made to regulatory credit risk reserve from retained earnings at the Bank, as disclosed in the statement of changes in equity. These amounts represent the difference between provisions for credit and other known losses as determined under the prudential guidelines issued by the Central Bank of Nigeria (CBN) and the Central Banks of foreign subsidiaries, and impairment reserve as determined in line with IFRS 9 as at year end.

	Group		Bank	
In millions of Nigerian Naira	**Dec. 2025**	**Dec. 2024**	**Dec. 2025**	**Dec. 2024**
Total impairment based on IFRS	676,526	483,311	366,286	191,499
Total impairment based on Prudential Guidelines	878,103	432,038	611,961	433,059
Regulatory credit risk reserve (required)	(201,577)	51,273	(245,675)	(241,560)
Regulatory credit risk reserve (opening)	(18,146)	(18,146)	(241,560)	(164,346)
Transfer (to)/from regulatory risk reserve	**(183,431)**	**-**	**(4,115)**	**(77,214)**

4 FINANCIAL RISK MANAGEMENT - CONTINUED

4.2 Credit risk - Continued

(e) Credit Collateral

The Group holds collateral against loans and advances to customers in the form of mortgage interests over property, other registered securities over assets, and guarantees. Estimates of fair value are based on the value of collateral assessed at the time of borrowing and updated periodically. Collateral generally is not held over loans and advances to banks except when securities are held as part of reverse repurchase and securities borrowing activity. Collateral is usually also not held against investment securities.

Irrespective of how well a credit proposal is structured, a second way out in form of adequate collateral coverage for all loans is a major requirement in order to protect the bank from incurring loan losses due to unforeseen events resulting from deterioration of the quality of a loan.

Consequently, the Group issues appropriate guidelines for acceptability of loan collateral from time to time, and during the period, there were no changes in the Group's collateral policies that would warrant any change in collateral quality. These articulate acceptable collateral in respect of each credit product including description, required documentation for perfection of collateral and minimum realizable value.

All items pledged as security for loan facilities are insured with the Bank noted as the first loss payee.

Some of the collaterals acceptable to the Bank under appropriate documentations are briefly described as follows:

1. Cash

Cash is the most liquid and readily realizable form of security and the most acceptable to the Bank. Furthermore, cash pledged must be in the same currency as the credit and also in the possession of the Bank either in savings or a deposit account.

2. Treasury bills/certificates

Treasury bills/certificates are acceptable as bank security provided the instruments are purchased through the Bank and have been properly assigned to the bank. Since payments are channelled through the Bank on due dates, realization of the security is relatively easy.

3. Stock and shares

Stocks and shares of reputable quoted companies are acceptable collateral securities. Unquoted shares are usually not acceptable as collaterals.

4. Legal Mortgage

The Bank takes and perfects its interest in acceptable property that are transferred by the obligor as collateral for loan, such that in case of any default by the obligor, the Bank would not require a court order before realizing the security. Location restrictions are however specified in respect of landed property.

5. Debenture

The Bank accepts to take a charge on both current and non-current assets of a borrower by a debenture which is a written acknowledgement of indebtedness by a company usually given under its seal and also sets out the terms for repayment of interest and principal of the credit. A debenture is executed by an obligor in favour of the Bank and it gives a specific or general charge on the company's assets, both present and future.

6. Life Insurance Policies

Generally, life policy with a reputable insurance company approved by the Bank and free of restrictions adverse to the Bank's interest is an acceptable security for loan. This could be an endowment policy or whole life policy though the Bank prefers the endowment policy.

7. Guarantees

The Bank accepts guarantees from well rated banks as well as acceptable parties (guarantors) as additional comfort and security for loans. A guarantee is a written promise by one person called the guarantor or surety to be answerable for the debt, default or miscarriage of another person called principal debtor.

UBA also accepts unconditional insurance credit and performance bonds of first class insurance companies and also the guarantee of the Federal and State Governments. Other guarantees must however be supported by tangible assets for them to become valid for lending.

4. FINANCIAL RISK MANAGEMENT - CONTINUED

4.2 Credit risk - Continued

(e) Credit Collateral - Continued

An estimate of the fair value of collateral and other security enhancements held against loans and advances to customers is shown below:

	Group		Bank	
In millions of Nigerian Naira	Dec. 2025	Dec. 2024	Dec. 2025	Dec. 2024
Loans to individuals				
Against Stage 3 loans				
Property	-	-	-	-
Others	113,089	80,519	17,163	4,371
	113,089	80,519	17,163	4,371
Against Stage 2 loans				
Property	-	-	-	-
Others	27,653	23,430	-	12
	27,653	23,430	-	12
Against Stage 1 loans				
Property	9,620	2,472	9,620	2,018
Others	558,485	558,485	65,573	90,412
	568,105	560,957	75,193	92,430
Total for loans to individuals	**708,847**	**664,906**	**92,356**	**96,813**
Loans to corporates				
Against Stage 3 loans				
Property	369,081	351,656	106,475	73,176
Others	230,528	243,452	34,444	39,958
	599,609	**595,108**	**140,919**	**113,134**
Against Stage 2 loans				
Property	601,314	525,640	3,582	177,155
Others	1,165,110	1,241,079	725,144	923,161
	1,766,424	**1,766,719**	**728,726**	**1,100,316**
Against Stage 1 loans				
Property	1,682,549	1,463,271	1,153,667	802,185
Others	3,573,037	3,581,328	2,579,313	2,491,537
	5,255,586	5,044,599	3,732,980	3,293,722
Total for loans to corporates	**7,621,619**	**7,406,426**	**4,602,625**	**4,507,172**
Total for loans and advances to customers	**8,330,466**	**8,071,332**	**4,694,981**	**4,603,985**

Details of collateral held against loans and advances and off-balance sheet exposures and their carrying amounts are shown below. The Group manages collaterals for loans and advances based on the nature of those collaterals.

	Group		Bank	
December 31, 2025	Total	Value of	Total	Value of
In millions of Nigerian Naira	Exposure	Collateral	Exposure	Collateral
Loans and advances to banks				
Secured against other collateral*	374,415	279,448	194,763	243,316
Unsecured	63,111	-	63,111	-
	437,526	**279,448**	**257,874**	**243,316**
Loans and advances to customers				
Secured against real estate	2,335,896	2,911,774	1,096,421	1,173,345
Secured against cash	164,319	425,317	66,989	320,653
Secured against other collateral*	4,506,476	5,503,987	2,329,554	3,144,630
Unsecured	15,703	-	14,625	-
	7,022,394	**8,841,078**	**3,507,589**	**4,638,629**

* Other collateral are mainly domiciliation of payments (sales, invoices, salaries, allowances and terminal benefits), lien on shipping documents, corporate guarantees and similar collaterals.

4. FINANCIAL RISK MANAGEMENT - CONTINUED

4.2 Credit risk - Continued

(e) Credit Collateral - Continued

	Group		Bank	
December 31, 2025	**Total Exposure**	**Value of Collateral**	**Total Exposure**	**Value of Collateral**
In millions of Nigerian Naira				
Off-balance sheet exposures				
Secured against real estate	12,993	28,884	12,993	28,884
Secured against cash	263,316	291,502	240,984	268,312
Secured against other collateral*	1,366,336	1,459,042	915,650	1,019,728
	1,668,254	**1,779,428**	**1,234,818**	**1,316,924**
31 December 2024				
Loans and advances to banks				
Secured against other collateral*	493,266	602,977	188,583	244,135
Unsecured	62,806	-	102,358	-
	556,072	**602,977**	**290,941**	**244,135**
Loans and advances to customers				
Secured against real estate	1,450,062	2,343,039	629,183	1,054,534
Secured against cash	376,354	401,014	139,008	142,150
Secured against other collateral*	5,016,342	5,327,279	3,040,555	3,407,301
Unsecured	111,787	-	111,787	-
	6,954,545	**8,071,332**	**3,920,533**	**4,603,985**
Off-balance sheet exposures				
Secured against real estate	105,176	124,430	35,293	43,019
Secured against cash	458,004	470,681	246,263	255,703
Secured against other collateral*	1,357,757	1,535,831	636,190	680,125
	1,917,753	**2,130,942**	**993,858**	**978,847**

* Other collateral are mainly domiciliation of payments (sales, invoices, salaries, allowances and terminal benefits), lien on shipping documents, corporate guarantees and similar collaterals.

Other financial assets comprising cash and bank balances (including balances with central banks), financial assets held for trading, investment securities and accounts receivable are not secured. The Group's investment in government securities and its cash and balances with central banks are not considered to require collaterals given their sovereign nature.

(f) Repossessed collateral

The reposessed collateral in the Group's books have been recognized as assets classified as held for sale in line with IFRS 5. See note 34. These assets were held as collateral against certain loans and have been used in offsetting the affected customers' outstanding obligations.

Details of collaterals realised during the year is as shown below:

	Loans and advances to customers			
	Group		Bank	
In millions of Nigerian Naira	**Dec. 2025**	**Dec. 2024**	**Dec. 2025**	**Dec. 2024**
Property	9,800	12,457	266	680
	9,800	**12,457**	**266**	**680**

4. FINANCIAL RISK MANAGEMENT - CONTINUED

4.3 Liquidity risk

(a) Overview

Liquidity risk arises in the general funding of the Group's activities and in the management of position. Liquidity risk is the risk that the Group does not have sufficient financial resources to meet maturing obligations or can only access these financial resources at excessive cost. Liquidity risk includes both the risk of being unable to fund assets at appropriate maturities and rates and the risk of being unable to liquidate an asset at a reasonable price and in an appropriate time frame. To limit this risk, management has arranged for diversified funding sources in addition to its core deposit base, and adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a daily basis. The Group remains well funded with strong liquidity position.

(i) Liquidity Risk Management

In terms of measuring, managing and mitigating liquidity mismatches, UBA Group focuses on two types of liquidity risk, namely funding liquidity risk and market liquidity risk. Funding liquidity risk is the risk that UBA Group is unable to meet its payment obligations as they fall due. These payment obligations could emanate from depositor withdrawals or the inability to roll over maturing debt or meet contractual commitments to lend. Market liquidity risk is the risk that the group will be unable to sell assets without incurring an unacceptable loss, in order to generate cash required to meet payment obligations under a stress liquidity event. The Group manages its liquidity prudently in all geographical locations and for all currencies. The principal uncertainties for liquidity risk are that customers withdraw their deposits at a substantially faster rate than expected, or that asset repayments are not received on the expected maturity date. To mitigate these uncertainties, our funding base is diverse and largely customer-driven, while customer assets are of short tenor. In addition we have contingency funding plans including a portfolio of liquid assets that can be realised if a liquidity stress occurs, as well as ready access to wholesale funds under normal market conditions. We have significant levels of marketable securities, including government securities that can be monetised or pledged as collateral in the event of a liquidity stress.

Contingency funding plans are reviewed and approved annually. They provide a broad set of Early Warning Indicators, an escalation framework and a set of management actions that could be effectively implemented by the appropriate level of senior management in the event of a liquidity stress. A similar plan is maintained within each country.

(ii) Liquidity Risk Governance

The board of directors retains ultimate responsibility for the effective management of liquidity risk. Through the Group Risk Management Committee (GRMC), the board has delegated its responsibility for the management of liquidity risk to the Group Assets & Liability Committee (GALCO). GALCO is the responsible governing management body that monitors liquidity management metrics. Liquidity in each country is managed by the country ALCO within pre-defined liquidity limits and in compliance with Group liquidity policies and practices, as well as local regulatory requirements. Group Market Risk management and Group Treasury are responsible for proactively managing liquidity risk at an operational, tactical and strategic level.

(iii) Liquidity Risk Measurement

There are two measures used across the Group for managing liquidity risk namely: liquidity ratio mechanism which is a statutory requirement from most Central Banks in order to protect third party deposits, and funding gap analysis of assets and liabilities. The funding gap analysis is applied through the use of a maturity ladder by assessing all the bank's cash inflows against outflows to identify the potential for net shortfalls or net funding requirements (i.e. a cumulative net excess or deficit of funds) at selected maturity dates. The maturity ladder is monitored on a day -to-day basis and stress testing is undertaken on a quarterly basis by applying different scenarios to the maturity ladder and assessing the bank's funding requirements under each scenario. All UBA businesses and subsidiaries also construct their maturity ladder and compile reports based on agreed assumptions which is consolidated into a global report for Group ALCO review. The country treasurer for each subsidiary/Group Head Balance Sheet Management also documents the appropriate actions and includes the same into the Contingency Funding Plan (CFP) for implementation.

Liquidity stress testing is also performed for each of UBA Group's major entities and operating subsidiaries. Stress testing and scenario analyses are intended to quantify the potential impact of a liquidity event on the balance sheet and liquidity position, and to identify viable funding alternatives that can be utilized. These scenarios include assumptions about significant changes in key funding sources, market triggers (such as credit ratings), potential uses of funding and political and economic conditions in certain countries. These conditions include expected and stressed market conditions as well as Company-specific events.

(b) Liquidity ratios

The key measure used by the Group for managing liquidity risk is the ratio of net liquid assets to deposits from customers. For this purpose, net liquid assets are considered as including cash and cash equivalents and investment grade debt securities for which there is an active and liquid market less any deposits from banks, debt securities issued, other borrowings and commitment maturing within one month.

The liquidity position of the Group remained strong in the course of the period and materially above the minimum liquidity ratio requirement of 30% prescribed by the Central Bank of Nigeria. Details of the Bank's ratio of net liquid assets to deposits and customers at the reporting date and during the reporting period were as follows:

	Bank	Bank
	Dec. 2025	Dec. 2024
At year end	39.34%	39.08%
Average for the year	37.62%	45.65%
Maximum for the year	45.23%	65.03%
Minimum for the year	30.80%	32.17%

(c) Analysis of financial assets and liabilities by remaining contractual maturities

The tables below show the undiscounted cash flow on the Group's financial liabilities and on the basis of the earliest possible contractual maturity. The Gross nominal inflow/outflow disclosed in the table is the contractual, undiscounted cash flows on the financial liabilities or commitments, except for derivatives assets and liabilities which are stated at their fair values.

The Group's expected cash flows on some financial assets and financial liabilities vary significantly from the contractual cash flows. Demand and savings deposits are expected to remain stable or increase, while unrecognised loan commitments are not expected to be drawn down immediately.

4. FINANCIAL RISK MANAGEMENT - CONTINUED

4.3 Liquidity risk - Continued

Maturity analysis for financial liabilities

Group

December 31, 2025

In millions of Nigerian Naira	Note	Carrying amount	Gross nominal amount	Less than 1 month	1 - 3 Months	3 - 6 Months	6 - 12 Months	More than 1 year
Non-derivative financial liabilities								
Deposits from banks		3,259,133	3,360,282	1,703,449	241,052	1,415,781	-	-
Deposits from customers								
Retail Customers:								
Term deposits		532,474	562,361	275,392	152,045	45,452	89,471	1
Current deposits		3,330,497	3,352,446	524,126	524,953	258,653	546,824	1,497,891
Savings deposits		5,911,595	6,068,329	698,848	783,208	418,053	1,138,407	3,029,813
Corporate Customers:								
Term deposits		2,737,714	2,906,189	1,802,085	906,845	165,624	31,629	6
Current deposits		11,436,627	11,568,949	1,376,653	1,471,246	3,446,681	2,205,759	3,068,610
Other financial liabilities		582,192	587,192	89,628	77,429	68,937	164,522	186,676
Borrowings		923,656	1,090,666	-	-	216,990	134,603	739,072
Total financial liabilities		**28,713,889**	**29,496,415**	**6,470,182**	**4,156,779**	**6,036,171**	**4,311,215**	**8,522,069**
Derivative liabilities:								
Cross Currency Swap		124,227	1,214,369	12,298	805,756	-	-	-
Contingents and loan commitments								
Performance bonds and guarantees		1,251,147	1,233,183	224,309	230,546	135,530	208,386	434,412
Letters of credit		265,322	266,943	28,608	170,269	39,144	28,922	-
Loan commitments		151,785	151,785	-	-	-	-	151,785
Assets used to manage liquidity								
Cash and bank balances		8,952,012	8,952,013	2,827,858	2,178,611			3,945,544
Assets under management		17,567	17,567	-	-	15,446	2,121	-
Financial assets at FVTPL								
Treasury bills		16,965	19,274	3,818	5,794	5,121	4,540	-
Bonds		177,687	204,366	-	-	-		204,366
Loans and advances to banks		437,526	477,005	87,146	71,538	296,343	21,979	
Loans and advances to customers								
Individual								
Term loans		523,379	557,749	15,553	29,930	45,690	100,339	366,237
Overdrafts		65,515	80,281	74,006	2,168	1,238	2,869	-
Corporates								
Term loans		5,641,419	5,997,932	246,057	871,196	807,347	972,334	3,100,998
Overdrafts		792,083	940,516	470,263	55,800	161,048	253,405	-
Others		-	-	-	-	-	-	-
Investment securities								
At FVOCI								
Treasury bills		2,423,907	2,633,265	10,150	170,310	297,241	2,155,564	-
Bonds		1,582,891	1,763,026	-	134,901	169,178	404,857	1,054,090
Promissory notes		18,028	19,623	4	202	6,235	13,183	-
At amortised cost								
Treasury bills		5,915,194	6,251,349	376	20,879	870,938	5,359,156	-
Bonds		4,061,544	4,181,615	-	313,443	371,433	897,290	2,599,448
Other assets		1,111,152	1,111,152	801,309	35,189	195,644	56,818	22,192
Derivative assets		1,368	1,143,962	-	457,585	686,377	-	-
Total financial assets		**31,738,237**	**34,350,695**	**4,536,539**	**4,347,546**	**3,929,280**	**10,244,455**	**11,292,875**
Gap		**1,231,867**	**1,988,000**	**(2,198,858)**	**(1,015,804)**	**(2,281,565)**	**5,695,932**	**2,184,609**

4. FINANCIAL RISK MANAGEMENT - CONTINUED

4.3 Liquidity risk - Continued

Maturity analysis for financial liabilities

Bank

December 31, 2025

In millions of Nigerian Naira	Notes	Carrying amount	Gross nominal amount	Less than 1 month	1 - 3 Months	3 - 6 Months	6 - 12 Months	More than 1 year
Non-derivative liabilities								
Deposits from banks		756,602	831,635	524,897	66,647	240,091	-	-
Deposits from customers								
Retail Customers:								
Term deposits		22,394	23,323	15,236	4,749	3,338	-	-
Current deposits		792,464	799,360	99,683	99,366	44,413	143,779	412,119
Savings deposits		3,949,417	4,059,794	497,617	502,959	224,807	727,767	2,106,644
Corporate Customers:								
Term deposits		1,444,533	1,509,438	781,721	501,606	225,976	136	-
Current deposits		5,704,320	5,746,637	720,085	717,795	320,833	1,038,627	2,949,297
Other financial liabilities		465,814	466,264	216,597	110,527	22,480	79,345	37,314
Borrowings		912,133	960,235				471,694	488,541
Total financial liabilities		14,047,677	14,396,686	2,855,836	2,003,649	1,081,938	2,461,349	5,993,916
Derivative liabilities								
Cross Currency Swap		124,227	554,071	12,298	541,773	-	-	-
Contingents and loan commitments								
Performance bonds and guarantees		937,213	912,721	19,386	295,410	71,404	146,123	380,398
Letters of credit		203,417	204,269	5,235	154,364	21,859	22,811	-
Loan commitments		94,188	94,188	-	-	-	-	94,188
Assets used to manage liquidity								
Cash and bank balances		6,254,780	6,254,780	206,688	131,156	2,496,791	-	3,420,145
Assets under management		17,567	17,567	-	-	15,446	2,121	-
Financial assets at FVTPL								
Treasury bills		16,965	17,774	1,818	5,794	5,621	4,540	-
Bonds		2	3	-	-			3
Loans and advances to banks		257,874	289,217	175,047	9,337	104,833	-	-
Loans and advances to customers								
Individual :								
Term loans		73,751	78,501	3,566	6,385	8,970	21,757	37,823
Overdrafts		10,432	19,489	14,926	2,031	737	1,795	-
Corporates :								
Term loans		3,255,645	3,518,449	144,559	392,499	496,697	583,632	1,901,062
Overdrafts		167,762	201,527	92,966	16,022	23,886	68,653	-
Others		-	-	-	-	-	-	-
Investment securities								
At FVOCI								
Treasury bills		2,094,255	2,222,039	343,013	1,605,713	85,390	187,923	-
Bonds		1,238,912	1,386,402	116,301	194,340	134,548	121,160	820,053
Promissory notes		18,028	19,623	4	202	6,235	13,183	-
At amortised cost								
Treasury bills		-	-	-	-	-	-	-
Bonds		864,100	979,186	80,389	134,332	93,002	104,626	566,836
Other assets		858,553	842,095	69,134	115,525	79,981	89,978	487,476
Derivative asset		1,368	1,143,962	-	457,585	686,377	-	-
Total financial assets		**15,129,994**	**16,990,613**	**1,248,411**	**3,070,921**	**4,238,514**	**1,199,369**	**7,233,399**
Gap		**(276,728)**	**828,678**	**(1,644,344)**	**75,724**	**3,063,313**	**(1,430,914)**	**764,897**

4. FINANCIAL RISK MANAGEMENT - CONTINUED

4.3 Liquidity risk - Continued)

Maturity analysis for financial liabilities - Continued

December 31, 2024
Group

In millions of Nigerian Naira	Note	Carrying amount	Gross nominal amount	Less than 1 month	1 - 3 Months	3 - 6 Months	6 - 12 Months	More than 1 year
Non-derivative financial liabilities								
Deposits from banks		2,756,472	3,702,989	3,164,972	538,017	-	-	-
Deposits from customers								
Retail Customers:								
Term deposits		709,277	1,005,422	386,954	99,980	20,163	498,325	-
Current deposits		2,759,385	3,202,870	645,051	274,124	122,525	996,650	1,164,520
Savings deposits		5,024,553	5,520,288	983,515	1,100,203	491,758	1,591,961	1,352,852
Corporate Customers:								
Term deposits		1,804,983	2,030,227	1,548,905	400,203	80,707	-	412
Current deposits		11,596,490	12,625,431	1,404,472	1,571,104	702,236	2,273,340	6,674,279
Other financial liabilities		995,565	1,011,878	199,630	317,157	87,837	119,778	287,476
Borrowings		1,394,796	1,542,667	-	410,831	171,179	340,579	620,078
Total financial liabilities		**27,041,522**	**30,641,772**	**8,333,499**	**4,711,619**	**1,676,406**	**5,820,633**	**10,099,617**
Derivative liabilities:								
Cross Currency Swap		33,849	554,071	12,298	541,773	-	-	-
Contingents and loan commitments								
Performance bonds and guarantees		1,631,992	1,634,775	172,297	84,206	218,917	157,436	1,001,919
Letters of credit		262,050	262,451	88,196	67,942	-	59,056	47,257
Loan commitments		23,711	23,711	23,711	-	-	-	-
Assets used to manage liquidity								
Cash and bank balances		8,163,668	8,164,001	1,703,016	2,515,441			3,945,544
Assets under management		15,175	15,175	-	-	13,054	2,121	-
Financial assets at FVTPL								
Treasury bills		18,016	18,842	18,842	-	-	-	-
Bonds		82,671	92,276	-	92,276	-		
Loans and advances to banks		556,072	570,958	67,319	50,896	55,794	155,217	241,732
Loans and advances to customers								
Individual								
Term loans		505,573	535,687	22,552	37,594	40,235	78,168	357,138
Overdrafts		67,203	77,750	73,448	3,934	367	-	-
Corporates								
Term loans		5,367,529	5,534,218	401,456	437,809	612,002	716,651	3,366,300
Overdrafts		1,008,319	1,121,669	880,938	126,075	114,656	-	-
Others		5,921	6,019	6,019	-	-	-	-
Investment securities								
At FVOCI								
Treasury bills		2,767,735	2,951,710	204,740	520,241	994,423	1,232,306	-
Bonds		1,656,762	1,748,016	85,495	307,187	431,082	68,000	856,252
Promissory notes		12,196	12,394		12,394			
At amortised cost								
Treasury bills		4,092,878	4,297,522	313,793	797,343	1,524,093	1,662,293	-
Bonds								
Other assets		1,150,968	1,344,967	268,993	201,745	215,195	121,047	537,987
Derivative assets		188,583	1,643,962	-	657,585	986,377	-	-
Total financial assets		**29,158,790**	**32,026,547**	**4,236,936**	**6,444,369**	**5,946,941**	**4,187,184**	**11,211,117**
Gap		**165,666**	**(1,090,234)**	**(4,393,065)**	**1,038,829**	**4,051,618**	**(1,849,941)**	**62,324**

4. FINANCIAL RISK MANAGEMENT - CONTINUED

4.3 Liquidity risk - Continued

Maturity analysis for financial liabilities - Continued

December 31, 2024
Bank

In millions of Nigerian Naira	Note	Carrying amount	Gross nominal amount	Less than 1 month	1 - 3 Months	3 - 6 Months	6 - 12 Months	More than 1 year
Non-derivative financial liabilities								
Deposits from banks		1,643,031	1,909,024	1,676,577	232,447	-	-	-
Deposits from customers								
Retail Customers:								
Term deposits		25,487	30,147	19,189	4,958	6,000	-	-
Current deposits		1,035,023	1,135,023	415,138	128,798	57,569	186,367	347,152
Savings deposits		3,409,173	3,509,173	1,007,391	679,454	303,695	983,150	535,483
Corporate Customers:								
Term deposits		835,824	895,461	683,167	176,515	35,597	-	182
Current deposits		6,529,168	6,681,025	743,207	831,384	371,604	1,202,988	3,531,842
Other financial liabilities		1,110,939	1,112,986	201,858	336,266	108,633	175,982	290,247
Borrowings		1,223,973	1,404,229	63,453	317,266	158,633	290,248	574,629
Total financial liabilities		**15,812,618**	**16,677,068**	**4,809,979**	**2,707,088**	**1,041,731**	**2,838,735**	**5,279,535**
Derivative liabilities								
Cross Currency Swap		33,849	554,071	12,298	541,773	-	-	-
Contingents and loan commitments								
Performance bonds and guarantees		873,231	874,168	20,313	34,230	68,684	94,925	656,017
Letters of credit		105,621	106,022	106,022				
Loan commitments		15,006	15,006	-	15,006	-	-	-
Assets used to manage liquidity								
Cash and bank balances		6,732,741	7,231,646	999,228	2,641,022			3,591,396
Assets under management		15,175	15,175	-	-	13,054	2,121	-
Financial assets at FVTPL								
Treasury bills		18,016	19,698	19,698	-	-	-	-
Bonds		2	2	-	2			
Loans and advances to banks		290,941	294,126	37,319	30,896	35,794	35,217	154,900
Loans and advances to customers								
Individual :								
Term loans		61,435	69,969	9,293	6,056	6,399	11,817	36,404
Overdrafts		15,885	18,152	13,095	3,788	61	1,208	-
Corporates :								
Term loans		3,537,613	3,617,006	365,290	247,304	462,761	451,939	2,089,713
Overdrafts		299,679	345,301	215,557	20,725	9,724	99,295	-
Others		5,921	6,019	6,019	-	-	-	-
Investment securities								
At FVOCI								
Treasury bills		2,107,442	2,247,526	155,896	396,128	757,185	938,317	-
Bonds		1,523,095	1,606,987	78,597	282,403	396,302	62,514	787,170
Promissory notes		10,266	11,266	-	-	-	1,434	9,832
At amortised cost								
Bonds		462,964	514,805	25,179	90,469	126,957	20,027	252,173
Other assets		919,532	1,074,522	214,904	161,178	171,923	96,707	429,809
Derivative asset		188,583	1,643,962	-	657,585	986,377	-	-
Total financial assets		**16,189,290**	**18,716,162**	**2,140,074**	**4,537,556**	**2,966,539**	**1,720,596**	**7,351,396**
Gap		**(651,035)**	**489,827**	**(2,808,537)**	**1,239,459**	**1,856,124**	**(1,213,064)**	**1,415,845**

4. FINANCIAL RISK MANAGEMENT - CONTINUED

4.4 Market risk

(a) Overview

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. The overall objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk. The Group classifies exposures to market risk into either trading or non-trading portfolios and manages each of these portfolios separately. The trading portfolios comprise positions arising from market-making and warehousing of customer derived positions while non-trading portfolios comprise positions that primarily arise from the interest rate management of our retail and commercial banking assets and liabilities as well as financial instruments designated as FVOCI and amortised cost. UBA Group follows the Standardised Approach for market risk regulatory reporting purposes.

(i) Market Risk Management

The objective of market risk management in UBA is to ensure that all significant market risks are identified, measured, and managed in a consistent and effective manner across the Group in order to stabilize earnings and capital and also to ensure that the Group carries out its affairs within acceptable parameters and in line with the market risk appetite.

Market risk achieves the above stated objective, through a mix of quantitative and statistical controls which covers the under listed activities:

Market data collection and statistical analysis
Limit determination based on market volatility and in-country macro-prudential & regulatory guidelines.
Stop loss limit utilization monitoring
Position monitoring
New trading products risk assessment
P&L attribution analysis
Pricing model validation and sign off
Trading portfolio stress testing
Regulatory limit monitoring
Position data extraction and Internal limit monitoring
Contingency funding plan maintenance and testing
Risk profile reporting to GALCO.

The material risks identified by these measures are summarised in daily reports that are circulated to, and discussed with, senior management.

The universal market risk factors in UBA Group are interest rates, foreign exchange rates and equity prices. The associated market risks are:

- Foreign currency risk; arising from changes in exchange rates
- Interest rate risk; arising from changes in yield curves and credit spreads
- Equity risk; arising from changes in in the prices of equities, equity indices and equity baskets.

(ii) Market Risk Governance

The Board of Directors is responsible for determining UBA Group's risk appetite and tolerance limits for all its market risk exposures. Senior management is responsible for supporting the Board in determining market risk appetite and tolerance limits as well as putting in place all requisite processes, procedures and tools to ensure proper implementation of a robust system for managing, monitoring and reporting market risk appetite. The Board through Board Risk Management Committee (BRMC) is responsible for the overall governance of market risk as well as defining the terms of reference and delegating responsibilities to both the Group Risk Management Committee (GRMC) and Group Asset & Liability Management Committee (GALCO). GALCO has Group oversight and is charged with ensuring that market risks are managed homogeneously in all areas of operation. Further to the above, oversight of market risk is vested in BRMC, GALCO and the Board Audit & Governance Committee (BAGC) while the day to day management rests with the Executive Director, Risk Management, Corporate Governance & Compliance. The Group Market Risk Division is not only responsible for the development of detailed risk management policies but is also involved in the day to day review of their implementation. The market risk management policies are usually validated / approved by the Board in accordance with the approval guidelines. Trading limits are approved by GALCO and BAGC and ratified by the Board while exposures against these limits are monitored by market risk management team. Market risk exposures are measured and reported and reported to management and bank executives on a daily basis. Documented policies and procedures are in place to ensure that exceptions are resolved timeously.

(iii) Market Risk Measurement

The Group's policy is that all trading activities are undertaken within the context of the approved Market Risk Management appetite and limits. Market Risk Management team is responsible for identifying, measuring, managing, monitoring and reporting market risk as outlined in market risk management policy and other related policies.

The Group uses limits, triggers, value at risk, earnings-at-risk, gap analyses and scenario analyses to measure and control the market risk exposures within its trading and banking books. The Group also performs regular stress tests on its banking and trading books.

(iv) Approach to Managing Market Risk in the Trading Book

The techniques used to ensure and control trading book market risk include limit monitoring, daily valuation of positions, Value at Risk (VaR), Back testing, stop loss triggers, stress testing/sensitivity analysis etc.

Market Risk Limits: The Bank has put in place specific market risk limits and triggers (regulatory and in-house) to prevent undue risk exposure to the Group. Market risk limits are based on recommendations by GALCO and approved by the Board. Position limits, transaction size and portfolio volume limits are in place for each trading portfolio. UBA Group sets various limits for total market risk and specific foreign exchange, interest rate, equity and other price risks. All limits are reviewed at least annually, and more frequently if required, to ensure that they remain relevant given market conditions and business strategy. Compliance with limits is monitored independently on a daily basis by Group Market Risk and Internal Control. Limit excesses are escalated and approved under a delegated authority structure and reported to the GALCO. Excesses are also reported monthly to Group Risk Management Committee (GRMC) and quarterly to Board Risk Management Committee (BRMC).

Stop loss Triggers: Stop loss triggers are used to protect the profitability of the trading desk. They establish decision points to confirm the Group's tolerance for accepting trading risk losses on a cumulative basis. The triggers are monitored on a daily basis by market risk management team.

Daily Valuation Of Market Risk Positions: Mark to Market (MTM) for relevant products/positions is done in line with International Financial Reporting Standard (IFRS). All market risk financial instruments are categorized into:

1) Fair value through profit or loss(FVTPL) – valued on fair value accounting methodology and MTM daily.
2) Fair value through other comprehensive income(FVOCI) – valued on fair value accounting methodology and MTM monthly.

3) Amortised cost – This portfolio is not MTM because positions are held until maturity.

Marking-to-market is at least the daily valuation of positions at readily available close out prices that are sourced independently. Where marking-to-market is not possible, marking-to-model technique is employed. Marking-to-model is defined as any valuation which has to be benchmarked, extrapolated or otherwise calculated from a market input. Assets that must be marked-to-model either don't have a regular market that provides accurate pricing, or valuations rely on a complex set of reference variables and time frames. E.g. complex financial instruments and derivatives.

Stress Testing: Market risk management complements the VaR measurement by regular stress testing of market risk exposures to highlight the potential risk that may arise from extreme market events that are rare but plausible. Stress testing provides an indication of the potential losses that could occur under extreme but plausible market conditions including when longer holding periods may be required to exit positions. Consistent stress-testing methodology is applied to trading and non trading books. Stress testing methodology considers both historical market events and forward-looking scenarios. The stress testing scenarios include market and credit scenarios, portfolio specific scenarios and macro economic scenarios. Stress scenarios are regularly updated to reflect changes in risk profile and economic events.

Factor Sensitivities: Factor sensitivities are expressed as the change in the value of a position for a defined change in a market risk factor, such as a change in the value of Nigerian Government Treasury bill for a one hundred basis point change in interest rates. UBA Group's Market Risk Management, within the Risk organization, works to ensure that factor sensitivities are calculated and monitored for all material risks taken in the trading portfolios.

(v) Approach to Managing Market Risk in the Non-trading Portfolio

Market risk from non-trading portfolios stems from the potential impact of changes in interest rates and foreign exchange rates on UBA's net interest revenues, the changes in accumulated other comprehensive income (loss) from its investment portfolios and capital invested in foreign currencies.

The management of banking book related market risk exposures involves managing the potential adverse effect of interest rate movements on banking book earnings (net interest income and banking book MTM profit or loss) and economic value of equity. Market risk in the banking book arises as a result of the mismatch between the future yield on assets and their funding cost and also the different re-pricing characteristics of banking book assets and liabilities. UBA Group uses a variety of tools to track and manage this risk. These tools include;

- Re-pricing gap analysis
- Liquidity gap analysis
- Earnings-at-Risk (EAR)
- Sensitivity Analysis

(vi) Exposure to interest rate risk- non-trading portfolio

UBA Group's principal measure of risk to net interest revenue is interest rate exposure (IRE). This is the risk that changes in interest rates could have a negative impact on the Bank's margins, earnings and capital. The objective of the Bank's interest rate risk management is to ensure that earnings are stable and predictable over time. The Bank is exposed to interest rate risk through the interest-bearing assets and liabilities in its trading and banking books. Non-traded interest rate risk arises in the banking book from the provision of retail and wholesale (non-traded) banking products and services, as well as from certain structural exposures within the Group balance sheet, mainly due to different re-pricing characteristics of banking book assets and liabilities.

Interest rate risk is managed principally through monitoring interest rate gaps and having pre-approved limits for re-pricing bands. There will always be a mis-match between maturing assets and maturing liabilities, and changes in interest rates means that the Net Interest Margin (NIM) is affected on a daily basis by maturing and re-pricing activities. This change is measured through calculation of Earnings at Risk or EaR on a portfolio over the life of its assets and liabilities. EaR is usually calculated at various levels of change to simulate the likely change in the course of normal business or the expected risk where there is an unusual market event.

GALCO has oversight for compliance with these limits and execution of gapping strategy is carried out by Group Treasury.

The management of interest rate risk against interest rate gap limits is supplemented by monitoring the sensitivity of the Group's financial assets and liabilities to various standard and non-standard interest rate scenarios.

In order to manage changes in interest rates effectively, the Group may modify pricing on new customer loans and deposits, purchase fixed rate securities, issue debt that is either fixed or floating or enter into derivative transactions that have the opposite risk exposures. UBA regularly assesses the viability of these and other strategies to reduce its interest rate risks and implements such strategies when it believes those actions are prudent.

(b) Interest rate risk

UBA Group's operations are subject to the risk of interest rate fluctuations to the extent that interest-earning assets (including investments) and interest-bearing liabilities mature or re-price at different times or in differing amounts. Risk management activities are aimed at optimising net interest income and maintaining market interest rate levels consistent with the Group's business strategies.

The table below is a summary of the group's interest rate gap position at the reporting date. All assets, liabilities and derivatives instruments are allocated to gap intervals based on either their re-pricing or maturity characteristics. The Group's assets and liabilities are included at carrying amount and categorised by the earlier of their contractual re-pricing or maturity dates. Assets and liabilities for which no identifiable contractual repricing or maturity dates exist are allocated to gap intervals based on behavioural profiling. Overall non-trading interest rate risk positions are managed by Group Treasury which uses investment securities, advances to other financial institutions (banks and discount houses) to manage the overall position arising from the Group's non-trading activities.

4. FINANCIAL RISK MANAGEMENT - CONTINUED

4.4 Market risk - Continued

Interest rate risk - Continued

December 31, 2025

Group	Re-pricing period						
In millions of Nigerian Naira	**Carrying amount**	**< 1 month**	**1-3 months**	**3-6 months**	**6-12 months**	**More than 1 year**	**Non-interest bearing**
Cash and bank balances	8,952,012	264,219	1,142,411	-	-	-	7,545,382
Assets under management	17,567	-	-	15,446	2,121	-	-
Financial assets at FVTPL							
Treasury bills	16,965	3,361	5,100	4,508	3,996	-	-
Bonds	177,687	-	-	-	-	177,687	-
Loans and advances to banks	437,526	79,933	65,617	271,816	20,160	-	-
Loans and advances to customers:							
Individual							
Term loans	523,379	182,274	21,316	5,084	15,640	299,065	-
Overdrafts	65,515	11,437	12,263	11,591	1,877	28,348	-
Corporates							
Term loans	5,641,419	1,022,220	1,159,409	321,775	167,697	2,970,319	-
Overdrafts	792,083	191,008	107,577	10,376	31,919	451,204	-
Others	-	-					
Investment securities:							
At FVOCI:							
Treasury bills	2,423,907	9,343	156,770	273,609	1,984,186	-	-
Bonds	1,582,891	-	121,117	151,893	363,491	946,390	-
Promissory notes	18,028	3	186	5,728	12,111	-	-
Equity	493,467	-	-	-	-	-	493,467
At amortised cost:							
Treasury bills	5,915,194	355	19,722	832,860	5,062,257	-	-
Bonds	4,061,544	-	300,123	413,290	859,157	2,488,975	-
Derivative assets	1,368						1,368
Other assets	1,111,152	-	-	-	-	-	1,111,152
	32,231,705	**1,764,152**	**3,111,611**	**2,317,974**	**8,524,612**	**7,361,989**	**9,151,369**
Derivative liability	124,227		-	-	-	-	124,227
Deposits from banks	3,259,133		649,323	2,609,810	-	-	-
Deposits from customers	23,948,907	1,958,372	998,239	199,059	114,512	7	20,678,719
Other liabilities	582,192	-	-	-	-	-	582,192
Borrowings	923,656	-	-	204,973	127,149	591,533	-
	28,838,115	**1,958,372**	**1,647,561**	**3,013,842**	**241,660**	**591,539**	**21,385,138**
Gaps	**3,393,590**	**(194,220)**	**1,464,050**	**(695,868)**	**8,282,952**	**6,770,450**	**(12,233,769)**

4. FINANCIAL RISK MANAGEMENT - CONTINUED

4.4 Market risk - Continued

Interest rate risk - Continued

December 31, 2024

Group	Re-pricing period						
In millions of Nigerian Naira	**Carrying amount**	**< 1 month**	**1-3 months**	**3-6 months**	**6-12 months**	**More than 1 year**	**Non-interest bearing**
Cash and bank balances	8,163,668	-	132,062	-	297,520	-	7,734,086
Assets under management	15,175	-	-	13,054	2,121	-	-
Financial assets at FVTPL							
Treasury bills	18,016	-	18,016	-	-	-	-
Bonds	82,671	-	-	-	82,671		-
Loans and advances to banks	556,072	133,394	15,197	10,785	16,767.94	379,928.88	-
Loans and advances to customers:							
Individual							
Term loans	505,573	-	-	12,419	79,487	413,667	-
Overdrafts	67,203	14,258	3,074	15,802	34,069	-	-
Corporates							
Term loans	5,367,529	1,287,352	277,596	159,179	192,767	3,450,635	-
Overdrafts	1,008,319	194,435	182,453	24,042	29,115	578,275	-
Others	5,921	-	5,921				
Investment securities:							
At FVOCI:							
Treasury bills	2,767,735	204,740	520,241	994,423	1,048,331	-	-
Bonds	1,656,762	85,495	307,187	431,082	68,000	764,998	-
Promissory notes	12,196	-	12,196	-	-	-	-
Equity	505,413	-	-	-	-	-	505,413
At amortised cost:							
Treasury bills	4,092,878	313,793	797,343	1,524,093	1,457,649	-	-
Bonds	3,499,521	190,326	683,850	959,662	151,380	1,514,303	
Derivative assets	188,583	-	-	-	-	-	188,583
Other assets	1,150,968	-	-	-	-	-	1,150,968
	29,664,203	**2,423,793**	**2,955,137**	**4,144,541**	**3,459,879**	**7,101,807**	**9,579,050**
Derivative liability	45,893		-	-	-	-	45,893
Deposits from banks	3,702,989		538,017	-	-	-	3,164,972
Deposits from customers	22,886,016	2,919,374	1,600,386	592,628	1,591,961	1,353,367	14,828,301
Other liabilities	378,252	-	-	-	-	-	378,252
Borrowings	1,322,667	68,472	342,359	171,179	120,579	620,078	-
	28,335,817	**2,987,845**	**2,480,761**	**763,807**	**1,712,539**	**1,973,444**	**18,417,417**
Gaps	**1,328,386**	**(564,052)**	**474,376**	**3,380,734**	**1,747,340**	**5,128,363**	**(8,838,367)**

4. FINANCIAL RISK MANAGEMENT - CONTINUED

4.4 Market risk - Continued

Interest rate risk - Continued

December 31, 2025

Bank

	Re-pricing period						
In millions of Nigerian Naira	**Carrying amount**	**< 1 month**	**1-3 months**	**3-6 months**	**6-12 months**	**More than 1 year**	**Non-interest bearing**
Cash and bank balances	6,254,780	-	297,520	-	-	-	5,957,260
Assets under management	17,567	-	-	15,446	2,121	-	-
Financial assets at FVTPL							
Treasury bills	16,965			14,917	2,048	-	-
Promisory Notes	-	-					
Bonds	2	-	-	-	-	2	-
Loans and advances to banks	257,874	156,896	8,369	92,609	-	-	-
Loans and advances to customers:							
Individual							
Term loans	73,751	981	5,911	3,777	7,202	55,880	-
Overdrafts	10,432	214	1,291	825	1,573	6,529	-
Corporates							
Term loans	3,255,645	133,766	363,195	459,613	540,058	1,759,013	-
Overdrafts	167,762	85,916	14,807	22,075	44,964	-	-
Others	-						-
Investment securities:							
At FVOCI:							
Treasury bills	2,094,255	333,803	1,562,598	34,440	163,414	-	-
Bonds	1,238,912	112,007	187,166	129,581	20,379	789,779	-
Promissory notes	18,028	-	11,371	-	-	6,657	-
Equity	486,350	-	-	-	-	-	486,350
At amortised cost:							
Bonds	864,100	77,422	129,373	89,569	14,086	545,910	-
Derivative assets	1,368	-	-	-	-	-	1,368
Other assets	858,554	-	-	-	-	-	858,555
	15,616,346	**901,007**	**2,581,601**	**862,851**	**795,845**	**3,163,770**	**7,303,533**
Derivative liability	124,227	-	-	-	-	-	124,227
Deposits from banks	756,602	480,503	61,011	215,088	-	-	-
Deposits from customers	11,913,128	762,736	484,597	219,464	130	-	10,446,201
Other liabilities	465,814	-	-	-	-	-	463,536
Borrowings	912,133	-	-	-	445,758	466,375	-
	14,171,904	**1,243,239**	**545,607**	**434,552**	**445,888**	**466,375**	**11,033,964**
Gaps	**1,444,442**	**(342,232)**	**2,035,994**	**428,299**	**349,957**	**2,697,395**	**(3,730,431)**

4. FINANCIAL RISK MANAGEMENT - CONTINUED

4.4 Market risk - Continued

Interest rate risk - Continued

December 31, 2024

Bank	**Re-pricing period**						
In millions of Nigerian Naira	**Carrying amount**	**< 1 month**	**1-3 months**	**3-6 months**	**6-12 months**	**More than 1 year**	**Non-interest bearing**
Cash and bank balances	7,231,646	-	297,520	-	-	-	6,934,126
Assets under management	15,175	-	-	13,054	2,121		-
Financial assets at FVTPL							
Treasury bills	18,016	-	-	-	18,016	-	-
Bonds	2	-	2	-	-	-	-
Loans and advances to banks	290,941	76,139	8,674	79,391	9,571	117,166	-
Loans and advances to customers:							
Individual							
Term loans	61,435	3,353	3,098	1,776	2,151	5,507	-
Overdrafts	15,885	15,485	19,899	19,147	232	4,605	-
Corporates							
Term loans	3,537,613	770,055	166,050	95,216	115,308	2,393,051	-
Overdrafts	299,679	80,111	17,275	9,906	11,996	180,392	-
Others	5,921	-	-	-	5,921	-	-
Investment securities:							
At FVOCI:							
Treasury bills	2,107,442	332,612	21,970	96,588	1,656,273	-	-
Bonds	1,523,095	81,801	-	-	82,207	1,359,087	-
Promissory notes	10,266	1,709	-	-	-	8,557	-
Equity	490,484	-	-	-	-	-	490,484
At amortised cost:							
Treasury bills	-	-	-	-	-		
Bonds	462,964	22,640	81,346	114,154	18,007	226,817	-
Derivative assets	188,583	-	-	-	-	-	188,583
Other assets	919,532	-	-	-	-	-	919,532
	17,178,679	**1,383,906**	**615,834**	**429,231**	**1,921,802**	**4,295,183**	**8,532,725**
Derivative liability	45,893	45,893	-	-	-	-	-
Deposits from banks	1,909,024	1,494,490	414,534			-	-
Deposits from customers	12,045,834	4,289,893	1,261,702	1,009,362	504,681	1,514,042	3,466,154
Other liabilities	931,878	578,937	-	-	-	-	352,941
Borrowings	1,225,722	369,393		274,852	166,826	414,651	-
	16,158,351	**6,778,606**	**1,676,236**	**1,284,214**	**671,507**	**1,928,694**	**3,819,095**
Gaps	**1,020,328**	**(5,394,700)**	**(1,060,402)**	**(854,983)**	**1,250,295**	**2,366,489**	**4,713,630**

4. FINANCIAL RISK MANAGEMENT - CONTINUED

4.4 Market risk - Continued

Interest rate sensitivity analysis of floating rate financial instruments

The tables below shows the impact of interest rate changes (increase / decrease) on the Group's floating-rate financial instrument portfolios and the effect on profit or loss. The sensitivity analysis is based on a conservative assumption of 50 basis point change on the instrument with other variables remaining constant and also assuming there is no asymmetrical movement in yield curve.

Borrowings	Group		Bank	
In millions of Nigerian Naira	31 Dec. 25	31 Dec. 24	31 Dec. 25	31 Dec. 24
- Central Bank of Nigeria - 37.1	16,468	17,835	16,468	17,835
- Bank of Industry (BoI) - 37.2	4,828	502	4,828	502
- Eurobond debt security - 37.3	434,091	465,616	434,091	465,616
- Proparco (37.4)	24,859	53,425	24,859	16,145
-European Investment Bank (EIB) - 37.6	-	16,145	-	53,425
- DEG (37.7)	-	44,212	-	44,212
- Others (37.11)	11,522	170,823	-	-
- First Rand Bank (RMB) - 37.8	-	156,366	-	156,366
- Africa Trade Finance (ATF) -37.9	-	313,907	-	313,907
- African Export-Import Bank - 37.5	431,887	-	431,887	-
- Standard Chartered Bank - 37.10	-	155,964	-	155,964
	923,655	**1,394,796**	**912,133**	**1,223,973**
Impact on profit or loss:				
Favourable change @ 0.5% increase in rates	(4,618)	(6,974)	(4,561)	(6,120)
Unfavourable change @ 0.5% reduction in rates	4,618	6,974	4,561	6,120

(c) Price risk

The Group is exposed to the impact of price changes on its financial assets measured at FVTPL, FVTOCI and its equity instruments.

Price sensitivity analysis for financial instruments measured at FVTPL

The table below shows the impact of price changes (increase / decrease) on the Group's financial assets measured at fair value and the effect on profit & loss. For the purpose of sensitivity analysis, a conservative assumption of 2% change in prices with other variables remaining constant was made.

4. FINANCIAL RISK MANAGEMENT - CONTINUED

4.4 Market risk - Continued

Interest rate risk - Continued

	Group		Bank	
In millions of Nigerian Naira	31 Dec. 25	31 Dec. 24	31 Dec. 25	31 Dec. 24
Treasury bills	16,965	18,016	16,965	18,016
Government bonds	177,687	82,671	2	2
	194,652	**100,687**	**16,967**	**18,018**
Impact on profit or loss:				
Favourable change @ 2% increase in prices	(3,893)	(2,014)	(339)	(360)
Unfavourable change @ 2% reduction in prices	3,893	2,014	339	360
Derivative assets	1,368	188,583	1,368	188,583
Impact on profit or loss:				
Favourable change @ 2% increase in rates	199	27,455	199	27,455
Unfavourable change @ 2% reduction in rates	(158)	(21,762)	(158)	(21,762)
Derivative liabilities	124,227	33,849	124,227	33,849
Impact on profit or loss:				
Favourable change @ 2% increase in rates	36,769	10,019	36,769	10,019
Unfavourable change @ 2% reduction in rates	(57,647)	(15,708)	(57,647)	(15,708)

Price sensitivity analysis for financial instruments measured at FVOCI:

The table below shows the impact of price changes (increase / decrease) on the Group's financial instruments at FVOCI and the effect on other comprehensive income. For debt securities which are categorised under level 1 in the fair value hierarchy, a 2% change in prices has been assumed with other variables remaining constant.

	Group		Bank	
In millions of Nigerian Naira	31 Dec. 25	31 Dec. 24	31 Dec. 25	31 Dec. 24
Debt securities				
Investment securities at FVOCI:				
Treasury bills	2,423,907	2,767,735	2,094,255	2,107,442
Government bonds	1,582,891	1,656,762	1,238,912	1,523,095
Total	**4,006,798**	**4,424,497**	**3,333,167**	**3,630,537**
Impact on other comprehensive income statement:				
Favourable change @ 2% increase in prices	80,136	88,490	66,663	72,611
Unfavourable change @ 2% reduction in prices	(80,136)	(88,490)	(66,663)	(72,611)

4. FINANCIAL RISK MANAGEMENT - CONTINUED

4.4 Market risk - Continued

Equity price risk

Equity price risk is the risk that the fair value of equities decreases as a result of changes in the level of equity indices and individual stocks. The non-trading equity price risk exposure arises from equity securities classified as FVOCI. The sensitivity analysis on the Group's total equity position is shown below.

Sensitivity analysis for level 1 equity securities is based on average movement in share price index for quoted shares during the year. Price sensitivity analysis for the Group's Level 2 unquoted equities was based on assumptions of a 5% change in the last trading prices obtained from over-the-counter (OTC) trades that were done as at the reporting date. For unquoted equity securities categorised under level 3 in the fair value hierachy, 5% increases/decreases were assumed for the significant unobservable inputs (cost of equity and terminal growth rates).

Total Equity Positions	Group		Bank	
In millions of Nigerian Naira	**31 Dec. 25**	**31 Dec. 24**	**31 Dec. 25**	**31 Dec. 24**
Investment securities at FVOCI	484,070	499,506	476,953	484,577
Total	**484,070**	**499,506**	**476,953**	**484,577**
Impact on Other comprehensive income:				
Favourable change @ 5% increase in prices	24,203	24,975	23,848	24,229
Unfavourable change @ 5% reduction in prices	(24,203)	(24,975)	(23,848)	(24,229)

(d) Exchange rate exposure limits

FCY sensitivity analysis on foreign exchange rate

Foreign exchange risk is the risk of an adverse impact on the group's financial position or earnings or key ratios as a result of movements in foreign exchange rates impacting balance sheet exposures. The group is exposed to foreign exchange rate both as a result of on-balance sheet transactions in a currency other than the Naira, as well as through structural foreign exchange risk from the translation of its foreign operations' results into Naira. The impact on equity as a result of structural foreign exchange risk is recognised in the foreign currency translation reserve balance. Foreign exchange risk is primarily controlled via in-country macro-prudential and regulatory limits as well as the group's policies around trading limits. The Board and Group ALCO set limits on the level of exposure by currency and in aggregate for both overnight and intra day positions. These limits must be in line with regulatory Open Position Limit (OPL). Compliance with both internal limits and regulatory limits are monitored daily with zero tolerance for limit breaches. These limits include OPL, dealers' limit, overnight/intraday limits, maturity gap limits, management action trigger, product limits, counterparty limits and cross border limits.

The tables below show foreign currencies to which the Group had exposure at the end of the reporting period and the sensitivity of the Group's profit before tax and equity to changes in exchange rates. The analysis calculates the effect of reasonably possible movement of the foreign exchange rates against the Nigerian Naira (all other variables being constant) on the income statement due to changes to the carrying amounts of the Group's foreign currency sensitive financial assets and liabilities. A negative amount in the table reflects a potential net reduction in the income statement or equity, while a positive amount reflects a net potential increase. An equivalent decrease in each of the currencies below against the Nigerian Naira would have resulted in an equivalent but opposite impact.

For the purpose of disclosing the sensitivity analysis for foreign currency risk, the Group's foreign currency risk arising from the translation of its foreign operations are not taken into account even though they may have an impact on equity. This is because foreign currency risk can only arise on financial instruments denominated in a currency other than the functional currency in which they are measured and translation exposures arise from financial and non-financial items held by an entity with a functional currency different from the group's presentation currency.

4. FINANCIAL RISK MANAGEMENT - CONTINUED

4.4 Market risk - Continued

(d) Exchange rate exposure limits

The information disclosed on the net foreign currency (FCY) exposure is representative of the average exposure in the period. The Bank believes that for each foreign currency exposure, it is reasonable to assume 10% depreciation of the Naira holding all other variables constant.

Group

In millions of Nigerian Naira	Naira	US Dollar	Euro	Pound	Others	Total
December 31, 2025						
Cash and bank balances	4,359,602	2,704,203	703,463	26,256	1,158,488	8,952,012
Financial assets at FVTPL	16,967	-	-	-	177,685	194,652
Derivative assets	1,368	-	-	-	-	1,368
Loans and advances to banks	145,925	201,017	62,751	-	27,833	437,526
Loans and advances to customers	817,687	3,610,087	85,414	995	2,508,210	7,022,394
Investment securities	3,104,422	1,508,013	81,470	-	9,733,312	14,427,217
Other assets	641,706	355,859	35,071	1,799	76,717	1,111,152
Total financial assets	**9,087,677**	**8,379,180**	**968,170**	**29,050**	**13,682,245**	**32,146,321**
Derivative liability	124,227	-	-	-	-	124,227
Deposits from banks	456,619	487,114	342,631	5,137	1,967,632	3,259,133
Deposits from customers	7,156,683	5,007,219	271,284	43,693	11,470,028	23,948,907
Other liabilities	22,570	362,550	133,174	31,071	32,826	582,192
Borrowings	21,296	760,343	-	-	142,016	923,656
Total financial liabilities	**7,781,396**	**6,617,227**	**747,089**	**79,901**	**13,612,503**	**28,838,115**
Net Swap and forward contracts	914,972	(1,068,150)	265,083	22,016	-	-
Net FCY Exposure		**693,803**	**486,164**	**(28,835)**	**69,742**	
Effect of naira depreciation by 10% on profit before tax		69,380	48,616	(2,883)	6,974	122,087
Effect of naira appreciation by 10% on profit before tax		(69,380)	(48,616)	2,883	(6,974)	(122,087)

4. FINANCIAL RISK MANAGEMENT - CONTINUED

4.4 Market risk - Continued

(d) Exchange rate exposure limits - Continued

Group

In millions of Nigerian Naira	Naira	US Dollar	Euro	Pound	Others	Total
December 31, 2024						
Cash and bank balances	4,339,387	2,704,203	703,463	26,256	390,360	8,163,668
Financial assets at FVTPL	18,018	-	-	-	82,669	100,687
Derivative assets	188,583	-	-	-	-	188,583
Loans and advances to banks	-	491,758	4,892	270	59,152	556,072
Loans and advances to customers	1,368,941	2,384,355	94,724	932	3,105,593	6,954,545
Investment securities	2,784,847	682,114	76,743	-	8,990,801	12,534,505
Other assets	552,153	341,626	33,668	1,727	221,794	1,150,968
Total financial assets	**9,251,928**	**6,604,056**	**913,490**	**29,185**	**12,791,217**	**29,649,028**
Derivative liability	33,849	-	-	-	-	33,849
Deposits from banks	808,278	332,315	342,631	5,137	1,268,111	2,756,472
Deposits from customers	7,493,838	5,007,219	271,284	43,693	9,078,656	21,894,689
Other liabilities	36,713	517,359	262,277	26,495	152,721	995,565
Borrowings	18,337	1,376,458	-	-	-	1,394,796
Total financial liabilities	**8,391,013**	**7,233,351**	**876,193**	**75,325**	**10,499,489**	**27,075,371**
Swap and forward contracts	1,834,329	(2,186,112)	269,887	17,763	-	-
Net FCY Exposure		**(2,815,407)**	**307,184**	**(28,377)**	**2,291,728**	
Effect of naira depreciation by 10% on profit before tax		281,541	30,718	(2,838)	229,173	24,487
Effect of naira appreciation by 10% on profit before tax		(281,541)	(30,718)	2,838	(229,173)	(24,487)

Bank

In millions of Nigerian Naira	Naira	US Dollar	Euro	Pound	Others	Total
December 31, 2025						
Cash and bank balances	4,359,602	1,688,299	188,746	14,320	3,813	6,254,780
Financial assets at FVTPL	16,967	-	-	-	-	16,967
Derivative assets	1,368	-	-	-	-	1,368
Loans and advances to banks	-	224,278	33,596	-	-	257,874
Loans and advances to customers	811,092	2,610,087	85,414	995	-	3,507,589
Investment securities	3,104,422	1,508,013	81,470	-	-	4,693,905
Other assets	641,706	181,956	7,016	27,875	-	858,553
Total financial assets	**8,935,157**	**6,212,634**	**396,242**	**43,191**	**3,813**	**15,591,036**
Derivative liability	124,227	-	-	-	-	124,227
Deposits from banks	456,619	299,983	-	-	-	756,602
Deposits from customers	7,156,683	4,619,650	95,859	40,935	1	11,913,128
Other liabilities	15,583	277,365	166,805	2,248	3,812	465,814
Borrowings	21,296	890,837	-	-	-	912,133
Total financial liabilities	**7,774,409**	**6,087,835**	**262,664**	**43,183**	**3,813**	**14,171,904**
Swap and forward contracts	914,972	(1,068,150)	265,083	22,016	-	-
Net FCY Exposure		**(943,351)**	**398,661**	**22,024**	**(0)**	
Effect of naira depreciation by 15% on profit before tax		(141,503)	59,799	3,304	(0)	(78,400)
Effect of naira appreciation by 15% on profit before tax		141,503	(59,799)	(3,304)	0	78,400

4. FINANCIAL RISK MANAGEMENT - CONTINUED

4.4 Market risk - Continued

(d) Exchange rate exposure limits

In millions of Nigerian Naira	Naira	US Dollar	Euro	Pound	Others	Total
December 31, 2024						
Cash and bank balances	4,339,387	2,095,832	276,887	16,680	3,956	6,732,741
Financial assets held for trading	18,018	-	-	-	-	18,018
Derivative assets	188,583	-	-	-	-	188,583
Loans and advances to banks	-	290,941	-	-	-	290,941
Loans and advances to customers	1,660,673	2,162,041	96,616	920	283	3,920,533
Investment securities	2,784,847	1,740,822	68,581	-	-	4,594,251
Other assets	575,157	355,859	5,059	28,293	-	964,368
Total financial assets	**9,566,665**	**6,645,495**	**447,144**	**45,892**	**4,239**	**16,709,435**
Derivative liability	33,849	-	-	-	-	33,849
Deposits from banks	808,278	780,697	54,043	12	-	1,643,031
Deposits from customers	7,493,838	4,212,665	83,790	44,382	1	11,834,675
Other liabilities	24,686	447,201	309,320	1,501	3,955	786,663
Borrowings	18,337	1,205,635	-	-	-	1,223,972
Total financial liabilities	**8,378,987**	**6,646,199**	**447,153**	**45,895**	**3,956**	**15,522,190**
Swap and forward contracts	1,834,329	(2,186,112)	269,887	17,763	-	-
Net FCY Exposure		**(2,186,816)**	**(9)**	**(3)**	**283**	
Effect of naira depreciation by 15% on profit before tax		(328,022)	(1)	(0)	42	(327,982)
Effect of naira appreciation by 15% on profit before tax		328,022	1	0	(42)	327,982

5. CAPITAL

The Bank maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of local banking supervisors. The Group's lead regulator, the Central Bank of Nigeria (CBN) sets and monitors capital requirements for the Bank. The parent company and individual banking operations are directly supervised by the Central Bank of Nigeria (CBN) and the respective regulatory authorities in the countries in which the subsidiary banking operations are domiciled.

5.1 Capital management

The primary objectives of the Group's capital management policy are to ensure that the Group complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value. The Group manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk of its activities. In order to maintain or adjust its capital structure, the Bank may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. Capital management is overseen by the Board of Directors who have overall responsibility for ensuring adequate capital is maintained for the Group.

The Group has a process of ensuring adequate capital is maintained and this process includes:

- Capital planning
- Prudent portfolio management
- Capital adequacy stress testing
- Contingency Planning

The objective of the capital management process is to:

- Adequately assess impairment losses and impact on capital impairment;
- Meet CBN's capital adequacy requirements
- Optimise the use and allocation of capital resources and align our target capital with our optimum capital structure

5.2 Regulatory capital

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The group monitors regulatory capital using the capital adequacy ratio. This ratio is calculated as total regulatory capital divided by risk weighted assets. Total regulatory capital and risk weighted assets are calculated as shown in the table below.

The Central Bank of Nigeria sets and monitors capital requirements for the Bank. The parent company and individual banking operations are directly supervised by the Central Bank of Nigeria and the respective regulatory authorities in the countries in which the subsidiary banking operations are domiciled.

The Central Bank of Nigeria requires the Bank to maintain a prescribed ratio of total capital to total risk-weighted assets.

The Group's regulatory capital is split into two tiers:

Tier 1 capital includes ordinary share capital, share premium, retained earnings, translation reserve and non-controlling interests after deductions for goodwill and intangible assets, and other regulatory adjustments relating to items that are included in equity but are treated differently for capital adequacy purposes.

Tier 2 capital includes qualifying subordinated liabilities and the element of the fair value reserve relating to unrealised gains on financial instruments classified as FVOCI.

Various limits are applied to elements of the capital base. Elements of Tier 2 capital are limited to a maximum of one-

5. CAPITAL - CONTINUED

5.2 Regulatory Capital - Continued

third of Tier 1 capital, after making deductions of goodwill, deferred tax asset and other intangible assets but before deductions of investments.

Banking operations are categorised mainly as trading book or banking book, and risk-weighted assets are determined according to specified requirements that seek to reflect the varying levels of risk attached to assets and off-balance sheet exposures.

During the year, the Group's strategy, which was unchanged, was to maintain a strong capital base so as to retain investor, creditor and market confidence and to sustain future development of the business. The impact of the level of capital on shareholders' return is also recognised and the Group recognises the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position.

Capital adequacy ratio is the quotient of the capital base of the Bank and the Bank's risk weighted asset base. UBA Plc operates under an international banking authorization with a minimum regulatory capital of ₦500 billion, with a minimum capital requirements of 10.5percent as Common Equity Tier I (CET1) capital ratio, 11.25per cent as Tier I capital ratio, 15per cent as Total Capital Adequacy Ratio, additional 1per cent each as Capital Conversation Buffer (CCB1) and Higher Loss Absorbency (HLA). The HLA is to be met fully with CET1 capital, while CCB1 to be met with Total Eligible Capital, implying 12.5percent minimum CET1 and 17percent minimum Total Capital Adequacy Ratio, for banks designated as Domestic Systemically Important Bank (DSIB), with international authorization. UBA has international authorization and is also designated as Domestic Systemically Important Bank (DSIB).

Capital deficiency in subsidiaries

There is no capital deficiency in the subsidiaries of the Bank as of December 31, 2025 (Dec 2024: Nil). The Bank maintains an active oversight on its subsidiaries through its representation on their respective Boards. On a periodic basis, the capital adequacy/solvency position of subsidiaries as per the applicable regulations, is reported to their respective Boards as well as to the Board of the Bank.

5. CAPITAL

(f) Capital management

Regulatory capital - Continued

In millions of Nigeria naira		Group Dec. 2025	Group Dec. 2024	Bank Dec. 2025	Bank Dec. 2024
Tier 1 capital					
Ordinary share capital		22,098	17,100	22,098	17,100
Share premium		482,639	98,715	482,639	98,715
Retained earnings		1,265,537	1,425,037	811,342	787,808
Other reserves	39	584,512	347,647	329,871	305,075
Non-controlling interests		130,900	102,074	-	-
Gross Tier 1 capital		**2,485,686**	**1,990,573**	**1,645,950**	**1,208,698**
Less:					
Deferred tax on accumulated losses	32	24,901	10,826	19,593	52,900
Intangible assets		68,584	66,864	14,065	13,641
CET1 and Tier 1 Capital After Regulatory Deduction		**2,392,201**	**1,912,883**	**1,612,292**	**1,142,157**
Investment in subsidiaries		-	-	(130,278)	(92,145)
Investment in financial institutions				(15,839)	-
Eligible Tier 1 Capital		**2,392,201**	**1,912,883**	**1,466,175**	**1,050,012**
Tier 2 capital					
Fair value and translation reserve	39	1,565,677	1,409,922	331,512	235,899
Investment in financial institutions		-	-	(15,839)	-
Less: limit of tier 2 to tier 1 capital		(737,115)	(746,398)	-	-
Qualifying Tier 2 Capital Before Deductions		**828,562**	**663,524**	**315,673**	**235,899**
Less: Investment in subsidiaries		-	-	(130,278)	(92,145)
Net Tier 2 Capital		**828,562**	**663,524**	**185,395**	**143,754**
Qualifying capital					
Net Tier I regulatory capital		2,392,201	1,912,883	1,466,175	1,050,012
Net Tier II regulatory capital		828,562	663,524	185,395	143,754
Total qualifying capital		**3,220,763**	**2,576,407**	**1,651,570**	**1,193,766**
Composition of risk-weighted assets:					
Risk-weighted amount for credit risk		11,543,392	6,497,667	4,373,694	3,579,929
Risk-weighted amount for operational risk		2,115,764	1,640,781	1,726,345	1,102,474
Risk-weighted amount for market risk		222,553	171,494	202,568	171,494
Total Risk-weighted assets		**13,881,709**	**8,309,942**	**6,302,608**	**4,853,897**
Capital ratios					
Risk Weighted Capital Adequacy Ratio		23.2%	31.0%	26.2%	24.6%

5.3 Capital allocation

The allocation of capital between specific operations and activities is to a large extent, driven by optimisation of the return achieved on the capital allocated. The amount of capital allocated to each operation or activity is based primarily upon the regulatory capital but in some cases the regulatory requirements do not reflect fully the varying degree of risk associated with different activities. In such cases the capital requirements may be flexed to reflect differing risk profiles, subject to the overall level of capital to support a particular operation or activity not falling below the minimum required for regulatory purposes.

Although maximisation of the return on risk-adjusted capital is the principal basis used in determining how capital is allocated within the Group to particular operations or activities, it is not the sole basis used for decision making. Account also is taken of synergies with other operations and activities, the availability of management and other resources, and the fit of the activity with the Group's longer term strategic objectives.

6. FAIR VALUE MEASUREMENT

Fair values of financial instruments

The fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments, the Group determines fair values using other valuation techniques.

For financial instruments that trade infrequently and have little price transparency, fair value is less objective and requires varying degrees of judgment depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

6.1 Valuation models

The Group measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

- **Level 1:** inputs that are quoted market prices (unadjusted) in active markets for identical instruments. The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1. Instruments included in Level 1 comprise primarily quoted equity and debt investments classified as trading securities or available for sale.

- **Level 2:** inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data. The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3. Specific valuation techniques used to value financial instruments include:

    - Quoted market prices or dealer quotes for similar instruments;
    - The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves;
    - The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date, with the resulting value discounted back to present value;
    - Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

- **Level 3:** inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which market observable prices exist, Black-Scholes and polynomial option pricing models and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads

6 FAIR VALUE MEASUREMENT - CONTINUED

6.1 Valuation models - Continued

and other premia used in estimating discount rate, bond and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

The Group uses widely recognized valuation models for determining the fair value of common and more simple financial instruments, such as interest rate and currency swaps that use only observable market data and require little management judgment and estimation. Observable prices or model inputs are usually available in the market for listed debt and equity securities, exchange-traded derivatives and simple over-the-counter derivatives such as interest rate swaps. Availability of observable market prices and model inputs reduces the need for management judgment and estimation and also reduces the uncertainty associated with determining fair values. Availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets. The Group's valuation methodology for securities uses a discounted cash flow methodology and dividend discount methodology. The methodologies are often used by market participants to price similar securities.

For more complex instruments, the Group uses proprietary valuation models, which are usually developed from recognized valuation models. Some or all of the significant inputs into these models may not be observable in the market, and are derived from market prices or rates or are estimated based on assumptions. Valuation models that employ significant unobservable inputs require a higher degree of management judgment and estimation in the determination of fair value. Management judgment and estimation are usually required for selection of the appropriate valuation model to be used, determination of expected future cash flows on the financial instrument being valued, determination of the probability of counterparty default and prepayments and selection of appropriate discount rates.

Fair value estimates obtained from models are adjusted for any other factors such as liquidity risk or model uncertainties, to the extent that the Group believes that a third party market participant would take them into account in pricing a transaction. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group entity and the counterparty where appropriate. For measuring derivatives that might change classification from being an asset to a liability or vice versa such as interest rate swaps, fair values take into account both credit valuation adjustment (CVA) and debit valuation adjustment (DVA) when market participants take this into consideration in pricing the derivatives.

Model inputs and values are calibrated against historical data and published forecasts and where possible, against current or recent observed transactions in different instruments and against broker quotes. This calibration process is inherently subjective and it yields ranges of possible inputs and estimates of fair value, and management judgment is required to select the most appropriate point in the range.

If the Group measures portfolios of financial assets and financial liabilities on the basis of net exposures to market risks, then it applies judgment in determining appropriate portfolio-level adjustments such as bid-ask spreads and relevant risk premiums.

6.2 Valuation framework

The Group has an established control framework with respect to the measurement of fair values. This framework includes an Investor Relations and Portfolio Investments Management Unit which is independent of front office management and reports to the Group Chief Financial Officer, and which has overall responsibility for valuations. There is also the Risk Measurement unit responsible for independently verifying the results of third party valuation. Specific controls include:

- Verification of observable pricing;
- Re-performance of model valuations;

6. FAIR VALUE MEASUREMENT

6.2 Valuation framework

- A review and approval process for new models and changes to models involving both Product Control and Group Market Risk;
- periodic calibration and back-testing of models against observed market transactions;
- Analysis and investigation of significant daily valuation movements; and
- Review of significant unobservable inputs, valuation adjustments and significant changes to the fair value measurement of level 3 instruments compared with the previous month, by a committee of senior Product Control and Group Market Risk personnel.

When third party information, such as broker quotes or pricing services, is used to measure fair value, the risk measurement unit assesses and documents the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of IFRS. This includes:

- Verifying that the broker or pricing service is approved by the Group for use in pricing the relevant type of financial instrument;
- Understanding how the fair value has been arrived at and the extent to which it represents actual market transactions;
- When prices for similar instruments are used to measure fair value, how these prices have been adjusted to reflect the characteristics of the instrument subject to measurement; and
- If a number of quotes for the same financial instrument have been obtained, then how fair value has been determined using those quotes.

6.3 Financial instruments measured at fair value

The table below analyses financial instruments measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position. All fair value measurements are recurring.

Group:
December 31 2025

In millions of Nigerian Naira	Note	Level 1	Level 2	Level 3	Total
Assets					
Financial assets at FVTPL	23				
Government bonds		2	177,685	-	177,687
Treasury bills		16,965	-	-	16,965
Derivative assets measured at fair value through profit and loss:	33(a)	-	1,368	-	1,368
Investment securities at FVOCI	26				
Treasury bills		1,333,406	1,090,501	-	2,423,907
Bonds		1,105,495	477,396	-	1,582,891
Promissory notes		-	18,028	-	18,028
Equity investments		9,397	-	484,070	493,467
Total assets		2,465,265	1,764,978	484,070	4,714,313
Liabilities					
Financial liabilities at fair value through profit or loss					
Derivative liability	33(b)	-	124,227	-	124,227

6. FAIR VALUE MEASUREMENT - CONTINUED

6.3 Financial instruments measured at fair value

Bank:
December 31, 2025

In millions of Nigerian Naira	Note	Level 1	Level 2	Level 3	Total
Assets					
Financial assets at FVTPL	23				
Government bonds		2	-	-	2
Treasury bills		16,965	-	-	16,965
					-
Derivative assets measured at fair value through profit and loss:		-	1,368	-	1,368
	33(a)				-
Investment securities at FVOCI					-
Treasury bills	26	1,333,406	760,849	-	2,094,255
Bonds		1,105,495	133,417	-	1,238,912
Promissory notes		-	18,028	-	18,028
Equity investments		9,397	-	476,953	486,350
		2,465,265	**913,662**	**476,953**	**3,855,880**
Liabilities					
Financial liabilities at fair value through profit or loss					
Derivative liability	33(b)	-	124,227	-	124,227

Group:
December 31, 2024

In millions of Nigerian Naira	Note	Level 1	Level 2	Level 3	Total
Assets					
Financial assets at FVTPL	23				
Government bonds		2	82,669	-	82,671
Treasury bills		17,315	701	-	18,016
Derivative assets measured at fair value through profit and loss:	33(a)	-	188,583	-	188,583
Investment securities at FVOCI	26				
Treasury bills		894,378	1,873,357	-	2,767,735
Bonds		1,409,114	247,648	-	1,656,762
Promissory notes		-	12,196	-	12,196
Equity investments		5,907	-	499,506	505,413
Total assets		**2,326,716**	**2,405,154**	**499,506**	**5,231,376**
Liabilities					
Financial liabilities					
Derivative liability	33(b)	-	33,849	-	33,849

6 FAIR VALUE MEASUREMENT - CONTINUED

6.3 Financial instruments measured at fair value

Bank:
December 31, 2024

In millions of Nigerian Naira	Note	Level 1	Level 2	Level 3	Total
Assets					
Financial assets at FVTPL	23				
Government bonds		2	-	-	2
Treasury bills		17,315	701	-	18,016
					-
Derivative assets measured at fair value through profit and loss:	33(a)	-	188,583	-	188,583
Investment securities at FVOCI	26				
Treasury bills		894,378	1,213,064	-	2,107,442
Bonds		1,409,114	113,981	-	1,523,095
Promissory notes		-	10,266	-	10,266
Equity investments		5,907	-	484,577	490,484
		2,326,716	**1,526,595**	**484,577**	**4,337,888**
Liabilities					
Financial liabilities					
Derivative liability	33(b)	-	33,849	-	33,849

The following table presents the changes in level 3 instruments during the year. Level 3 instruments are all unquoted equities.

	Group		Bank	
In millions of Nigerian Naira	**Dec. 2025**	**Dec. 2024**	**Dec. 2025**	**Dec. 2024**
Balance, beginning of year	499,506	499,506	484,577	484,577
Addition during the year	-	-	-	521
Gain recognised in other comprehensive income (under fair value gain on FVOCI)	20,254	217,636	19,221	211,955
Translation differences	(35,690)	(217,636)	(26,845)	(212,477)
Balance, end of year	**484,070**	**499,506**	**476,953**	**484,577**

(i) The fair value of the Group's equity investment in CSCS Limited was previously categorised as Level 3 in the fair value hierarchy because the shares were not listed on an exchange and there were no recent observable arm's length transactions.

CSCS Limited shares are now quoted on the NASD OTC Securities Exchange, and observable market prices are available. Accordingly, the fair value of the investment is determined using observable inputs based on quoted prices obtained from NASD NG and is classified within Level 2 of the fair value hierarchy.

There were no transfers from Level 2 to Level 3 during the period.

(ii) Level 2 fair value measurements
These prices are a reflection of the actual fair value of the investments, as transactions consummated under the OTC trades were arms length transactions. The Group's Level 2 derivative contracts were valued using interest rate parity method discounted to present value due to time value of money. Inputs to the valuation models are all based on market conditions existing at the end of each reporting period. These derivative contracts are not traded in active markets.

(iii) Level 3 fair value measurements - Unobservable inputs used in measuring fair value
All valuation processes and techniques are subject to review and approval by the Finance, Operations and Technology Committee of the Board of Directors. There was no change in the Group's valuation technique during the period.

The table below sets out information about significant unobservable inputs used as at 31 December 2025 in measuring financial instruments categorised as Level 3 in the fair value hierarchy:

6 FAIR VALUE MEASUREMENT - CONTINUED

6.3 Financial instruments measured at fair value

Type of financial instrument	"Fair value as at 31 December 2025 N'million"	"Fair value as at 31 December 2024 ₦'million"	Valuation technique	Unobservable input	Range of estimates for unobservable inputs (31 December 2025)	Range of estimates for unobservable inputs (31 December 2024)	Relationship of unobservable inputs to fair value
Unquoted equity securities	484,070	499,506	Income Approach (Discounted cash flow method)	Cost of equity	20.45% - 35.65%	22.7% - 35.3%	Significant increases in cost of equity, in isolation, would result in lower fair values. Significant reduction would result in higher fair values
				Terminal growth rate	3.05% - 4.20%	3.1% - 3.3%	Significant increases in terminal growth rate, in isolation, would result in higher fair values. Significant reduction would result in lower fair values

(iv) Level 3 fair value measurements - Unobservable inputs used in measuring fair value (continued)

Significant unobservable inputs are developed as follows:

Discounted cash flow

- The Group used the Capital Asset Pricing Model to determine the cost of equities for its various unquoted equities which were fair valued at year end.
- The risk free rate was determined using the yield on 30-year US treasury bond (for unquoted securities denominated in USD) and longest tenured Federal Government of Nigeria bond (for unquoted securities denominated in Nigerian naira).
- Equity risk premium was determined using market returns obtained from Damodaran Online.
- Beta estimates were obtained from Damodaran Online.

Dividend discount model

- The Group used the build-up approach to determine cost of equities for its various unquoted equities which were fair valued using dividend discount model at year end.
- The risk free rate was determined using the yield on the longest tenured sovereign bonds.
- The dividend growth rate was determined using the historical five years weighted average growth rate of dividends paid by the respective entities
- Equity risk premium were obtained from Damodaran Online (with specific focus on emerging markets data), adjusted for size premium.

(v) Level 3 fair value measurements - Effect of unobservable inputs on fair value measurement

The Group believes that its estimates of fair values are appropriate. However, the use of different methodologies or assumptions could lead to different measurements of fair value. For fair value measurements in Level 3, changing the cost of equity or terminal growth rate by a reasonable possible value, in isolation, would have the following effects on other comprehensive income for the year:

In millions of Nigerian Naira

Key Assumption	Effect on other comprehensive income (OCI)			
	Dec. 2025		Dec. 2024	
	5% Increase	5% Decrease	5% Increase	5% Decrease
Cost of Equity	(104,964)	94,968	(107,065)	96,869
Terminal Growth Rate	14,771	(14,032)	15,786	(14,996)

6. FAIR VALUE MEASUREMENT - CONTINUED

6.4 Financial instruments not measured at fair value

The table below sets out the fair values of financial instruments not carried at fair value and analyses them by the level in the fair value hierarchy into which each fair value measurement is categorised.

Group *In millions of Nigerian Naira*	**Level 1**	**Level 2**	**Level 3**	**Total fair value**	**Carrying amount**
December 31, 2025					
Assets					
Cash and bank balances	-	-	8,952,012	8,952,012	8,952,012
Assets under management			17,567	17,567	17,567
Loans and advances to banks	-	-	446,759	446,759	437,526
Loans and advances to customers					
-Individual					
Term loans	-	-	558,534	558,534	523,379
Overdrafts	-	-	79,523	79,523	65,515
-Corporate					
Term loans	-	-	5,896,249	5,896,249	5,641,419
Overdrafts	-	-	934,692	934,692	792,083
Others			-	-	-
Investment Securities - Amortised cost					
Treasury bills	-	5,885,618	-	5,885,618	5,915,194
Bonds	-	4,069,667	-	4,069,667	4,061,544
Other assets	-		1,111,152	1,111,152	1,111,152
Liabilities					
Deposits from banks	-	3,422,090	-	3,422,090	3,259,133
Deposits from customers	-	25,146,352	-	25,146,352	23,948,907
Other liabilities	-	-	582,192	582,192	582,192
Borrowings	-	918,958	-	918,958	923,656
December 31, 2024					
Assets					
Cash and bank balances	-	-	8,163,668	8,163,668	8,163,668
Assets under management			14,026	14,026	14,026
Loans and advances to banks	-	568,659	-	568,659	556,072
Loans and advances to customers					
-Individual					
Term loans	-	77,750	-	77,750	67,203
Overdrafts	-	531,435	-	531,435	505,573
-Corporate					
Term loans	-	5,547,913	-	5,547,913	5,367,529
Overdrafts	-	1,121,669	-	1,121,669	1,008,319
Others		6,019	-	6,019	5,921
Investment Securities - Amortised cost					
Treasury bills	-	4,086,809	-	4,086,809	4,107,346
Bonds	-	2,274,043	-	2,274,043	3,581,506
Other assets	-		1,150,968	1,150,968	1,150,968
Liabilities					
Deposits from banks	-	2,906,866	-	2,906,866	2,756,472
Deposits from customers	-	23,089,270	-	23,089,270	21,894,689
Other liabilities	-	-	669,444	669,444	669,444
Borrowings	-	1,486,790	-	1,486,790	1,394,796

6. FAIR VALUE MEASUREMENT - CONTINUED

6.4 Financial instruments not measured at fair value

Bank *In millions of Nigerian Naira*	Level 1	Level 2	Level 3	Total fair value	Carrying amount
December 31, 2025					
Assets					
Cash and bank balances	-	-	6,254,780	6,254,780	6,254,780
Assets under management			17,567	17,567	17,567
Loans and advances to banks	-	-	261,819	260,791	257,874
Loans and advances to customers					
-Individual					
Term loans	-	-	79,286	75,800	73,751
Overdrafts	-	-	18,731	11,632	10,432
-Corporate					
Term loans	-	-	3,416,766	3,286,697	3,255,645
Overdrafts	-	-	195,703	172,661	167,763
Others	-	-	-	-	-
Investment Securities - Amortised cost					
Bonds	-	865,828	-	865,828	864,100
Other assets	-		858,553	858,553	858,553
Liabilities					
Deposits from banks	-	799,364	-	794,432	756,602
Deposits from customers	-	12,508,784	-	12,508,784	11,913,128
Other liabilities	-	-	465,814	465,814	465,814
Borrowings	-	912,133	-	907,436	912,133
December 31, 2024					
Assets					
Cash and bank balances	-	-	6,732,741	6,732,741	6,732,741
Assets under management			14,026	14,026	14,026
Loans and advances to banks	-	291,827	-	291,827	290,941
Loans and advances to customers					
-Individual					
Term loans	-	65,717	-	65,717	61,435
Overdrafts	-	18,152	-	18,152	15,885
-Corporate					
Term loans	-	3,630,701	-	3,630,701	3,537,613
Overdrafts	-	345,301	-	345,301	299,680
Others	-	6,019	-	6,019	5,921
Investment Securities - Amortised cost					
Treasury bills	-	-	-	-	-
Bonds	-	1,066,718	-	1,066,718	467,307
Other assets	-		938,120	938,120	938,120
Liabilities					
Deposits from banks	-	1,652,804	-	1,652,804	1,643,031
Deposits from customers	-	12,236,538	-	12,236,538	11,834,675
Other liabilities	-	-	786,663	786,663	786,663
Borrowings	-	1,265,535	-	1,265,535	1,223,973

6 FAIR VALUE MEASUREMENT - CONTINUED

6.4 Financial instruments not measured at fair value - Continued

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Group's financial statements. These fair values were calculated for disclosure purposes only.

i Cash and bank balances

The carrying amount of cash and cash equivalents is a reasonable approximation of fair value.

ii Loans and advances

Loans and advances are net of charges for impairment. To improve the accuracy of the valuation estimate for loans, homogenous loans are grouped into portfolios with similar characteristics. The estimated fair value of loans and advances represents the discounted amount of estimated future cash flows expected to be received. Expected cash flows are discounted at current market rates to determine fair value.

iii Investment securities

The fair value is based on market prices from financial market dealer price quotations. Where this information is not available, fair value is estimated using quoted market prices for securities with similar credit, maturity and yield characteristics.

iv Other assets

The bulk of these financial assets have short (less than 3months) maturities and their amounts are a reasonable approximation of fair value.

v Deposits from banks and customers

The estimated fair value of deposits with no stated maturity, which includes non-interest bearing deposits, is the amount repayable on demand. The estimated fair value of fixed interest-bearing deposits not quoted in an active market is based on discounted cash flows using interest rates for new debts with similar remaining maturity.

vi Other liabilities

The carrying amount of financial liabilities in other liabilities is a reasonable approximation of fair value.

vii Interest bearing loans and borrowings

The estimated fair value of fixed interest-bearing borrowings not quoted in an active market is based on discounted cash flows using the contractual interest rates for these debts over their remaining maturity.

7. OFFSETTING OF FINANCIAL INSTRUMENTS

Financial assets and liabilities are offset and the net amount reported in the statement of financial position where the Group currently has a legally enforceable right to set-off the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. In the normal course of business, the Group may enter into various master netting agreements or other similar arrangements that do not meet the criteria for offsetting in the statement of financial position but still allow for the related amounts to be set off in certain circumstances.

The following table presents the recognized financial instruments that are offset, or subject to enforceable master netting arrangements or other similar agreements but not offset, as at the reporting date, and shows in the "Net" column what the impact would be on the Group's statement of financial position if all set off rights were exercised.

7. OFFSETTING OF FINANCIAL INSTRUMENTS - CONTINUED

Group

31 December 2025	**Amounts offset**		
In millions of Nigerian Naira	**Gross amounts**	**Gross amounts offset**	**Net amounts presented**
Financial assets			
- Electronic payments receivable (note 28) (a)	582,915	(97,571)	485,344
Financial liabilities			
- Creditors and payables (note 38) (a)	113,169	(97,571)	15,597

Group

31 December 2024	**Amounts offset**		
In millions of Nigerian Naira	**Gross amounts**	**Gross amounts offset**	**Net amounts presented**
Financial assets			
- Electronic payments receivable (note 28) (a)	455,821	(80,391)	375,430
Financial liabilities			
- Creditors (note 38) (a)	369,164	(80,391)	288,773

Bank

31 December 2025	**Amounts offset**		
In millions of Nigerian Naira	**Gross amounts**	**Gross amounts offset**	**Net amounts presented**
Financial assets			
- Electronic payments receivable (note 28) (a)	115,049	(96)	114,953
Financial liabilities			
- Creditors (note 38) (a)	54,857	(96)	54,761

Bank

31 December 2024	**Amounts offset**		
In millions of Nigerian Naira	**Gross amounts**	**Gross amounts offset**	**Net amounts presented**
Financial assets			
- Electronic payments receivable (note 28) (a)	100,870	(26,391)	74,479
Financial liabilities			
- Creditors (note 38) (a)	566,117	(26,391)	539,726

(a) Standard terms of electronic banking and similar payment transactions allow for net settlement of payments in the normal course of business.

8. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. In the process of applying the Group's accounting policies, management has made the following judgements and assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities. Existing circumstances and assumptions about future developments may change due to circumstances beyond the Group's control and are reflected in the assumptions if and when they occur. Items with the most significant effect on the amounts recognised in the financial statements with substantial management judgement and/or estimates are collated below.

These disclosures supplement the commentary on financial risk management (see note 4).

(a) Key sources of estimation uncertainty

(i) Measurement of the expected credit loss allowance

Assets accounted for at amortised cost and FVOCI are evaluated for impairment on a basis described in a.

The measurement of the expected credit loss(ECL) allowance for financial assets measured at amortised cost and FVOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses). Details of the inputs, assumptions and estimation methodologies used in measuring ECL are described in note 3.27.

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and associated ECL; and
- Establishing groups of financial assets for the purposes of measuring ECL.

Detailed information about the judgements and estimates made by the Group in the above areas is set out in note 3.27.

The specific counterparty component of the total allowances for impairment applies to financial instruments evaluated individually for impairment and is based upon management's best estimate of the present value of the cash flows that are expected to be received. In estimating these cash flows, management makes judgments about a counter-party's financial situation and the net realisable value of any underlying collateral. Each impaired asset is assessed on its merits, and the workout strategy and estimate of cash flows considered recoverable are independently approved by the Credit Risk function.

Collectively assessed impairment allowances cover credit losses inherent in portfolios of claims with similar economic characteristics when there is objective evidence to suggest that they contain impaired claims, but the individual impaired items cannot yet be identified. In assessing the need for collective loan loss allowances, management considers factors such as credit quality, portfolio size, concentrations, and economic factors. In order to estimate the required allowance. Assumptions are made to define the way interest losses are modelled and to determine the required input parameters, based on historical experience and current economic conditions. The accuracy of the allowances depends on how well future cash flows for specific counterparty allowances and the model assumptions and parameters used in determining collective allowances are estimated.

8. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS - CONTINUED

(ii) Determining fair values

The determination of fair value for financial assets and liabilities for which there is no observable market price requires the use of techniques as described in accounting policy 3.11. Further disclosures on the Group's valuation methodology have been made on note 6.1. For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgment depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

(iii) Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based on the likely timing and level of future taxable profits, together with future tax planning strategies. In determining the timing and level of future taxable profits together with future tax planning strategies, the Group assessed the probability of expected future taxable profits based on expected revenues for the next five years. Details of the Group's recognised and unrecognised deferred tax assets and liabilities are as disclosed in note 32.

(iv) Valuation of derivative contracts

The fair value of the Group's derivatives is determined by using valuation techniques. Inputs to the valuation models are all based on market conditions existing at the end of each reporting period. The Group has used interest rate parity method discounted for passage of time in the valuation of its foreign exchange derivative contracts. These derivative contracts are not traded in active markets.

The table below shows the fair value of the Group's derivatives if there is 5% change in interest rates or a 5% change in foreign currency exchange rates.

	Interest rates		Exchange rates	
In millions of Nigerian Naira	**5% decrease**	**5% increase**	**5% decrease**	**5% increase**
Derivative assets	(2,508)	2,463	(46,967)	64,629
Derivative liabilities	(859)	846	(36,166)	26,546

(b) Critical accounting judgments in applying the Group's accounting policies

Critical accounting judgments made in applying the Group's accounting policies include:

(i) Fair value of equity instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility. For further details about determination of fair value please see the Group's accounting policy on valuation of financial instruments in note 6.

(ii) Allowance for credit losses

In estimating credit losses, the Group considers the credit worthiness and financial capacity of the obligor, the probability

8. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS - CONTINUED

that an obligor or counterparty will default over a given period (probability of default -PD) , the portion of the loan expected to be irrecoverable at the time of loan default (loss given default - LGD) and Exposure at Default (EAD). The table below shows the sensitivities of the impairment loss provision for 1% increase or decrease in the LGD and PD.

	December 31, 2025		December 31, 2024	
In millions of Nigerian Naira	**Probability of Default -PD**	**Loss Given Default-LGD**	**Probability of Default -PD**	**Loss Given Default-LGD**
Increase/decrease				
1% increase	2,074	19,850	2,149	20,522
1% decrease	(2,074)	(19,850)	(2,149)	(20,522)

(iii) Impairment testing for cash-generating units containing goodwill

On an annual basis, the Group carries out impairment assessments of its cash generating units containing goodwill. The recoverable amounts of the cash-generating units (CGU) are determined based on value-in-use calculations which require the use of estimates including discount rates and terminal growth rates. Management's estimates of the recoverable amounts of these CGU's is sensitive to these estimates. The key assumptions underlying the recoverable amounts as well as sensitivity analysis of these key assumptions are disclosed in note 31.

(iv) Determination of exchange rate used for translation

The Group translates and records its foreign currency transactions and balances based on the exchange rate at which the future cash flows represented by the transactions or balances could have been settled, if those cash flows had occurred at the reporting date. The Nigerian Autonomous Foreign Exchange Fixing (NAFEX) (FMDQ) rate has been used for the translation of foreign currency balances as this remains the main source of foreign currencies for the Bank's transactions.

(v) Determination of incremental borrowing rate used for discounting lease liabilities

The incremental borrowing rate is defined by IFRS 16 as the rate of interest that a lessee would have to pay to borrow, over a similar term and with a similar security, the funds necessary to obtain an asset of a similar value to the cost of the right-of-use asset in a similar economic environment.

The effective borrowing rate used for discounting the future lease payments to present value was determined by using the corresponding FGN Bond/Bill yields of similar maturity profiles with the outstanding lease terms in addition to the Bank's risk premium based on the interest rate of the Bank's quoted subordinated series 3 notes. Hence, the bank applied a single discount rate to a portfolio of leases with reasonably similar characteristics but matched with their relevant lease terms.

(vi) Hyperinflationary accounting

In 2025, the Group continued to designate Ghana and Sierra Leone as hyperinflationary economies in accordance with IAS 29 and has therefore employed the use of the hyperinflationary accounting to consolidate and report its Ghana and Sierra Leone operating subsidiaries.

The determination of whether an economy is hyperinflationary requires the Group to make certain estimates and judgements, such as assessment of historic inflation rates and anticipation of future trends. In addition, the application of hyperinflationary accounting in accordance with IAS 29 requires the selection and use of price indices to estimate the impact of inflation on the results of operations and non-monetary assets and liabilities and of the Group.

The selection of price indices is based on the Group's assessment of various available price indices on the basis of reliability and relevance. Changes in any such estimates may significantly impact the carrying value of those non-monetary assets or liabilities, and results of operations, which are subject to hyperinflationary adjustments, and the related gains and losses within the consolidated statements of loss and comprehensive loss.

Consumer Price Index (CPI) data covering all items has been obtained from the International Monetary Fund (IMF). This measures the overall change in consumer prices based on a representative basket of goods and services over time as is viewed as representative of the hyperinflationary economy.

The CPI for Sierra Leone at the beginning of the reporting period was 36.44%, and closed at 3.18%.

(vii) IFRIC 23 - Uncertain Tax Position

Recent developments indicate that several jurisdictions have begun implementing Pillar 2 of the OECD Global Minimum Tax framework, i.e. the United Kingdom adopting the rules as early as 2023. The UK where UBA operates, continues to update its Pillar 2 regime and formally recognizes other jurisdictions that have implemented qualified Pillar 2 rules, as reflected in HMRC's 2026 guidance on Pillar 2 territories and top up taxes.

Nigeria has similarly indicated its alignment with the OECD Pillar 2 principles and has implemented relevant provisions effective 1 January 2026 : Domestic top up tax framework consistent with the OECD minimum tax rules. This alignment may create potential conflicts regarding the payment of top up taxes.

Under the global Pillar 2 ordering rules, a domestic top up tax takes priority over any top up taxes that might otherwise be imposed by foreign jurisdictions therefore any required top up tax attributable to Nigerian operations as the Parent Company will arise and be payable in Nigeria.

Commencement date of NTA and the NTAA:

These two Acts became effective from 1 January 2026. NRS, in its public notice dated 4 February 2026, also indicated that all CIT returns due for filing from the date of commencement of the Acts (i.e. 2026 YOA) would be prepared, filed, and assessed in accordance with the provisions of the NTA and NTAA, irrespective of the actual filing date of 2026 or thereafter. This position has, however, been met with reservations by stakeholders and strongly contested on the basis that it may constitute a retroactive application of the law.

The initial assessment prepared under the NTA reflects a NIL development levy, as our assessable profit is negative. Industry stakeholders will continue to engage with the NRS to obtain a final position before the statutory deadline of 30 June 2026.

9. OPERATING SEGMENTS

Segment information is presented in respect of the Group's geographic segments which represents the primary segment reporting format and is based on the Group's management and reporting structure. The Chief Operating Decision Maker (Board of Directors), reviews the Group's performance along these business segments and resources are allocated accordingly.

Geographical segments

The Group operates in the following geographical regions:

- **Nigeria:** This comprises UBA Plc (excluding the branch in New York) and UBA Pensions Custodian Limited.
- **Africa:** This comprises all subsidiaries in Africa, excluding Nigeria. The African subsidiaries have been aggregated into one reportable segment as they are deemed to have similar economic characteristics.
- **International:** This comprises UBA UK Limited, UBA New York branch, UBA Dubai and UBA Paris. Although this part of the business is not large enough to be presented as a separate reporting segment, it has been included here as it is seen as a potential growth segment which is expected to materially contribute to group revenue in the future. The entities within this reporting segment have been aggregated into one reportable segment as they have similar economic characteristics.

Business segments

The Group's operations have been classified into the following business segments:

Corporate Banking - This business segment provides a broad range of financial solutions to multinationals, regional companies, state-owned companies, non-governmental organisations, international and multinational organisations and financial institutions.

Retail/Commercial Banking – This business segment has presence in all major cities in Nigeria and in nineteen other countries across Africa where the Group has operations . It provides commercial banking products and services to the middle and retail segments of the market.

Treasury and Financial Markets – This segment provides innovative financing and risk management solutions and advisory services to the Group's corporate and institutional customers. The segment is also responsible for formulation and implementation of financial market products for the Group's customers.

Unallocated Segment – This comprises assets that are held solely for the purpose of disposal. They are not utilized for the Group's day to day operations.

No single external customer or group amounts to 10% or more of the Group's revenues.

The revenue from external parties reported to the Chief Operating Decision Maker is measured in a manner consistent with that in the income statement.

Inter-segment transactions, balances, income and expenses on transactions between group companies are eliminated. Profits and losses resulting from inter-segment transactions that are recognised in assets are also eliminated. Transfer prices between operating segments are based on the Group's internal pricing framework.

9. OPERATING SEGMENTS - CONTINUED

(a) Geographical segments

(i) December 31, 2025

In millions of Nigerian Naira	Nigeria	Africa	Interna-tional	Eliminations	Total
Total revenue[1]	**1,567,443**	**1,677,826**	**167,684**	**(322,986)**	**3,089,968**
					-
Interest expenses	(666,618)	(343,755)	(37,026)	16,692	(1,030,708)
Fee and commission expense	(92,397)	(108,075)	-	-	(200,472)
Impairment loss recognised in income statement	(305,931)	(24,876)	1,460	-	(329,348)
Operating expenses	(504,212)	(521,691)	(77,977)	-	(1,103,878)
Net monetary loss on hyper inflation	-	(2,162)	-	-	(2,162)
Profit before tax	**(1,716)**	**677,268**	**54,140**	**(306,294)**	**423,400**
Income tax expenses	117,249	(129,433)	(6,521)	-	(18,704)
Profit for the year	**115,534**	**547,835**	**47,619**	**(306,294)**	**404,696**
31 December 2025					
Loans and advances	3,254,427	3,546,949	719,391	(60,847)	7,459,920
Deposits from customers and banks	10,986,940	14,314,890	2,448,032	(541,822)	27,208,040
Total segment assets[2]	14,659,873	16,934,324	2,723,698	(1,144,707)	33,173,188
Total segment liabilities	12,474,188	14,700,661	2,564,322	(818,926)	28,920,246
[1] Includes:					
Recognised at a point in time	186,239	388,642	10,383	-	585,264
Recognised over time	19,095	50,608	-	-	69,703
Total revenue within the scope of IFRS 15	**205,334**	**439,251**	**10,383**	**-**	**654,967**
[2] Includes:					
Expenditure for reportable segment:					
Depreciation	22,434	28,642	3,940	-	55,016
Amortisation	8,776	1,184	1,703	-	11,664

9 OPERATING SEGMENTS - CONTINUED

(a) Geographical segments - Continued

December 31, 2024

In millions of Nigerian Naira	Nigeria	Africa	International	Eliminations	Total
Total revenue[1]	1,658,951	1,517,244	258,504	(247,819)	3,186,880
					-
Interest expenses	(458,238)	(328,538)	(52,475)	-	(839,250)
Fee and commission expense	(116,467)	(117,531)	-	-	(233,998)
Impairment loss recognised in income statement	(202,465)	(55,985)	5,216	-	(253,565)
Operating expenses	(517,365)	(467,914)	(61,228)	-	(1,046,178)
Net monetary loss on hyperinflation	-	(10,163)	-	-	(10,163)
Share of gains in equity-accounted investee	-		-	-	
Profit before tax	**364,417**	**537,113**	**150,017**	**(247,819)**	**803,726**
Income tax expenses	51,469	(110,174)	21,548	-	(37,158)
Profit for the period	**415,886**	**426,938**	**171,565**	**(247,819)**	**766,568**
31 December 2024					
Loans and advances	3,799,966	3,350,213	682,898	(322,460)	7,510,617
Deposits from customers and banks	11,293,595	12,335,408	2,778,520	(1,756,362)	24,651,161
Total segment assets[2]	14,949,213	14,757,260	3,088,021	(2,471,139)	30,323,355
Total segment liabilities	13,388,624	12,944,372	2,826,021	(2,254,301)	26,904,716
[1] Includes:					
Recognised at a point in time	199,913	376,975	12,111	-	589,000
Recognised over time	17,243	66,484	-	-	83,727
Total revenue within the scope of IFRS 15	**217,155**	**443,460**	**12,111**	**-**	**672,726**
[2] Includes:					
Expenditure for reportable segment:					
Non-current assets					
Depreciation	16,754	23,045	1,077	-	40,876
Amortisation	5,015	1,076	1,642	-	7,733

9. OPERATING SEGMENTS - CONTINUED

(b) Business reporting

The following table presents income and profit and certain asset and liability information for the Group's business segments:

December 31, 2025

In millions of Nigerian Naira	Corporate	Retail and commercial	Treasury and financial markets	Unallocated Segment	Total
Revenue:					
Derived revenue from external customers	**1,012,926**	**1,343,069**	**1,011,566**	**(277,593)**	**3,089,968**
Interest expenses	(313,748)	(336,877)	(380,083)	-	(1,030,708)
Fee and commission expense	(19,799)	(111,759)	(68,914)	-	(200,472)
				-	-
Impairment loss recognised in income statement	(296,596)	(31,588)	(1,164)		(329,348)
Net monetary loss on hyperinflation	-	-	-	(2,162)	(2,162)
Operating expenses	(237,789)	(563,198)	(236,211)	-	(1,037,198)
Depreciation and amortisation	(15,287)	(36,207)	(15,186)	-	(66,680)
Profit before income tax	**129,708**	**263,439**	**310,008**	**(279,755)**	**423,400**
Taxation	(5,730)	721	(13,695)	-	(18,704)
Profit for the year	**123,978**	**264,160**	**296,313**	**(279,755)**	**404,696**
31 December 2025					
Loans and advances	3,691,664	3,288,497	479,759	-	7,459,920
Deposits from customers and banks	4,876,786	19,072,121	3,259,133	-	27,208,040
Total segment assets	4,058,321	16,095,903	13,018,963	-	33,173,188
Total segment liabilities	4,958,901	19,778,556	4,182,789	-	28,920,246

December 31, 2024

In millions of Nigerian Naira	Corporate	Retail and commercial	Treasury and financial markets	Unallocated Segment	Total
Revenue:					
Derived revenue from external customers	**1,078,724**	**1,363,876**	**1,086,485**	**(342,205)**	**3,186,880**
Interest expenses	(233,842)	(266,428)	(338,979)	-	(839,250)
Fee and commission expense	(3,647)	(230,238)	(113)	-	(233,998)
Net impairment Gain on financial assets	(227,725)	(25,514)	(326)		(253,565)
Net monetary loss on hyperinflation	-	-	-	(10,163)	(10,163)
Operating expenses	(190,587)	(511,321)	(295,662)	-	(997,570)
Depreciation and amortisation	(9,287)	(24,915)	(14,407)	-	(48,608)
Profit before income tax	**413,636**	**305,461**	**436,998**	**(352,368)**	**803,726**
Taxation	(19,123)	2,169	(20,203)	-	(37,158)
Profit for the year	**394,512**	**307,629**	**416,794**	**(352,368)**	**766,568**
31 December 2024					
Loans and advances	3,691,664	3,220,648	598,305	-	7,510,617
Deposits from customers and banks	4,876,786	17,017,903	2,756,472	-	24,651,161
					-
Total segment assets	4,058,321	16,328,372	9,936,662	-	30,323,355
Total segment liabilities	4,958,901	17,794,547	4,151,268	-	26,904,716

10. INTEREST INCOME

In millions of Nigerian Naira	Group Dec. 2025	Group Dec. 2024	Bank Dec. 2025	Bank Dec. 2024
Interest income on amortised cost and FVOCI securities				
Cash and bank balances	185,373	146,084	115,923	93,244
Interest income on loans and advances to banks	128,938	241,647	89,913	104,784
Interest on loans to customers				
- To individuals				
Term loans	54,336	37,617	17,565	17,107
Overdrafts	12,739	23,007	4,114	13,553
- To corporates				
Term loans	664,969	569,142	501,298	438,215
Overdrafts	103,662	138,808	30,417	62,524
Others	28,803	11,120	22,506	6,171
Investment securities				
- Treasury bills	805,379	678,440	342,441	327,964
- Bonds	652,583	449,098	292,977	230,480
- Promissory notes	1,473	927	1,473	927
	2,638,255	2,295,890	1,418,627	1,294,969
Interest income on financial assets at FVTPL				
- Bonds	3,718	22,870	140	110
- Treasury Bills	5,497	51,277	3,999	3,786
	9,216	**74,147**	**4,139**	**3,896**
Interest income on trade related				
-Trade related	1,576	41,595	1,576	41,595
Total interest income	**2,649,047**	**2,411,632**	**1,424,342**	**1,340,460**

1. Interest income at amortized cost and fair value through OCI are calculated using the effective interest method.
2. Interest income includes accrued interest on impaired loans of ₦56.285 billion for the Group (Bank: ₦47.027 billion) for the year ended 31 December 2025 and ₦4.263billion for the Group (Bank: ₦3.976 billion) for the year ended 31 December 2024.
3. Interest income on trade-related transactions, previously classified as fee and commission income in prior year, has been reclassified to interest income to reflect the nature of the transactions. Comparative figures have been restated accordingly, with no impact on profit or equity.

11. INTEREST EXPENSE

In millions of Nigerian Naira	Group Dec. 2025	Group Dec. 2024	Bank Dec. 2025	Bank Dec. 2024
Deposits from banks	319,742	196,634	186,230	91,595
Deposits from customers	607,069	456,609	402,136	262,867
Borrowings	70,197	180,558	69,439	123,945
Lease liabilities	5,629	5,449	2,728	3,283
Interest expense on trade related				
-Trade related	28,071	19,912	28,071	19,912
	1,030,708	**859,162**	**688,604**	**501,602**

1. Total interest expense at amortized cost are calculated using the effective interest method.
2. Interest expense on trade-related transactions, previously classified as fee and commission expense in prior year, has been reclassified to interest expense to reflect the nature of the transactions. Comparative figures have been restated accordingly, with no impact on profit or equity.

12. IMPAIRMENT CHARGE FOR CREDIT LOSSES

In millions of Nigerian Naira	Group Dec. 2025	Group Dec. 2024	Bank Dec. 2025	Bank Dec. 2024
12a. Impairment charge for credit losses on Loans				
Impairment charge for credit losses on loans and advances to customers:				
- impairment for credit losses (Note 26(b))	381,209	246,890	317,897	189,056
Allowance for credit losses on loans and advances to banks:				
- allowance for credit losses ((Note 25)	6,581	11,703	775	126
Write-off on loans and receivables	12,984	13,015	1,226	1,871
Recoveries in allowance for credit loss	(69,703)	(54,641)	(19,095)	(13,251)
	331,071	**216,967**	**300,803**	**177,802**

For the year ended 31 December 2025

12. IMPAIRMENT CHARGE FOR CREDIT LOSSES - CONTINUED

	Group		Bank	
	Dec. 2025	Dec. 2024	Dec. 2025	Dec. 2024
12b. Net impairment charge on other financial assets				
Impairment (writeback)/charge on investment securities (Note 27(a))	(11,949)	17,770	3,225	21,630
Impairment charge/(writeback) on investment securities- FVOCI (Note 27(a))	513	(18,959)	513	(18,959)
Impairment charge/(writeback) on placement (Note 22)	485	(596)	819	(596)
Impairment charge/(writeback) on off-balance sheet items	614	(240)	632	(1,962)
Impairment charge/(writeback) on other assets (Note 28(a))	8,614	19,578	(2,303)	21,634
	(1,723)	**17,553**	**2,886**	**21,746**
12c Day 1 Modification (gain)/loss on Purchased or originated credit impaired				
Debt Instruments measured at FVOCI	-	(1,888)	-	(1,888)
Debt Instruments measured at amortised cost	-	20,933	-	-
	-	**19,045**	**-**	**(1,888)**
	329,348	**253,565**	**303,689**	**197,660**

13. FEES AND COMMISSION

a. INCOME

	Group		Bank	
In millions of Nigerian Naira	Dec. 2025	Dec. 2024	Dec. 2025	Dec. 2024
Credit-related fees and commissions[1]	71,696	94,765	19,881	16,152
Commission on turnover	22,445	20,241	-	-
Account maintenance fee	31,913	30,542	31,913	30,542
Electronic banking income [2]	225,629	236,309	79,100	78,332
Funds transfer fee	52,251	48,363	5,179	2,282
Trade transactions income [3]	39,546	24,639	4,888	5,589
Remittance fee	29,335	39,913	16,504	15,621
Commissions on transactional services [4]	50,678	44,619	14,779	13,083
Pension funds custody fees	9,454	8,015	-	-
	532,947	**547,406**	**172,244**	**161,601**

[1] Credit related fees and commission income excludes amount included in determining effective interest rates on financial assets carried at amortized cost. Credit related fees are taken over the life of the related facility, whilst transaction related fees are earned when the service is rendered.

[2] Electronic banking income represents income taken on transactions processed via electronic channels such as ATM, POS, mobile banking as well as credit and debit card transactions.

[3]Trade transactions income entails one-off charges as related to letter of credits and other trade businesses which are excluded from those included in determining effective interest rates on those carried at amortized cost

[4] Commissions on transactional service represents one-off charges on banking transactions such as cheque book issuance, bank statement fees, cash management, stopped cheques and other transactional related income.

b. EXPENSE

	Group		Bank	
Fees and commission expense *In millions of Nigerian Naira*	Dec. 2025	Dec. 2024	Dec. 2025	Dec. 2024
E-Banking expense	177,368	178,998	88,288	93,827
Trade related expenses	10,187	14,895	1,745	1,351
Funds transfer expense	12,917	20,193	2,364	1,375
	200,472	**214,086**	**92,397**	**96,553**

14. NET TRADING AND FOREIGN EXCHANGE INCOME

In millions of Nigerian Naira	Group Dec. 2025	Group Dec. 2024	Bank Dec. 2025	Bank Dec. 2024
Fixed income securities(i)	134,205	96,570	63,912	87,931
Foreign exchange trading income(ii)	7,678	134,312	7,678	54,892
Foreign currency revaluation (loss)/gain	(4,858)	293,085	(25,017)	277,567
Net fair value loss on derivatives (see note 33 (c))	(277,593)	(342,205)	(277,593)	(342,205)
	(140,568)	**181,762**	**(231,020)**	**78,185**

(i) This comprises gains and losses arising from trading and fair value changes. Included in this is a gain of N495 million for the Group (Bank: N495 million) for the year ended 31 December 2025 and N2.03 billion for the Group (Bank: N2.03 billion) for the year ended 31 December 2024 transfered from fair value reserve on disposal of debt securities.

(ii) Foreign exchange income comprises trading income on foreign currencies and gains and losses from revaluation of trading position.

15. OTHER OPERATING INCOME

In millions of Nigerian Naira	Group Dec. 2025	Group Dec. 2024	Bank Dec. 2025	Bank Dec. 2024
Dividend income (i)	17,733	16,884	319,101	251,551
Other Income	29,675	28,208	3,357	3,662
Rental income	666	878	656	296
Gain on disposal of property and equipment	468	110	-	31
	48,542	**46,080**	**323,114**	**255,540**

(i) Dividend income of N319.10 billion for the Bank includes a sum of N306.29 billion (Dec 2024: N247.82 billion) being total dividend earned from the Bank's subsidiaries. This amount has been eliminated in arriving at the Group's dividend of N17.73 billion income from other equity investments.

16. NET MONETARY LOSS ON HYPERINFLATION

In millions of Nigerian Naira	Group Dec. 2025	Group Dec. 2024	Bank Dec. 2025	Bank Dec. 2024
Net monetary loss arising from hyperinflation - UBA Ghana (note 46)	-	4,448	-	-
Net monetary loss arising from hyperinflation - UBA Sierra Leone (note 46)	2,162	5,715	-	-
	2,162	**10,163**	**-**	**-**

17. EMPLOYEE BENEFIT EXPENSES

In millions of Nigerian Naira	Group Dec. 2025	Group Dec. 2024	Bank Dec. 2025	Bank Dec. 2024
Wages and salaries (note 43)	359,334	297,601	118,799	89,802
Defined contribution plans	13,448	14,909	2,802	1,926
Termination Benefits	3,486	2,150	1,896	640
	376,268	**314,660**	**123,497**	**92,368**

Included in the employee benefit expenses is the sum of N2,131.19 billion, which represents the amount set aside as Industrial Training Fund (ITF) contribution for FY2025 (Dec 2024: N501.79 million)

For the year ended 31 December 2025

18. DEPRECIATION AND AMORTISATION

In millions of Nigerian Naira	Group Dec. 2025	Group Dec. 2024	Bank Dec. 2025	Bank Dec. 2024
Depreciation of property and equipment (note 30)	41,259	32,382	21,302	15,430
Depreciation of right-of-use assets (note 30)	13,757	8,493	3,590	1,749
Amortisation of intangible assets (note 31)	11,664	7,733	9,859	6,049
	66,680	**48,608**	**34,751**	**23,228**

19. OTHER OPERATING EXPENSES

In millions of Nigerian Naira	Group Dec. 2025	Group Dec. 2024	Bank Dec. 2025	Bank Dec. 2024
Fuel, repairs and maintenance	86,194	101,280	71,003	86,937
Banking sector resolution cost [1]	94,334	71,911	91,146	68,946
Contract services	105,489	111,877	45,468	59,698
Deposit insurance premium	55,591	47,560	43,856	38,296
Occupancy and premises maintenance costs	47,102	44,375	8,716	6,494
Advertising, promotions and branding	19,853	50,744	13,681	46,508
Printing and stationery	13,752	15,361	7,377	5,137
Subscriptions	39,470	49,630	8,598	31,953
IT support and related expenses	42,956	48,048	39,183	46,206
Security and cash handling expenses	21,134	21,166	9,270	6,594
Business travels	34,860	29,133	26,467	22,352
Donations	2,024	1,979	1,807	1,883
Communication	29,128	28,451	4,792	4,122
Non-deposit insurance costs	11,000	8,934	2,538	2,249
Bank charges	34,696	34,763	10,850	4,528
Auditors' remuneration	4,965	3,963	539	469
Training and human capital development	8,096	10,418	4,347	2,904
Penalties	923	400	172	150
Loan recovery expenses	1,140	2,211	622	1,844
Directors' fees	1,394	703	1,020	571
Loss on disposal of property and equipment [3]	2,759	3	99	-
Legal expenses [2]	4,070	-	4,070	-
	660,930	**682,910**	**395,621**	**437,841**

1. Banking sector resolution cost represents Asset Management Corporation of Nigeria (AMCON) levy, which is applicable on total balance sheet size of the Bank. The current applicable rate based on AMCON Act of 2015 is 0.5% of total assets plus total off balance sheet asset.

2. Legal expense include provision for litigation.

3. Loss on disposal of property and equipment include Write-off of PPE.

20. TAXATION

In millions of Nigerian Naira	Group Dec. 2025	Group Dec. 2024	Bank Dec. 2025	Bank Dec. 2024
Recognised in the statement of comprehensive income				
(a) Current tax expense				
Current period	95,130	161,170	(27,710)	22,794
Windfall tax/levy	-	57,912	-	57,912
Current period	95,130	219,082	(27,710)	80,706
(b) Deferred tax expense				
Origination and reversal of temporary differences (Note 32)	(76,426)	(181,924)	(87,472)	(158,867)
Total income tax expense/(credit)	**18,704**	**37,158**	**(115,182)**	**(78,161)**

20. TAXATION - CONTINUED

	Group		Bank	
	Dec. 2025	Dec. 2024	Dec. 2025	Dec. 2024
(c) Current income tax payable				
Balance, beginning of period	138,983	42,671	79,506	17,781
Tax paid	(197,116)	(122,770)	(44,269)	(18,981)
Income tax charge	95,130	219,082	(27,710)	80,706
Balance, end of year	**36,997**	**138,983**	**7,527**	**79,506**

(d) Reconciliation of effective tax rate

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the tax rate applicable to profits of the Bank (Parent). The reconciliation of amount reported as tax expense in the statement of comprehensive income to the income tax using the domestic corporation tax rate is presented below:

	Group		Bank	
In millions of Nigerian Naira	Dec. 2025	Dec. 2024	Dec. 2025	Dec. 2024
Domestic corporation tax rate	30%	30%	30%	30%
Profit before income tax	423,400	803,726	50,121	486,534
Income tax using the domestic corporation tax rate	127,020	241,118	15,036	145,960
Tax effects of :				
Information Technology Levy (i)	501	4,677	501	4,677
Nigerian Police Trust Fund Levy (ii)	3	23	3	23
Education tax (iii)	-	5,073	-	5,073
NASENI Levy (iv)	125	1,169	125	1,169
National Fiscal Stabilization Levy (v)	-	1,135	-	-
Financial Sector Recovery Levy (vi)	-	1,135	-	-
Minimum tax	6,898	7,831	6,898	7,831
Windfall tax/levy	-	57,912	-	57,912
Effect of Permanent differences - Income not subject to tax	(634,841)	(525,377)	(684,209)	(261,819)
Effect of Permanent differences - Expenses not deductible	518,998	242,463	546,464	(38,987)
	18,704	**37,158**	**(115,182)**	**(78,161)**
Effective tax rate	4%	5%	-230%	-16%

In millions of Nigerian Naira	Group		Bank	
Income Tax recognized in Other Comprehensive Income				
Fair value change in debt instruments classified as FVOCI	87,167	(161,817)	87,167	(176,914)
ECL on debt instruments classified as FVOCI	513	(18,959)	513	(18,959)
Income tax relating to net changes and ECL on FVOCI instruments	(8,871)	18,078	(8,871)	19,587
Fair value changes on equity investments designated at FVOCI	20,254	241,818	19,221	235,506
Income tax relating to net changes in FVOCI on Equity instruments	(2,025)	(24,182)	(1,922)	(23,551)

ii) Companies Income Tax

The tax law is similar in most of the countries the Bank operates. The Companies Income Tax Act (CITA) in Nigeria requires companies having more than N100 Million Naira turnover to pay income tax at the rate of 30% of their taxable profits. Where the company do not have a taxable profit or where the income tax on the taxable profit is lower than the prescribed minimum tax, the minimum tax shall apply. Minimum tax in Nigeria is assessed at the rate of 0.5% of the turnover.

UBA Plc has no taxable profit for the year ended 31 December 2025, as a result, was assessed to minimum tax for the year under review. The minimum tax charge for the year was N6.898 billion (2024: N7.831 billion).

i. Information Technology Levy: UBA Plc is also required to pay 1% of its profit before tax (PBT)as the National Information Technology Development (NITD) levy. The levy is payable by specified companies in Nigeria with annual turnover of at least 100 million Naira. The information technology levy charge for the year was N501 Million (2024: N4.677 billion).

ii. Nigerian Police Trust Fund Levy:
The Nigeria Police Trust Fund levy was introduced by the Nigeria Police Fund Trust Establishment Act 2019 and is charged at the rate of 0.005% of the net profit of companies operating in Nigeria. The Nigerian Police Trust Fund Levy for the year was N2.2 million (2024. N23.383 million).

iii. Education Tax: Education tax is applicable to UBA Plc only and its imposed on Nigerian companies by the Tertiary Education Trust Fund Act. The rate applicable to the financial statement is 3% of the assessable profit. The education tax charge for the year is Nil (2024: N5.073 Billion).

iv. National Agency for Science and Engineering Infrastructure (NASENI) levy: NASENI levy is imposed on Nigerian companies by the National Agency for Science and Engineering Infrastructure Act. The rate of the levy is 0.25% of the profit before tax for specific companies having more than 100million Naira turnover. The NASENI levy charge for the year was N125 million (2024: N1.169 billion).

21. EARNINGS PER SHARE

The calculation of basic earnings per share as at 31 December 2025 was based on the profit attributable to ordinary shareholders of the Parent of N373.65 billion (Bank: N165.30 billion) and the weighted average number of ordinary shares outstanding of 38.668 billion (Bank: 38.668 billion). The Bank had no dilutive instruments as at period end (December 2024 : nil). Hence the basic and diluted earnings per share are equal.

	Group		Bank	
In millions of Nigerian Naira	**Dec. 2025**	**Dec. 2024**	**Dec. 2025**	**Dec. 2024**
Profit attributable to equity holders of the parent	373,654	743,121	165,303	564,695
Weighted average number of ordinary shares outstanding (in millions)	38,668	34,199	38,668	34,199
Basic and diluted earnings per share (Naira)	**9.66**	**21.73**	**4.27**	**16.51**

The Bank concluded its its initial and final Rights Issue and obtained CBN's "no objection" on 2nd May 2025 and 31 December 2025 respectively. A total of 9,996,753,939 ordinary shares of 50 Kobo each of United Bank of Africa Plc were issued bringing the the total issued shares to 44,196,175,305 ordinary shares of 50 Kobo each. The weighted average number of shares is summarised below:

Period	No. of Shares outstanding ('million)	Relative Period (days)	Weighted Avg
01 January 2025 to 07 May 2025	34,199	127	11,900
08 May 2025 to 30 Dec 2025	41,039	237	26,647
30 Dec 2025 to 31 Dec 2025	44,196	1	121
		365	**38,668**

The Bank's initial and final right issues were at an exercise price of N35 and N50 per share respectively with the market price of the shares being below the the offer price at the commencement dates. Hence, the right issue does not have retrospective impact on EPS as the exercise or rights price was higher than market price on the date of issue.

22. CASH AND BANK BALANCES

In millions of Nigerian Naira	Group		Bank	
Cash	267,257	292,888	41,784	91,261
Current balances with banks	2,205,031	2,553,448	1,906,730	2,534,636
Unrestricted balances with central banks	932,920	958,127	21,109	7
Money market placements	1,670,849	429,582	858,577	517,520
Restricted balances with central banks (note (i) below)	3,876,770	3,929,953	3,427,729	3,589,647
	8,952,827	**8,163,998**	**6,255,929**	**6,733,071**
ECL Allowance on Placement	(815)	(330)	(1,149)	(330)
	8,952,012	**8,163,668**	**6,254,780**	**6,732,741**
Current	8,952,012	8,163,668	6,254,780	6,732,741
	8,952,012	**8,163,668**	**6,254,780**	**6,732,741**

22. CASH AND BANK BALANCES - CONTINUED

	Group		Bank	
Movement in impairment for placements				
Balance, beginning of year	330	926	330	926
(Writeback)/Charge for the year (See note 12b)	485	(596)	819	(596)
Balance, end of year	815	330	1,149	330

(i) Restricted balances with central banks comprise:				
In millions of Nigerian Naira				
Mandatory reserve deposits with central banks (note (a) below)	3,845,112	3,898,299	3,396,071	3,557,993
Special Intervention Reserve (note (b) below)	31,658	31,654	31,658	31,654
Total	**3,876,770**	**3,929,953**	**3,427,729**	**3,589,647**

(a) This represents amounts held as cash reserve requirement with central banks of the countries in which the Bank and its subsidiaries operate, and is not available for use in the Group's day-to-day operations.

(b) This represents the Bank's contribution to the Central Bank of Nigeria's (CBN) Real Sector Support Facility (RSSF), warehoused in the Special Intervention Reserve held with the CBN. The Real Sector Support Facility is to be channeled towards providing credit to priority sectors of the Nigerian economy.

(ii) Cash and cash equivalents for the purposes of the statements of cash flows include the following :

In millions of Nigerian Naira	Group		Bank	
Cash and current balances with banks	2,472,288	2,846,336	1,948,514	2,625,897
Unrestricted balances with central banks	932,920	958,127	21,109	7
Money market placements (less than 90 days)	1,406,630	132,062	264,219	297,520
Cash and cash equivalents	4,811,838	3,936,525	2,233,842	2,923,424

23. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

In millions of Nigerian Naira	Group		Bank	
Government bonds	177,687	82,671	2	2
Treasury bills (above 90 days maturity). See note (i) below:	16,965	18,016	16,965	18,016
	194,652	100,687	16,967	18,018
Non-Current	**194,652**	**100,687**	**16,967**	**18,018**

(i) This represents treasury bills measured at fair value through profit or loss, with maturity above three months from the date of purchase. They have been excluded from cash and cash equivalents for the purpose of the statement of cash flows.

24. ASSETS UNDER MANAGEMENT

In millions of Nigerian Naira	Group		Bank	
Relating to unclaimed dividends:				
Short term deposits - 6 months	15,446	13,054	15,446	13,054
Short term deposits - 6 months	2,121	2,121	2,121	2,121
	17,567	**15,175**	**17,567**	**15,175**

(i) The Bank entrusted the sum transferred to it by the Registrars in respect of unclaimed dividends with select Asset Managers who will ensure safekeeping and manage the funds for the benefit of the Bank. The investments by the Asset Managers are as listed above (the corresponding liability which is due to the Registrar is reported as "unclaimed dividend" in other liabilities).

25. LOANS AND ADVANCES TO BANKS

In millions of Nigerian Naira	Group		Bank	
Gross amount	442,336	570,958	259,227	294,126
Less: Allowance for credit losses				
Stage 1 loans	(4,810)	(14,886)	(1,353)	(3,185)
	437,526	556,072	257,874	290,941
Current	437,526	556,072	257,874	290,941
	437,526	556,072	257,874	290,941

(a) Allowance for credit losses on loans and advances to banks

December 31, 2025

Group

Allowance for credit loss

In millions of Nigerian Naira	Stage 1 - 12-month ECL	Stage 2 - Lifetime ECL	Stage 3 - Life-time ECL	Total
Balance, beginning of year	14,886	-	-	14,886
Charge for the year	6,581	-	-	6,581
Write-offs/(reversals)	(16,657)	-	-	(16,657)
Balance, end of year	**4,810**	-	-	**4,810**

Bank

Allowance for credit loss

In millions of Nigerian Naira	Stage 1 - 12-month ECL	Stage 2 - Lifetime ECL	Stage 3 - Life-time ECL	Total
Balance, beginning of year	3,185	-	-	3,185
Charge for the year	775	-	-	775
Write-offs/(reversals)	(2,607)	-	-	(2,607)
Balance, end of year	**1,353**	-	-	**1,353**

December 31, 2024

Group

Allowance for credit loss

In millions of Nigerian Naira	Stage 1 - 12-month ECL	Stage 2 - Lifetime ECL	Stage 3 - Lifetime ECL	Total
Balance, beginning of year	3,183	-	-	3,183
(Write back) for the year	11,703	-	-	11,703
Balance, end of year	**14,886**	-	-	**14,886**

Bank

Allowance for credit loss

In millions of Nigerian Naira	Stage 1 - 12-month ECL	Stage 2 - Life-time ECL	Stage 3 - Life-time ECL	Total
Balance, beginning of year	3,059	-	-	3,059
(Write back) for the year	126	-	-	126
Balance, end of year	**3,185**	-	-	**3,185**

26. LOANS AND ADVANCES TO CUSTOMERS

In millions of Nigerian Naira	Group Dec. 2025	Group 31 Dec. 24	Bank Dec. 2025	Bank 31 Dec. 24
Gross amount	7,576,477	7,275,343	3,817,965	4,056,447
Allowance for credit losses	(554,083)	(320,798)	(310,376)	(135,914)
	7,022,394	6,954,545	3,507,589	3,920,533
Current	3,430,582	3,262,916	1,668,705	1,831,786
Non-current	3,591,812	3,691,629	1,838,884	2,088,747
	7,022,394	**6,954,545**	**3,507,589**	**3,920,533**

(a) December 31, 2025

Loans and advances to customers	Group		Bank	
In millions of Nigerian Naira	Dec. 2025	Dec. 2024	Dec. 2025	Dec. 2024
Gross amount	7,576,477	7,275,343	3,817,965	4,056,447
Allowance for credit losses:				
- Impairment loss on Stage 1 loans	(121,736)	(97,777)	(35,104)	(25,451)
- Impairment loss on Stage 2 loans	(81,674)	(26,356)	(65,259)	(14,203)
- Impairment loss on Stage 3 loans	(350,672)	(196,666)	(210,012)	(96,260)
Total provision for credit losses	(554,083)	(320,798)	(310,376)	(135,914)
Carrying amount	**7,022,394**	**6,954,545**	**3,507,589**	**3,920,533**
Loans and advances to individuals				
In millions of Nigerian Naira				
Gross amount	638,029	613,437	97,990	88,121
Provision for credit losses:				
- Impairment loss on Stage 1 loans	(20,490)	(17,464)	(3,020)	(8,177)
- Impairment loss on Stage 2 loans	(4,009)	(3,897)	(7)	(14)
- Impairment loss on Stage 3 loans	(24,637)	(19,300)	(10,780)	(2,610)
Total provision for credit losses	(49,136)	(40,661)	(13,807)	(10,801)
Carrying amount	**588,893**	**572,776**	**84,183**	**77,320**

Loans and advances to corporate entities and other organizations

Loans and advances to customers	Group		Bank	
In millions of Nigerian Naira	Dec. 2025	Dec. 2024	Dec. 2025	Dec. 2024
Gross amount	6,938,448	6,661,906	3,719,976	3,968,326
Provision for credit losses:				
- Impairment loss on Stage 1 loans	(101,246)	(80,313)	(32,084)	(17,274)
- Impairment loss on Stage 2 loans	(77,665)	(22,459)	(65,252)	(14,189)
- Impairment loss on Stage 3 loans	(326,035)	(177,366)	(199,232)	(93,650)
Total provision for credit losses	(504,946)	(280,138)	(296,569)	(125,113)
Carrying amount	**6,433,502**	**6,381,768**	**3,423,407**	**3,843,213**

December 31, 2025

Group

Loans and advances to individuals	Gross amount	Stage 1 - 12-month ECL	Stage 2 - Lifetime ECL	Stage 3 - Lifetime ECL	Total allowances	Carrying amount
Overdrafts	80,281	(3,297)	(387)	(11,082)	(14,766)	65,515
Term loans	557,749	(17,193)	(3,622)	(13,555)	(34,370)	523,379
	638,029	**(20,490)**	**(4,009)**	**(24,637)**	**(49,136)**	**588,893**
Loans and advances to corporate entities and other organizations						
Overdrafts	940,516	(6,106)	(4,106)	(138,221)	(148,433)	792,083
Term loans	5,997,932	(95,140)	(73,559)	(187,814)	(356,513)	5,641,419
Others	-	-	-	-	-	-
	6,938,448	**(101,246)**	**(77,665)**	**(326,035)**	**(504,946)**	**6,433,502**

For the year ended 31 December 2025

26. LOANS AND ADVANCES TO CUSTOMERS - CONTINUED

	Gross amount	Stage 1 - 12-month ECL	Stage 2 - Life-time ECL	Stage 3 - Life-time ECL	Total allowances	Carrying amount
Bank						
Loans and advances to individuals						
Overdrafts	19,489	(217)	-	(8,840)	(9,057)	10,432
Term loans	78,501	(2,803)	(7)	(1,940)	(4,750)	73,751
	97,990	**(3,020)**	**(7)**	**(10,780)**	**(13,807)**	**84,183**
Loans and advances to corporate entities and other organizations						
Overdrafts	201,527	(697)	(39)	(33,029)	(33,765)	167,762
Term loans	3,518,449	(31,387)	(65,213)	(166,203)	(262,804)	3,255,645
Others	-	-	-	-	-	-
	3,719,976	**(32,084)**	**(65,252)**	**(199,232)**	**(296,569)**	**3,423,407**

December 31, 2024

Group **Loans and advances to individuals**	Gross amount	Stage 1 - 12-month ECL	Stage 2 - Life-time ECL	Stage 3 - Life-time ECL	Total allowances	Carrying amount
Overdrafts	77,750	(2,167)	(217)	(8,163)	(10,547)	67,203
Term loans	535,687	(15,297)	(3,680)	(11,137)	(30,114)	505,573
	613,437	**(17,464)**	**(3,897)**	**(19,300)**	**(40,661)**	**572,776**
Loans and advances to corporate entities and other organizations						
Overdrafts	1,121,669	(4,403)	(3,067)	(105,880)	(113,350)	1,008,319
Term loans	5,534,218	(75,812)	(19,392)	(71,486)	(166,690)	5,367,529
Others	6,019	(98)	-	-	(98)	5,921
	6,661,906	**(80,313)**	**(22,459)**	**(177,366)**	**(280,138)**	**6,381,769**
Bank						
Loans and advances to individuals						
Overdrafts	18,152	(104)	(0)	(2,163)	(2,267)	15,885
Term loans	69,969	(8,073)	(14)	(447)	(8,534)	61,435
	88,121	**(8,177)**	**(14)**	**(2,610)**	**(10,801)**	**77,320**
Loans and advances to corporate entities and other organizations						
Overdrafts	345,301	(1,022)	(295)	(44,305)	(45,622)	299,679
Term loans	3,617,006	(16,154)	(13,894)	(49,345)	(79,393)	3,537,613
Others	6,019	(98)	-	-	(98)	5,921
	3,968,326	**(17,274)**	**(14,189)**	**(93,650)**	**(125,113)**	**3,843,213**

(b) Allowance for credit losses on loans and advances to customers

December 31, 2025

(i) Group

In millions of Nigerian Naira	Stage 1 - 12-month ECL	Stage 2 - Life-time ECL	Stage 3 - Lifetime ECL	Total
Balance, beginning of year	97,777	26,356	196,665	320,798
Impairment charge in the period	72,282	79,441	229,486	381,209
Recoveries	-	-	(69,703)	(69,703)
Write offs	-	-	(79,867)	(79,867)
Transfer between stages	(48,971)	(23,885)	72,856	-
Exchange difference	648	(238)	1,234	1,645
Balance, end of year	**121,736**	**81,674**	**350,671**	**554,083**

26. LOANS AND ADVANCES TO CUSTOMERS - CONTINUED

(b) Allowance for credit losses on loans and advances to customers

Loans and advances to individuals

In millions of Nigerian Naira	Stage 1 - 12-month ECL	Stage 2 - Life-time ECL	Stage 3 - Lifetime ECL	Total
Balance, beginning of year	17,464	3,897	19,300	40,661
(Writeback)/Impairment charge in the period	10,475	145	8,013	18,633
Write offs			(12,378)	(12,378)
Transfer from individual portfolio	-		-	-
Transfer between stages	(8,056)	(33)	8,089	-
Exchange difference	607	-	1,613	2,220
Balance, end of year	**20,490**	**4,009**	**24,637**	**49,136**

Loans and advances to corporate entities and other organizations

In millions of Nigerian Naira	Stage 1 - 12-month ECL	Stage 2 - Life-time ECL	Stage 3 - Lifetime ECL	Total
Balance, beginning of year	80,313	22,459	177,365	280,137
Impairment charge in the period	61,807	79,296	221,473	362,576
Recoveries	-	-	(69,703)	(69,703)
Write offs	-	-	(67,489)	(67,489)
Transfer between stages	(40,915)	(23,852)	64,767	-
Exchange difference	41	(238)	(379)	(575)
Balance, end of year	**101,246**	**77,665**	**326,034**	**504,946**

(ii) Bank

In millions of Nigerian Naira	Stage 1 - 12-month ECL	Stage 2 - Life-time ECL	Stage 3 - Lifetime ECL	Total
Balance, beginning of year	25,451	14,203	96,260	135,913
(Writeback)/Impairment charge in the period	52,816	77,047	188,034	317,897
Recoveries			(19,095)	(19,095)
Write offs	-	-	(109,093)	(109,093)
Transfer between stages	(40,915)	(23,845)	64,760	-
Exchange difference	(2,248)	(2,146)	(10,853)	(15,246)
Balance, end of year	**35,104**	**65,259**	**210,012**	**310,376**

26. LOANS AND ADVANCES TO CUSTOMERS - CONTINUED

(c) Allowance for credit losses on loans and advances to customers

Loans and advances to individuals
Allowance for credit losses

In millions of Nigerian Naira	Stage 1 - 12-month ECL	Stage 2 - Life-time ECL	Stage 3 - Lifetime ECL	Total
Balance, beginning of year	8,177	14	2,610	10,800
Impairment charge/(write back) in the period	3,054	6	4,069	7,129
Write offs	-	-	(3,825)	(3,825)
Transfer between stages	(8,056)	(13)	8,069	-
Exchange difference	(155)	-	(142)	(297)
Balance, end of year	**3,020**	**7**	**10,780**	**13,807**

Loans and advances to corporate entities and other organizations

In millions of Nigerian Naira	Stage 1 - 12-month ECL	Stage 2 - Life-time ECL	Stage 3 - Lifetime ECL	Total
Balance, beginning of year	17,274	14,189	93,650	125,113
(Writeback)/Impairment charge in the period	49,762	77,041	183,965	310,768
Recoveries	-	-	(19,095)	(19,095)
Write offs	-	-	(105,268)	(105,268)
Transfer between stages	(32,859)	(23,832)	56,691	-
Exchange difference	(2,093)	(2,146)	(10,711)	(14,949)
Balance, end of year	**32,084**	**65,252**	**199,232**	**296,569**

December 31, 2024

Group

In millions of Nigerian Naira	Stage 1 - 12-month ECL	Stage 2 - Life-time ECL	Stage 3 - Lifetime ECL	Total
(iii) Allowance for credit losses on loans and advances to customers				
Balance, beginning of year	144,997	17,226	79,191	241,414
Impairment charge in the year	36,916	68,085	141,889	246,890
Recoveries			(5,982)	(5,982)
Write offs	-	-	(208,045)	(208,045)
Transfer between stages	(97,091)	(67,758)	164,849	-
Exchange difference	12,955	8,803	24,763	46,521
Balance, end of year	**97,777**	**26,356**	**196,665**	**320,799**

Loans and advances to individuals

In millions of Nigerian Naira	Stage 1 - 12-month ECL	Stage 2 - Life-time ECL	Stage 3 - Lifetime ECL	Total
Balance, beginning of year	21,923	1,511	17,056	40,490
Impairment charge/(write back) in the year	3,934	2,146	2,468	8,548
(Write offs)/Write back			(3,127)	(3,127)
Reversal in allowance for credit loss	(14,000)		-	(14,000)
Transfer between stages	4,788	147	(4,935)	-
Exchange difference	819	93	7,838	8,750
Balance, end of year	**17,464**	**3,897**	**19,300**	**40,661**

26. LOANS AND ADVANCES TO CUSTOMERS - CONTINUED

(c) Allowance for credit losses on loans and advances to customers

Loans and advances to corporate entities and other organizations

In millions of Nigerian Naira	Stage 1 - 12-month ECL	Stage 2 - Life-time ECL	Stage 3 - Lifetime ECL	Total
Balance, beginning of year	123,074	15,715	62,135	200,924
Impairment charge in the year	32,982	65,939	139,421	238,342
Recoveries	-	-	(5,982)	(5,982)
Transfer from individual portfolio	14,000	-	-	14,000
Write offs	-	-	(204,918)	(204,918)
Transfer between stages	(101,879)	(67,905)	169,784	-
Exchange difference	12,136	8,710	16,925	37,771
Balance, end of year	**80,313**	**22,459**	**177,365**	**280,137**

(iv) Bank

In millions of Nigerian Naira	Stage 1 - 12-month ECL	Stage 2 - Life-time ECL	Stage 3 - Lifetime ECL	Total
Balance, beginning of year	87,352	14,317	28,113	129,782
Impairment charge in the year	23,577	45,916	119,563	189,056
Recoveries			(5,982)	(5,982)
Write offs	-	-	(173,986)	(173,986)
Transfer between stages	(85,111)	(45,851)	130,962	-
Exchange difference	(367)	(179)	(2,410)	(2,956)
Balance, end of year	**25,451**	**14,203**	**96,260**	**135,914**

Loans and advances to individuals
Allowance for credit losses

In millions of Nigerian Naira	Stage 1 - 12-month ECL	Stage 2 - Life-time ECL	Stage 3 - Lifetime ECL	Total
Balance, beginning of year	14,907	26	7,161	22,094
Impairment charge in the year	2,549	(23)	181	2,707
Reversal in allowance for credit loss	(14,000)		-	(14,000)
Transfer between stages	4,721	11	(4,732)	-
Balance, end of year	**8,177**	**14**	**2,610**	**10,801**

Loans and advances to corporate entities and other organizations

In millions of Nigerian Naira	Stage 1 - 12-month ECL	Stage 2 - Life-time ECL	Stage 3 - Lifetime ECL	Total
Balance, beginning of period (IFRS 9)	72,445	14,291	20,952	107,688
Impairment charge in the year	21,028	45,939	119,382	186,349
Recoveries	-	-	(5,982)	(5,982)
Transfer from individual portfolio	14,000	-	-	14,000
Write offs	-	-	(173,986)	(173,986)
Transfer between stages	(89,832)	(45,862)	135,694	-
Exchange difference	(367)	(179)	(2,410)	(2,956)
Balance, end of year	**17,274**	**14,189**	**93,650**	**125,113**

27. INVESTMENT SECURITIES

In millions of Nigerian Naira	Group Dec. 2025	Group Dec. 2024	Bank Dec. 2025	Bank Dec. 2024
Investment securities at FVOCI comprise (see note (i)):				
Treasury bills	2,423,907	2,767,735	2,094,255	2,107,442
Bonds	1,582,891	1,656,762	1,238,912	1,523,095
Equity investments	493,467	505,413	486,350	490,484
Promissory notes	18,028	12,196	18,028	10,266
Allowance for credit losses	(123)	(69)	(123)	(69)
	4,518,170	**4,942,037**	**3,837,422**	**4,131,218**
Investment securities at amortised cost comprise (see note (i)):				
Treasury bills	5,915,194	4,107,346	-	-
Bonds	4,061,544	3,581,506	864,100	467,307
Gross amount	9,976,738	7,688,852	864,100	467,307
Allowance for credit losses on investment securities (See note 49)	(67,691)	(96,384)	(7,617)	(4,274)
Net carrying amount	**9,909,047**	**7,592,468**	**856,483**	**463,033**
Total allowance for credit loss on investment securities	(67,814)	(96,453)	(7,740)	(4,343)
Carrying amount	**14,427,217**	**12,534,505**	**4,693,905**	**4,594,251**
(a) Movement in allowance for credit losses				
Balance, beginning of year	96,453	65,350	4,343	7,202
(Write back)/Charge for the year (See note 12b)	(11,436)	17,771	3,738	21,630
Exchange difference	(17,203)	13,332	(341)	(24,489)
Balance, end of year	**67,814**	**96,453**	**7,740**	**4,343**

(i) Included in investment securities at FVOCI , amortised cost and FVTPL instruments are pledged financial assets which cannot be re-pledged or resold by counterparties, and these securities are stated as follows:

In millions of Nigerian Naira	Group Dec. 2025	Group Dec. 2024	Bank Dec. 2025	Bank Dec. 2024
Treasury bills (at FVOCI)	78,094	322,857	78,094	322,857
Bonds (at FVOCI)	2,996	586,017	2,996	586,017
Bonds (at amortised cost)	15,435	14,371	15,435	14,371
Total Pledged assets	96,526	923,246	96,526	923,246
(ii) Unquoted equity securities at FVOCI are analysed below:				
Africa Finance Corporation	451,907	450,418	451,907	450,418
Unified Payment Services Limited	8,878	6,993	8,878	6,993
Central Securities Clearing System limited	9,398	5,907	9,398	5,907
Nigeria Interbank Settlement System Plc.	4,716	5,521	4,716	5,521
African Export-Import Bank	6,495	18,290	6,495	18,290
FMDQ OTC Plc	3,390	2,166	3,390	2,166
Credit Reference Company	1,184	880	1,184	880
NG Clearing Limited	383	310	383	310
Others[1]	7,117	14,928	-	-
	493,467	**505,413**	**486,350**	**490,484**

[1] This constitutes other unquoted equity investments (in enties such as GIM UEMOA, The Insurance and Reinsurance Company of the Gulf of Guinea (ARGG) and others) held by various subsidiaries.

28. OTHER ASSETS

In millions of Nigerian Naira	Group		Bank	
	Dec 2025	Dec 2024	Dec 2025	Dec 2024
Financial assets				
Electronic payments receivables (c)	485,344	375,430	114,953	74,479
Accounts receivable (d)	545,838	800,406	255,695	457,972
AGSMEIS investment (e)	51,484	22,192	51,484	22,192
Intercompany receivables	-	-	77,891	76,138
Dividends receivable	76,848	347	383,142	333,587
Pension custody fees receivable	765	546	-	-
Subscription for Investment in African Subsidiaries	-	-	17,279	18,588
Allowance for impairment on accounts receivable (a)	(49,127)	(47,953)	(41,891)	(44,836)
	1,111,152	**1,150,968**	**858,553**	**938,120**
Non-financial assets				
Prepayments	78,348	16,677	37,037	25,250
Recoverable taxes	20,027	7,776	7,347	3,917
Stock of consumables	185,552	10,841	8,955	10,531
	283,927	**35,294**	**53,339**	**39,698**
Total Other Assets	**1,395,079**	**1,186,262**	**911,892**	**977,818**
(a) Movement in impairment for other assets				
At start of year	47,953	47,953	44,836	44,836
Charge for the year (Note 12)	8,614	19,578	(2,303)	21,634
Exchange difference	(7,440)	(19,578)	(642)	(21,634)
	49,127	**47,953**	**41,891**	**44,836**
(b) Current	1,209,527	1,182,294	902,937	967,287
Non-current	185,552	3,968	8,955	10,531
	1,395,079	**1,186,262**	**911,892**	**977,818**

(c) The electronic payment receivables balance is presented on net basis in line with IAS 32. Details are provided in note 7 of this financial statement.

(d) Included in the account receivables is the present value of expected cashflows on Bank's foreclosure interests on Abuja Electricity Distribution Company (AEDC).

(e) Agriculture/Small and Medium Enterprises Investment Scheme (AGSMEIS) represents the Bank's contribution (5% of profit after tax) to the new CBN AGSMEIS scheme which took effect in April 2017. The Central Bank of Nigeria is yet to assign specific investments to the Bank based on this new scheme.

29. INVESTMENT IN SUBSIDIARIES

(a) Holding in Subsidiaries

In millions of Nigerian Naira	"Year of acquisition/ Commencement"	Previous Holding	Current Holding	Non- controlling interests	Country	Industry	Bank Dec 2025	Bank Dec 2024
Bank subsidiaries (see note (i) below):								
UBA Ghana Limited	2004	91%	91%	9%	Ghana	Banking	8,048	8,048
UBA Cameroun (SA)	2007	100%	100%	0%	Cameroun	Banking	1,845	1,845
UBA Cote d'Ivoire	2008	100%	100%	0%	Cote d'Ivoire	Banking	12,295	12,295
UBA Liberia Limited	2008	100%	100%	0%	Liberia	Banking	2,330	2,330
UBA (SL) Limited	2008	100%	100%	0%	Sierra Leone	Banking	1,269	1,269
UBA Uganda Limited	2008	82%	82%	18%	Uganda	Banking	22,843	22,843
UBA Burkina Faso	2008	64%	64%	36%	Burkina Faso	Banking	5,352	5,352
UBA Benin	2008	86%	86%	14%	Benin Republic	Banking	11,451	11,451
UBA Kenya Bank Limited	2009	94%	94%	6%	Kenya	Banking	20,419	20,419
UBA Chad (SA)	2009	100%	100%	0%	Chad	Banking	3,823	3,823
UBA Senegal (SA)	2009	86%	86%	14%	Senegal	Banking	2,400	2,400
UBA Tanzania Limited	2010	82%	82%	18%	Tanzania	Banking	4,332	4,332
UBA Gabon	2010	100%	100%	0%	Gabon	Banking	2,760	2,760
UBA Guinea (SA)	2010	100%	100%	0%	Guinea	Banking	20,671	20,671
UBA Congo DRC (SA)	2011	100%	100%	0%	Congo DRC	Banking	22,410	22,410
UBA Congo Brazzaville (SA)	2011	100%	100%	0%	Congo Brazzaville	Banking	3,024	3,024
UBA Mozambique (SA)	2011	97%	97%	3%	Mozambique	Banking	13,320	13,320
UBA Mali	2017	100%	100%	0%	Mali	Banking	7,457	7,457
UBA UK Limited (see (ii) below)	2012	100%	100%	0%	United Kingdom	Banking	9,974	9,974
UBA Zambia Limited	2010	84%	84%	16%	Zambia	Banking	6,267	6,267
UBA France (iv)	2025	0%	100%	0%	France	Banking	76,265	-
Non-Bank Subsidiaries:								
UBA Pensions Custodian Limited (see (iii) below)	2004	100%	100%		Nigeria	Pension custody	2,000	2,000
							260,555	**184,290**

The proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of ordinary shares held. The parent company does not have any shareholdings in the preference shares of subsidiary undertakings included in the Group.

The movement in investment in subsidiaries during the period is as follows:

	Bank	
In millions of Nigerian Naira	**Dec. 2025**	**Dec. 2024**
The movement in the investment in subsidiaries during the period is as follows:		
Balance, beginning of the year	184,290	184,290
Additional investments during the year	76,265	-
Balance, end of the year	**260,555**	**184,290**

(i) UBA Ghana, UBA Cameroon SA, UBA Cote d'ivoire, UBA Liberia, UBA Uganda, UBA Burkina Faso, UBA Chad SA, UBA Senegal SA, UBA Benin, UBA Kenya, UBA Tanzania, UBA Gabon, UBA Guinea, UBA Sierra Leone, UBA Mozambique, UBA Congo DRC, UBA Mali, UBA Congo Brazzaville and UBA Zambia are engaged in the business of banking and provide corporate, commercial, consumer and international banking, trade services, cash management and treasury services.

29. INVESTMENT IN SUBSIDIARIES - CONTINUED

(a) Holding in subsidiaries - Continued

(ii) UBA UK Limited is a UK bank regulated by the Prudential Regulation Authority and the Financial Conduct Authority and received its banking licence in March 2018. Prior to gaining its bank status, the firm was authorised in the UK to undertake investment business and was originally incorporated on September 25, 1995. The bank is primarily engaged in wholesale banking, with a focus on facilitating trade and treasury flows between Europe and Africa. The bank offers trade finance, corporate banking and treasury solutions to corporate and institutional clients.

(iii) UBA Pensions Custodian Limited obtained an operating license on 20 February 2006 and commenced operations in Nigeria on 3 May 2006. It principally operates as a custodian of pension assets, to hold and deal in such assets as directed by the Pension Fund Administrators and in line with regulations of the National Pension Commission in conformity with the Pensions Reforms Act 2004 and as amended in 2014.

(iv) The bank made a fresh investments by committing a landmark business establishment in France. This is a commitment to seamless international banking services for the international customers.

Significant restrictions:
There are no significant restrictions on the Group's ability to access or use the assets and settle the liabilities of any member of the Group to the extent that regulation does not inhibit the Group from having access, and in liquidation scenario, this restriction is limited to its level of investment in the entity.

(b) Non-controlling interests

(i) 'The total non-controlling interests at the end of the year ended 31 December 2025 is N136.88 billion(2024: N102.07 billion) is attributed to the following non-fully owned subsidiaries:

	Dec 2025	Dec 2024
UBA Ghana Limited	23,960	4,285
UBA Burkina Faso	50,769	44,096
UBA Benin	13,979	11,975
UBA Uganda Limited	12,985	13,061
UBA Kenya Bank Limited	1,285	1,074
UBA Senegal (SA)	12,849	14,364
UBA Mozambique (SA)	3,467	3,020
UBA Tanzania Limited	2,459	3,214
UBA Zambia	9,146	6,985
	130,900	**102,074**

(ii) Set out below is summarised financial information for each subsidiary that has non-controlling interests as at 31 December 2025. The amounts disclosed for each subsidiary are before inter-company eliminations.

For the year ended 31 December 2025

29. INVESTMENT IN SUBSIDIARIES - CONTINUED

Summarised financial information of subsidiaries with non-controlling interest - Continued

	UBA Ghana Limited		UBA Burkina Faso		UBA Benin		UBA Zambia	
In millions of Nigerian Naira	**Dec. 2025**	**Dec. 2024**	**Dec. 2025**	**Dec. 2024**	**Dec. 2025**	**Dec. 2024**	**Dec. 2025**	**Dec. 2024**
Summarised statement of financial position								
Cash and bank balances	400,683	396,144	116,670	115,662	114,637	78,168	92,874	122,594
Other financial assets	1,141,755	592,594	1,563,524	1,399,446	1,080,071	1,028,611	357,674	185,782
Non-financial assets	46,215	56,085	42,157	20,232	8,932	9,935	6,801	6,501
Total assets	**1,588,653**	**1,044,822**	**1,722,350**	**1,535,340**	**1,203,640**	**1,116,713**	**457,349**	314,875
Financial liabilities	1,307,163	771,387	1,547,027	1,383,130	1,088,868	1,013,544	389,125	265,938
Non-financial liabilities	21,989	101,032	35,311	30,598	12,668	15,118	17,324	6,782
Total liabilities	1,329,152	872,418	1,582,338	1,413,728	1,101,536	1,028,662	406,449	272,720
Net assets	**259,501**	**172,404**	**140,012**	**121,612**	**102,104**	**88,051**	**50,900**	**42,155**
Summarized statement of comprehensive income	**Dec. 2025**	**Dec. 2024**	**Dec. 2025**	**Dec. 2024**	**Dec. 2025**	**Dec. 2024**	**Dec. 2025**	**Dec. 2024**
Operating Revenue	180,695	141,336	143,995	43,944	104,663	95,531	49,047	50,855
Profit for the year	50,497	13,214	47,726	38,920	30,206	21,742	8,368	7,439
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income	**50,497**	**13,214**	**47,726**	**38,920**	**30,206**	**21,742**	**8,368**	**7,439**
Total comprehensive income allocated to non-controlling interest	4,662	1,220	17,306	14,113	4,135	2,957	1,362	1,190
Summarized cash flows								
Cash flows (used in)/ from operating activities	382,055	242,957	228,923	365,490	106,788	236,152	208,176	251,130
Cash flows(used in)/ from financing activities	36,599	127,880	(29,326)	12,174	(16,153)	13,240	75,444	29,927
Cash flows (used in)/ from investing activities	(414,115)	(175,230)	(198,590)	(290,792)	(54,166)	(246,772)	(190,746)	(158,463)
Net (decrease)/increase in cash and cash equivalents	**4,538**	**195,606**	**1,007**	**86,871**	**36,469**	**2,620**	**92,874**	**122,594**

29. INVESTMENT IN SUBSIDIARIES - CONTINUED

Summarised financial information of subsidiaries with non-controlling interest - Continued

	UBA Uganda Limited		UBA Kenya Bank Limited		UBA Senegal (SA)	
In millions of Nigerian Naira	**Dec 2025**	**Dec 2024**	**Dec 2025**	**Dec 2024**	**Dec 2025**	**Dec 2024**
Summarised statement of financial position						
Cash and bank balances	77,641	57,813	61,368	100,364	147,139	74,019
Other financial assets	203,394	181,845	166,292	55,350	1,152,796	979,943
Non-financial assets	7,737	10,445	15,546	8,422	30,965	28,170
Total assets	**288,773**	**250,103**	**243,206**	**164,136**	**1,330,901**	**1,082,131**
Financial liabilities	208,493	177,997	212,190	125,718	1,219,148	958,582
Non-financial liabilities	10,089	5,806	9,504	20,516	16,687	17,227
Total liabilities	**218,581**	**183,803**	**221,694**	**146,234**	**1,235,834**	**975,810**
Net assets	**70,192**	**66,300**	**21,512**	**17,902**	**95,067**	**106,322**
Summarized statement of comprehensive income	**Dec. 2025**	**Dec. 2024**	**Dec. 2025**	**Dec. 2024**	**Dec. 2025**	**Dec. 2024**
Operating Revenue	**35,853**	**32,398**	**24,009**	**20,670**	**101,230**	**94,153**
Profit/(loss) for the year	7,003	2,695	5,032	(6,421)	12,950	26,706
Total comprehensive income	**7,003**	**2,695**	**5,032**	**(6,421)**	**12,950**	**26,706**
Total comprehensive income allocated to non-controlling interest	1,296	531	301	(385)	1,750	3,608
Summarized cash flows						
Cash flows from/(used in) operating activities	44,430	32,099	44,105	40,542	273,537	231,941
Cash flows from/(used in) financing activities	(3,112)	27,693	(1,422)	10,941	(24,206)	10,977
Cash flows (used in) investing activities	(21,491)	(44,646)	(81,679)	15,695	(176,210)	(291,820)
Net increase/(decrease) in cash and cash equivalents	**19,827**	**15,146**	**(38,996)**	**67,178**	**73,121**	**(48,901)**

29. INVESTMENT IN SUBSIDIARIES - CONTINUED

Summarised financial information for each subsidiary that has non-controlling interests - Continued

	UBA Mozambique (SA)		UBA Tanzania	
In millions of Nigerian Naira	**Dec 2025**	**Dec 2024**	**Dec 2025**	**Dec 2024**
Summarised statement of financial position				
Cash and bank balances	137,396	201,729	37,866	22,365
Other financial assets	248,087	158,363	34,112	67,969
Non-financial assets	5,845	7,322	5,924	7,089
Total assets	**391,328**	**367,413**	**77,901**	**97,423**
Financial liabilities	272,381	259,792	59,421	72,863
Non-financial liabilities	5,653	8,937	4,745	6,609
Total liabilities	**278,033**	**268,729**	**64,166**	**79,472**
Net assets	**113,294**	**98,684**	**13,735**	**17,950**
Summarized statement of comprehensive income	**Dec. 2025**	**Dec. 2024**	**Dec. 2025**	**Dec. 2024**
Operating Revenue	**59,230**	**48,599**	**10,016**	**16,483**
Profit for the year	23,076	22,599	(2,658)	(2,665)
Other comprehensive income	-	-	-	-
Total comprehensive income	**23,076**	**22,599**	**(2,658)**	**(2,665)**
Total comprehensive income allocated to non-controlling interest	706	692	(476)	(477)
Summarized cash flows				
Cash flows from/(used in) operating activities	44,355	181,640	(9,205)	33,037
Cash flows from financing activities	(8,466)	29,892	(1,558)	15,869
Cash flows (used in) investing activities	(100,222)	(72,054)	26,264	(28,652)
Net increase/(decrease) in cash and cash equivalents	**(64,333)**	**139,479**	**15,501**	**20,254**

30. PROPERTY AND EQUIPMENT

In millions of Nigerian Naira	Group Dec. 2025	Group Dec. 2024	Bank Dec. 2025	Bank Dec. 2024
Property and equipment	369,286	337,723	252,383	216,617
Right-of-use assets	79,711	78,900	35,273	33,531
Carrying amount	**448,997**	**416,623**	**287,656**	**250,148**

(a) Property and equipment
As at December 31, 2025

Group

In millions of Nigerian Naira	Land	Buildings	Leasehold improvements	Aircraft	Motor vehicles	Furniture and fittings	Computer hardware	Equip-ment	Work in progress	Total
Cost										
Balance at 1 January 2025	51,187	104,327	95,349	24,192	55,862	62,075	133,371	100,528	70,346	697,237
Additions	26	3,600	9,194	-	18,515	8,779	14,888	10,169	39,479	104,649
Reclassifications	105	1,643	384	-	-	321	18,276	1,482	(22,211)	-
Disposals	(7,731)	(4,170)	(1,810)	-	(2,225)	(811)	(1,319)	(2,189)	(636)	(20,890)
Write-off	(8)	(221)	-	-	-	(1)	(22)	(40)	(13)	(306)
Exchange difference (note i)	(470)	(3,655)	(6,917)	-	(3,165)	(3,034)	(3,788)	(5,497)	(1,347)	(27,873)
Balance at 31 December 2025	**43,109**	**101,524**	**96,200**	**24,192**	**68,987**	**67,328**	**161,405**	**104,453**	**85,619**	**752,817**
Accumulated depreciation										
Balance at 1 January 2025	-	48,925	62,227	3,459	34,873	44,975	84,606	80,449	-	359,514
Charge for the year	-	2,234	5,587	1,153	7,108	3,911	14,596	6,670	-	41,259
Reclassifications	-	-	-	-	-	(1)	-	1	-	-
Disposals	-	(388)	(516)	-	(1,770)	(708)	(1,288)	(2,101)	-	(6,773)
Write-off	-	(11)	-	-	-	(1)	(17)	(31)	-	(60)
Exchange difference (note i)	-	(1,418)	(3,295)	-	(1,366)	(1,661)	(1,597)	(1,072)	-	(10,409)
Balance at 31 December 2025	**-**	**49,341**	**64,003**	**4,612**	**38,846**	**46,515**	**96,300**	**83,915**	**-**	**383,531**
Carrying amounts										
Balance at 31 December 2025	**43,109**	**52,183**	**32,197**	**19,580**	**30,141**	**20,813**	**65,105**	**20,538**	**85,619**	**369,286**
Balance at 31 December 2024	**51,187**	**55,402**	**33,122**	**20,733**	**20,989**	**17,100**	**48,765**	**20,079**	**70,346**	**337,723**

(i) Exchange differences arise from the translation of the property and equipment of the Group's foreign operations.

30. PROPERTY AND EQUIPMENT - CONTINUED

(a) Property and equipment - Continued
As at December 31, 2024

Group

In millions of Nigerian Naira	Land	Buildings	Leasehold improvements	Aircraft	Motor vehicles	Furniture and fittings	Computer hardware	Equipment	Work in progress	Total
Cost										
Balance at 1 January 2024	44,035	79,558	56,357	24,192	36,483	38,338	89,534	76,831	14,933	460,261
Additions	5,107	3,293	9,055	-	12,198	6,238	9,118	8,469	49,520	102,998
Reclassifications	64	2,602	295	-	132	437	9,577	1,656	(14,765)	-
Disposals	-	(249)	(1,573)	-	(2,654)	(1,516)	(2,873)	(3,074)	(760)	(12,699)
Transfers	-	-	-	-	-	-	9,390	-	-	9,390
Write-off	-	(91)	-	-	(1,280)	-	(1)	(14)	(227)	(1,613)
Exchange difference	1,980	19,214	31,215	-	10,982	18,577	18,626	16,660	21,645	138,900
Balance at 31 December 2024	**51,187**	**104,327**	**95,349**	**24,192**	**55,862**	**62,075**	**133,371**	**100,528**	**70,346**	**697,237**
Accumulated depreciation										
Balance at 1 January 2024	-	32,426	29,372	2,306	23,068	26,707	58,625	55,208	-	227,712
Charge for the year	-	1,660	4,768	1,153	4,889	3,336	10,585	5,990	-	32,382
Disposals	-	(99)	(621)	-	(1,435)	(584)	(1,997)	(1,378)	-	(6,114)
Transfers	-	-	-	-	-	-	-	-	-	-
Write-off	-	(31)	(16)	-	(730)	(5)	(30)	(4)	-	(815)
Exchange difference	-	14,985	28,706	-	9,079	15,522	17,423	20,633	-	106,349
Balance at 31 December 2024	**-**	**48,925**	**62,227**	**3,459**	**34,873**	**44,975**	**84,606**	**80,449**	**-**	**359,514**
Carrying amounts										
Balance at 31 December 2024	**51,187**	**55,402**	**33,122**	**20,733**	**20,989**	**17,100**	**48,765**	**20,079**	**70,346**	**337,723**

(b) Right-of-use assets
December 31, 2025

Group

In millions of Nigerian Naira	Land	Buildings	Total
Right-of-use assets			
Balance - 1 January 2025	1,321	106,703	108,024
New lease contracts	-	29,259	29,259
Remeasurements		3,861	3,861
Derecognition of lease contracts	(239)	(3,081)	(3,320)
Exchange difference	-	(12,151)	(12,151)
Balance - 31 December 2025	**1,082**	**124,591**	**125,673**
Accumulated depreciation			
Balance - 1 January 2025	203	28,921	29,124
Depreciation charge for the year	-	13,757	13,757
Remeasurements		1,836	1,836
Derecognition of lease contracts	(203)	(3,081)	(3,284)
Exchange difference	-	4,529	4,529
Balance - 31 December 2025	**-**	**45,962**	**45,962**
Carrying amounts			
Balance - 31 December 2025	**1,082**	**78,629**	**79,711**
Balance at 31 December 2024	**1,118**	**77,782**	**78,900**

Right of use assets represent the group's leases, which have been accounted for in line with IFRS 16, as described under accounting policies in note 3.29

30. PROPERTY AND EQUIPMENT - CONTINUED

(b) Right-of-use assets - Continued
December 31, 2024
Group

In millions of Nigerian Naira	Land	Buildings	Total
Right-of-use assets			
Balance - 1 January 2024	1,321	47,781	49,102
New lease contracts	-	49,905	49,905
Derecognition of lease contracts	-	(6,718)	(6,718)
Exchange difference	-	15,735	15,735
Balance - 31 December 2024	1,321	106,703	108,024
Accumulated depreciation			
Balance - 1 January 2024	203	14,298	14,501
Depreciation charge for the year	-	8,493	8,493
Derecognition of lease contracts	-	(1,382)	(1,382)
Exchange difference	-	7,512	7,512
Balance - 31 December 2024	203	28,921	29,124
Carrying amounts			
Balance at 31 December 2024	**1,118**	**77,782**	**78,900**

(c) As at December 31, 2025
Bank

In millions of Nigerian Naira	Land	Buildings	Leasehold improvements	Aircraft	Motor vehicles	Furniture and fittings	Computer hardware	Equipment	Work in progress	Total
Cost										
Balance at 1 January 2025	40,895	49,771	15,005	24,192	24,197	14,061	84,532	57,008	38,969	348,630
Additions	26	243	137	-	11,886	1,567	6,183	3,723	34,801	58,565
Reclassifications	105	1,643	157	-	-	318	18,276	1,482	(21,980)	-
Disposals	(8)	-	-	-	(1,426)	(57)	(40)	(1,020)	(196)	(2,746)
Write-off	-	(221)	-	-	-	(1)	(14)	(40)	-	(275)
Exchange difference (note i)	-	-	(125)	-	-	(152)	(114)	(85)	-	(476)
Balance at 31 December 2025	**41,017**	**51,436**	**15,173**	**24,192**	**34,657**	**15,736**	**108,823**	**61,068**	**51,594**	**403,696**
Accumulated depreciation										
Balance at 1 January 2025	-	12,377	2,373	3,459	12,137	9,196	50,519	41,953	-	132,014
Charge for the year	-	806	423	1,153	4,393	1,334	9,946	3,248	-	21,302
Disposals	-	-	-	-	(744)	(52)	(36)	(911)	-	(1,743)
Write-off	-	(11)	-	-	-	(1)	(9)	(31)	-	(52)
Exchange difference (note i)	-	-	(15)	-	-	(75)	(86)	(30)	-	(206)
Balance at 31 December 2025	**-**	**13,171**	**2,780**	**4,612**	**15,785**	**10,401**	**60,334**	**44,230**	**-**	**151,313**
Carrying amounts										
Balance at 31 December 2025	**41,017**	**38,265**	**12,393**	**19,580**	**18,872**	**5,335**	**48,489**	**16,838**	**51,594**	**252,383**
Balance at 31 December 2024	**40,895**	**37,394**	**12,632**	**20,733**	**12,060**	**4,865**	**34,013**	**15,055**	**38,969**	**216,617**

(i) Exchange differences arise from the translation of property and equipment of the UBA New York branch.

30. PROPERTY AND EQUIPMENT - CONTINUED

(d) December 31, 2024

Bank

In millions of Nigerian Naira	Land	Buildings	Leasehold improvements	Aircraft	Motor vehicles	Furniture and fittings	Computer hardware	Equip-ment	Work in progress	Total
Cost										
Balance at 1 January 2024	40,830	47,118	13,196	24,192	19,705	11,081	62,480	53,165	9,908	281,675
Additions	1	142	1,331	-	6,221	2,262	4,280	3,258	44,445	61,940
Reclassifications	64	2,602	295	-	132	437	9,576	1,516	(14,623)	-
Disposals	-	-	-	-	(582)	(122)	(1,560)	(995)	(760)	(4,019)
Transfers	-	-	-	-	-	-	9,390	-	-	9,390
Write-off	-	(91)	-	-	(1,280)	-	(1)	(14)	-	(1,386)
Exchange difference	-	-	183	-	-	403	367	79		1,031
Balance at 31 December 2024	**40,895**	**49,771**	**15,005**	**24,192**	**24,197**	**14,061**	**84,532**	**57,009**	**38,969**	**348,631**
Accumulated depreciation										
Balance at 1 January 2024	-	11,645	1,971	2,306	10,733	8,203	45,285	39,836	-	119,979
Charge for the year	-	763	381	1,153	2,669	924	6,629	2,911	-	15,430
Disposals	-	-	-	-	(536)	(117)	(1,527)	(889)	-	(3,068)
Write-off	-	(31)	-	-	(730)	-	-	(7)	-	(767)
Exchange difference	-	-	22	-	-	185	132	101	-	440
Balance at 31 December 2024	**-**	**12,377**	**2,373**	**3,459**	**12,137**	**9,196**	**50,519**	**41,953**	**-**	**132,014**
Carrying amounts										
Balance at 31 December 2024	**40,895**	**37,394**	**12,632**	**20,733**	**12,060**	**4,865**	**34,013**	**15,056**	**38,969**	**216,617**

Exchange differences arise from the translation of the property and equipment of the UBA New York branch.

30. PROPERTY AND EQUIPMENT - CONTINUED

(e) Right-of-use assets (Continued)
December 31, 2025

Bank

In millions of Nigerian Naira	Land	Buildings	Total
Right-of-use assets			
Balance - 1 January 2025	239	40,352	40,591
New lease contracts	-	5,094	5,094
Remeasurement	-	3,861	3,861
Derecognition of lease contracts	(239)	(3,081)	(3,320)
Exchange difference	-	(2,054)	(2,054)
Balance - 31 December 2025	**-**	**44,171**	**44,171**
Accumulated depreciation			
Balance - 1 January 2025	211	6,849	7,060
Depreciation charge for the year	-	3,590	3,590
Remeasurement	-	1,836	1,836
Derecognition of lease contracts	(211)	(3,081)	(3,292)
Exchange difference	-	(296)	(296)
Balance - 31 December 2025	-	8,898	8,898
Carrying amounts			
Balance - 31 December 2025	**-**	**35,273**	**35,273**
Balance at 31 December 2024	36	33,495	33,531

December 31, 2024
Bank

In millions of Nigerian Naira	Land	Buildings	Total
Right-of-use assets			
Balance - 1 January 2024	239	16,114	16,353
New lease contracts	-	14,909	14,909
Derecognition of lease contracts	-	(4,610)	(4,610)
Exchange difference	-	13,939	13,939
Balance - 31 December 2024	**239**	**40,352**	**40,591**
Accumulated depreciation			
Balance - 1 January 2024	203	5,112	5,315
Depreciation charge for the year	-	1,749	1,749
Derecognition of lease contracts	-	(1,214)	(1,214)
Exchange difference	-	1,210	1,210
Balance - 31 December 2024	**203**	**6,857**	**7,060**
Carrying amounts			
Balance at 31 December 2024	**36**	**33,495**	**33,531**

For the year ended 31 December 2025

31. INTANGIBLE ASSETS

(a) (i) As at December 31, 2025

Group

In millions of Nigerian Naira	Goodwill	Purchased software	Work in progress	Total
Cost				
Balance at 1 January 2025	45,571	77,520	5,190	128,281
Additions	-	14,418	455	14,873
Reclassifications	-	298	(298)	-
Disposal	-	(2,860)	(108)	(2,968)
Exchange difference	1,096	(1,446)	(724)	(1,074)
Balance at 31 December 2025	**46,667**	**87,930**	**4,515**	**139,113**
Amortization				
Balance at 1 January 2025	-	61,418	-	61,418
Amortisation for the year	-	11,664	-	11,664
Disposal	-	(1,556)	-	(1,556)
Exchange difference	-	(997)	-	(997)
Balance at 31 December 2025	**-**	**70,529**	**-**	**70,529**
Carrying amounts				
Balance at 31 December 2025	46,667	17,401	4,515	68,584
Balance at 31 December 2024	45,571	16,102	5,190	66,864

(ii) December 31, 2024

Group

In millions of Nigerian Naira	Goodwill	Purchased software	Work in progress	Total
Cost				
Balance at 1 January 2024	29,303	53,673	4,561	87,537
Additions	-	9,004	10,681	19,685
Reclassifications	-	2,609	(2,609)	-
Disposal	-	(2,088)	(70)	(2,158)
Transfers1	-	-	(9,390)	(9,390)
Exchange difference	16,268	14,323	2,016	32,607
Balance at 31 December 2024	45,571	77,520	5,190	128,282
Amortization				
Balance at 1 January 2024	-	43,683	-	43,683
Amortisation for the year	-	7,733	-	7,733
Disposal	-	(644)	-	(644)
Exchange difference	-	10,646	-	10,646
Balance at 31 December 2024	-	61,418	-	61,418
Carrying amounts				
Balance at 31 December 2024	45,571	16,102	5,190	66,864

31. INTANGIBLE ASSETS - CONTINUED

(b) **(i) Bank**

As at December 31, 2025

In millions of Nigerian Naira	Purchased software	Work in progress	Total
Cost			
Balance at 1 January 2025	50,092	973	51,065
Additions	10,589	52	10,641
Reclassifications	298	(298)	-
Disposal	-	(108)	(108)
Exchange difference	(281)	(470)	(571)
Balance at 31 December 2025	**60,698**	**149**	**60,847**
Amortization			
Balance at 1 January 2025	37,425	-	37,425
Amortisation for the year	9,859	-	9,859
Exchange difference	(501)	-	(501)
Balance at 31 December 2025	**46,783**	**-**	**46,783**
Carrying amounts			
Balance at 31 December 2025	**13,915**	**149**	**14,065**
Balance at 31 December 2024	12,667	973	13,641

(ii) **Bank**

December 31, 2024

In millions of Nigerian Naira	Purchased software	Work in progress	Total
Cost			
Balance at 1 January 2024	36,842	3,346	40,188
Additions	6,995	10,404	17,399
Reclassifications	2,899	(2,899)	-
Disposal	-	(54)	(54)
Transfers1	-	(9,390)	(9,390)
Exchange difference	3,357	(434)	2,922
Balance at 31 December 2024	**50,093**	**973**	**51,066**
Amortization			
Balance at 1 January 2024	29,425	-	29,425
Amortisation for the year	6,049	-	6,049
Exchange difference	1,951	-	1,951
Balance at 31 December 2024	**37,425**	**-**	**37,425**
Carrying amounts			
Balance at 31 December 2024	**12,667**	**973**	**13,641**

There were no capitalised borrowing costs related to the internal development of software during the year (December 2024: nil) Computer software has a definite useful life of not more than five years while goodwill has an indefinite useful life and is annually assessed for impairment.

[1] Transfers represents reclassification of items from property and equipment (work in progress) to intangible assets - purchased software (work in progress) during the year as disclosed in Note 30.

[2] Work in progress represents software implementation projects that were currently in their development phase as at reporting date.

For the year ended 31 December 2025

31. INTANGIBLE ASSETS - CONTINUED

(c) Impairment testing for cash-generating units containing Goodwill

For the purpose of impairment testing, goodwill acquired through business combinations is allocated to cash generating units (CGUs) as the goodwill is monitored at the level of the individual cash generating units. UBA Benin and UBA UK Limited have been identified as individual cash generating units. UBA Benin and UBA UK Limited operate under Rest of Africa and Rest of the World geographic segments respectively. The recoverable amounts of the CGUs have been determined based on value-in-use calculations; using cash flow projections based on financial forecasts covering a period of five years. Cash flows beyond the five-year period are extrapolated using estimated economic growth rates for the respective CGUs. These growth rates are consistent with forecasts included in industry reports specific to the economic environment in which each of the CGU's operates.

The following table sets out the key assumptions used in the value-in-use calculations:

	UBA Benin		UBA UK Limited		UBA Zambia	
	Dec. 2025	Dec. 2024	Dec. 2025	Dec. 2024	Dec. 2025	Dec. 2024
Gross earnings (% annual growth rate)	43.5	18.0	(46.3)	10.1	27	23
Deposits (% annual growth rate)	31.5	9.5	55.8	9.1	38.5	13.5
Loans and advances (% annual growth rate)	39.8	5.0	(14.8)	14.0	176	5
Operating expenses (% annual growth rate)	39.7	8.0	62.0	6.0	38	23
Terminal growth rate (%)	7.0	5.2	1.3	1.5	6	3
Discount rate (pre-tax) (%)	11.9	17.9	7.9	9.5	44.8	31

The values assigned to each of the above key assumptions were determined as follows:

Assumption	Approach used in determining values
Gross earnings	This is the average annual growth rate over the five-year period. Based on past performance, expectations of market development and the expected positive impact of deposits and loan growth in the forecast period.
Deposits	This is the average annual growth rate over the five-year period. Deposits have been determined to be the key value driver for the CGUs. Projected deposits growth is based on past performance of the CGUs as well as management's plans to expand the businesses and deepen customer base.
Loans and advances	This is the average annual growth rate over the five year period. It is based partly on past performance but largely on the expected positive impact of the forecasted growth in deposits.
Operating expenses	This is the average annual growth rate over the five year period. It is based on the current structure of business of the respective CGUs, adjusting for expected inflationary increases but not reflecting any future restructurings or cost saving measures.
Terminal growth rate	This is the average growth rate used to extrapolate cash flows beyond the five-year period. Based on estimated economic growth rates for the respective CGUs.
Discount rate	The discount rate was a pre-tax measure based on the longest tenured government bond issued by the governments in Benin and United Kingdom respectively adjusted for a risk premium to reflect both the increased risk of investing in equities and generally and the systematic risk of the specific CGU.

31. INTANGIBLE ASSETS - CONTINUED

Below is the result of the impairment test:

	UBA Benin		UBA UK Limited		UBA Zambia	
In millions of Nigerian Naira	Dec. 2025	Dec. 2024	Dec. 2025	Dec. 2024	Dec. 2025	Dec. 2024
Recoverable amount	194,191	171,167	150,258	161,622	68,691	203,808
Less: Carrying amount						
Goodwill	(24,435)	(6,300)	(16,710)	(4,626)	(7,844)	(3,132)
Net assets	(86,320)	(76,971)	(110,822)	(118,884)	(47,330)	(36,425)
Total carrying amount	(110,755)	(83,272)	(127,533)	(123,509)	(55,174)	(39,557)
Excess of recoverable amount over carrying amount	**83,436**	**87,895**	**22,725**	**38,113**	**13,517**	**164,251**

The key assumptions described above may change as economic and market conditions change. The results of the value-in-use calculations are most sensitive to changes in the deposit growth rates, terminal growth rates and discount rates applied. The recoverable amounts of the respective CGUs would equal their carrying amounts if these key assumptions were to change as follows:

	Dec. 2025		Dec.2024	
	% From	% To	% From	% To
UBA Benin				
Deposit growth rate	9.5	14.6	9.0	9.5
Discount rate	17.9	11.9	18.1	17.9
UBA UK Limited				
Deposit growth rate	9.1	138.6	8.1	9.1
Discount rate	9.5	7.9	8.8	9.5
UBA Zambia				
Deposit growth rate	13.5	43.0	9.1	13.5
Discount rate	30.5	44.8	49.3	30.5

Management have considered and assessed reasonably possible changes for other key assumptions and have not identified any instances that could cause the carrying amount of the respective CGUs to exceed their recoverable amounts.

32. DEFERRED TAX ASSETS AND LIABILITIES

(a) Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Group			Bank		
In millions of Nigerian Naira	Assets	Liabilities	Net	Assets	Liabilities	Net
December 31, 2025						
Property, equipment, and software	29,316	91	29,225	25,512	-	25,512
Allowances for loan losses	60,246	-	60,246	51,163	-	51,163
Financial assets at FVOCI	(35,078)	-	(35,078)	24,137		24,137
Tax losses carried forward	32,001	7,099	24,901	19,593	-	19,593
Other liabilities	59,216	316	58,900	-	-	-
Fair value gain on derivatives	56,369	-	56,369	56,369	-	56,369
Foreign currency revaluation gain	5,722	-	5,722	5,722	-	5,722
Net deferred tax assets /(liabilities)	**207,792**	**7,507**	**200,286**	**182,496**	**-**	**182,496**

32. DEFERRED TAX ASSETS AND LIABILITIES - CONTINUED

In millions of Nigerian Naira	Group			Bank		
	Assets	Liabilities	Net	Assets	Liabilities	Net
December 31, 2024						
Property, equipment, and software	15,969	-	15,969	(32,543)	-	(32,543)
Allowances for loan losses	75,777	6,279	69,498	16,466	-	16,466
Financial assets at FVOCI	-	24,182	(24,182)	34,930	-	34,930
Tax losses carried forward	(6,932)	(17,758)	10,826	52,900	-	52,900
Other liabilities	8,799	946	7,853	-	-	-
Fair value gain on derivatives	-	-	-	119,554	-	119,554
Foreign currency revaluation Loss	-	-	-	(18,114)	-	(18,114)
Others	46,758	(8,035)	54,792	(67,376)	-	(67,376)
Net deferred tax assets /liabilities	**140,371**	**5,614**	**134,756**	**105,817**	**-**	**105,817**

(b) Movements in temporary differences during the period 31 December 2025

Group

In millions of Nigerian Naira	Opening	Recognised in profit or loss	Recognised in OCI	Closing balance
Property, equipment, and software	15,969	13,256	-	29,225
Allowances for loan losses	69,498	(9,251)	-	60,246
Financial assets at FVOCI	(24,182)		(10,896)	(35,078)
Tax losses carried forward	10,826	14,076	-	24,901
Tax losses on fair value gain on derivatives	-	56,369	-	56,369
Foreign currency revaluation Loss	-	5,722	-	5,722
Others	62,646	(3,746)	-	58,900
	134,756	76,426	(10,896)	200,285

Bank

In millions of Nigerian Naira	Opening	Recognised in profit or loss	Recognised in OCI	Closing balance
Property, equipment, and software	(32,543)	58,055	-	25,512
Allowances for loan losses	16,466	34,697	-	51,163
Financial assets at FVOCI	34,930		(10,793)	24,137
Tax losses carried forward	52,900	(33,307)		19,593
Tax losses on fair value gain on derivatives	119,554	(63,184)	-	56,369
Foreign currency revaluation Loss	(18,114)	23,836	-	5,722
Others	(67,376)	67,376	-	-
	105,817	**87,472**	**(10,793)**	**182,496**

32. DEFERRED TAX ASSETS AND LIABILITIES - CONTINUED

(b) Movements in temporary differences during the period - Continued
December 31, 2024

31 December 2024
Group

In millions of Nigerian Naira	Opening	Recognised in profit or loss balance	Recognised in equity	Closing balance
Property, equipment, and software	10,684	5,285	-	15,969
Allowances for loan losses	(6,279)	75,777	-	69,498
Financial assets at FVOCI	(17,240)	(838)	(6,104)	(24,182)
Tax losses carried forward	(39,916)	50,742	-	10,826
Others	11,688	50,958	-	62,646
	(41,065)	181,924	(6,104)	134,756

Bank

In millions of Nigerian Naira	Opening	Recognised in profit or loss balance	Recognised in equity	Closing balance
Property, equipment, and software	38,706	(71,248)	-	(32,543)
Allowances for loan losses	65,241	(48,775)	-	16,466
Financial assets at FVOCI	6,180	32,713	(3,963)	34,930
Tax losses carried forward	-	52,900	-	52,900
Prior year DTL written-off in FY2021	2,554	(2,554)	-	-
Tax losses on fair value gain on derivatives	(150,872)	270,426	-	119,554
Foreign currency revaluation Loss	(17,914)	(200)	-	(18,114)
Others	7,020	(74,396)	-	(67,376)
	(49,087)	**158,867**	**(3,963)**	**105,817**

33. DERIVATIVE FINANCIAL INSTRUMENTS

The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts. The notional amount which is recorded gross, is the amount of a derivative's underlying asset, reference rate or index and is the basis upon which changes in the value of derivatives are measured. The notional amounts indicate the volume of transactions outstanding at period end and are indicative of neither the market risk nor the credit risk.

	Group		Bank	
In millions of Nigerian Naira	**Dec. 2025**	**Dec. 2024**	**Dec. 2025**	**Dec. 2024**
Derivative assets				
Carrying value	1,368	188,583	1,368	188,583
Notional amount	1,080,447	2,198,033	1,080,447	2,198,033
Derivative liabilities				
Carrying value	124,227	33,849	124,227	33,849
Notional amount	1,214,369	2,133,900	1,214,369	2,133,900
(a) Derivative assets				
Instrument type:				
Cross-currency FX swaps	(0)	167,056	(0)	167,056
cross-currency interest rate swap	5	20,079	5	20,079
Foreign exchange forward contracts	1,364	1,447	1,364	1,447
	1,368	188,583	1,368	188,583
The movement in derivative assets is as follows:				
Balance, beginning of year	188,583	498,824	188,583	498,824
Derivatives derecognised	(188,583)	(498,824)	(188,583)	(498,824)
Derivatives acquired	1,368	188,583	1,368	188,583
Balance, end of year	1,368	188,583	1,368	188,583
Derivative assets are current in nature				
(b) Derivative liabilities				
Instrument type:				
Cross-currency swap	124,073	33,486	124,073	33,486
Foreign exchange forward contracts	154	363	154	363
	124,227	33,849	124,227	33,849
The movement in derivative liability is as follows:				
Balance, beginning of year	33,849	1,885	33,849	1,885
Derivatives derecognised	(33,849)	(1,885)	(33,849)	(1,885)
Derivatives acquired	124,227	33,849	124,227	33,849
Balance, end of year	124,227	33,849	124,227	33,849
Derivative liabilities are current in nature				

33. DERIVATIVE FINANCIAL INSTRUMENTS - CONTINUED

(c) Fair value (loss)/gain on derivatives

	Group		Bank	
In millions of Nigerian Naira	Dec. 2025	Dec. 2024	Dec. 2025	Dec. 2024
Derivative assets :				
Fair value gain on additions in the year	1,368	188,583	1,368	188,583
Fair value loss on maturities in the year	(188,583)	(188,583)	(188,583)	(188,583)
Fair value (loss)/gain on derivatives	(187,215)	-	(187,215)	-
Derivative liabilities:				
Fair value loss on additions in the year	(124,227)	(33,849)	(124,227)	(33,849)
Fair value gain on maturities in the year	33,849	33,849	33,849	33,849
Net fair value loss on derivative liabilities	(90,378)	-	(90,378)	-
Net fair value gain/(loss) on derivative assets and liabilities (Note 14)	(277,593)	-	(277,593)	-

34. DEPOSITS FROM BANKS

	Group		Bank	
In millions of Nigerian Naira	Dec. 2025	Dec. 2024	Dec. 2025	Dec. 2024
Money market deposits	2,983,894	2,140,740	701,483	1,318,978
Due to other banks	275,239	615,732	55,119	324,053
	3,259,133	**2,756,472**	**756,602**	**1,643,031**
Current	3,259,133	2,756,472	756,602	1,643,031

35. DEPOSITS FROM CUSTOMERS

	Group		Bank	
In millions of Nigerian Naira	Dec. 2025	Dec. 2024	Dec. 2025	Dec. 2024
Retail customers:				
Term deposits	532,474	709,277	22,394	25,487
Current deposits	3,330,497	2,759,385	792,464	1,035,023
Savings deposits	5,911,595	5,024,553	3,949,417	3,409,173
	9,774,566	8,493,216	4,764,275	4,469,683
Corporate customers:				
Term deposits	2,737,714	1,804,983	1,444,533	835,824
Current deposits	11,436,627	11,273,551	5,704,320	6,206,230
	23,948,907	21,571,750	11,913,128	11,511,737
Current	14,767,124	20,874,695	6,496,784	11,779,975
Non-current	9,181,783	1,019,994	5,416,344	54,700
	23,948,907	21,571,750	11,913,128	11,511,737

For the year ended 31 December 2025

36. OTHER LIABILITIES

In millions of Nigerian Naira	Group		Bank	
	Dec. 2025	Dec. 2024	Dec. 2025	Dec. 2024
Financial liabilities				
Creditors and payables (note (i))	15,597	288,773	54,761	539,726
Managers cheques	29,155	25,782	6,468	5,733
Unclaimed dividends (note (ii))	20,938	45,992	18,550	16,658
Customers' deposit for foreign trade (note (iii))	30,904	80,388	32,103	94,888
Lease liabilities (note (iv))	72,175	71,876	30,843	33,098
Accrued expenses	154,351	156,633	71,312	96,560
Collections (note (vii))	249,807	322,938	249,807	322,938
Allowance for credit losses on off-balance sheet items (note (vi))	9,265	3,183	1,970	1,338
	582,192	**995,565**	**465,814**	**1,110,939**
Non-financial liabilities				
Provision on litigation (note (v))	32,695	1,553	1,930	1,553
Deferred income	4,932	6,134	2,216	1,212
	37,627	**7,687**	**4,146**	**2,765**
Total other liabilities	**619,819**	**1,003,252**	**469,960**	**1,113,704**
Non-current	67,373	45,806	24,779	19,125
Current	552,446	957,446	445,181	771,641
	619,819	**1,003,252**	**469,960**	**790,766**

(i) The creditors and payables balance is presented on net basis in line with IAS 32. Details are provided in note 7 of this financial statements.

(ii) The amount represents unclaimed dividends due to UBA Plc's shareholders which have been returned by the Bank's Registrar.

(iii) Customers' deposit for foreign trade represents the naira value of foreign currencies held to cover letter of credit transactions. The corresponding balance is included in current balances with banks in note 22.

(iv) Finance cost on the lease liabilities is included in Interest expense in note 11.

The movement in lease liabilities balance during the year is as follows:

Balance - December 31, 2025	Group			Bank		
In millions of Nigerian Naira	Land	Buildings	Total	Land	Buildings	Total
Lease liabilities						
Balance - 1 January 2025	296	71,580	71,876	8	33,090	33,098
Additions (new lease contracts) for the year	-	18,946	18,946	-	1,951	1,951
Principal repayments/cashflows for the year	-	(14,484)	(14,484)		(5,531)	(5,531)
Remeasurement of lease liabilities	(8)	788	780	(8)	788	780
Derecognition of lease contracts	-	(680)	(680)	-	(680)	(680)
Interest accrued (note 11)	-	5,629	5,629	-	2,728	2,728
Exchange difference	-	(9,892)	(9,892)	-	(1,502)	(1,502)
Balance - 31 December 2025	**288**	**71,887**	**72,175**	**-**	**30,843**	**30,843**

36. OTHER LIABILITIES - CONTINUED

Maturity analysis for Lease Liabilities

	Less than 1 month	1 - 3 months	3 - 6 months	6 - 12 months	More than 1 year	Gross nominal amount	Total
Group	281	984	3,537	5,628	67,373	77,804	72,175
Bank	258	775	3,299	4,459	24,779	33,571	30,843

Balance - 31 December 2024	Group			Bank		
In millions of Nigerian Naira	Land	Buildings	Total	Land	Buildings	Total
Lease liabilities						
Balance - 1 January 2024	296	30,258	30,554	8	7,732	7,740
Additions (new lease contracts) for the year	-	36,683	36,683	-	22,720	22,720
Principal repayments/cashflows for the year	-	(8,170)	(8,170)	-	(2,188)	(2,188)
Interest repayments/cashflows for the year	-	(295)	(295)	-	(36)	(36)
Derecognition of lease contracts	-	(1,041)	(1,041)	-	(295)	(295)
Interest accrued (note 11)	-	5,449	5,449	-	3,283	3,283
Exchange difference	-	8,696	8,696	-	1,874	1,874
Balance - 31 December 2024	**296**	**71,580**	**71,876**	**8**	**33,091**	**33,099**

Maturity analysis for Lease Liabilities

	Less than 1 month	1 - 3 months	3 - 6 months	6 - 12 months	More than 1 year	Gross nominal amount	Total
Group	705	2,376	9,206	18,623	45,806	76,716	71,876
Bank	554	1,106	2,874	11,667	19,125	35,327	33,099

(v) The amount represents a provision for certain legal claims. The provision charge is recognised in profit or loss within 'other operating expenses'. In the directors' opinion, after taking appropriate legal advice, the outcome of these legal claims will not give rise to any significant loss beyond the amounts provided at 31 December 2025. The expected timing of the cashflows arising from the legal claim provision is within 1 year.

The movement in provision during the year is as follows:

	Group		Bank	
In millions of Nigerian Naira	Dec. 2025	Dec. 2024	Dec. 2025	Dec. 2024
At 1 January	1,553	-	1,553	-
Additional provisions	31,142	1,553	377	1,553
At year end	32,695	1,553	1,930	1,553
Analysis of total provisions:				
Current	**32,695**	**1,553**	**1,930**	**1,553**

(vi) This represents allowance for credit loss for off-balance sheet loan commitments and financial guarantees recognised upon adoption of IFRS 9. The movement in allowance for credit lossess on off-balance sheet items during the year is as follows:

	Group		Bank	
In millions of Nigerian Naira	Dec. 2025	Dec. 2024	Dec. 2025	Dec. 2024
Balance, beginning of the year	3,183	7,384	1,338	4,853
(Writeback)/Charge to profit or loss	614	(240)	632	(1,962)
Reclassification	-	(1,553)	-	(1,553)
Exchange difference	5,468	(2,408)	-	-
Balance, end of the year	**9,265**	**3,183**	**1,970**	**1,338**

(vii) Collections represent funds received in favour of clients and customers who the bank acts as their collection agents.

For the year ended 31 December 2025

37. BORROWINGS

	Group		Bank	
In millions of Nigerian Naira	Dec. 2025	Dec. 2024	Dec. 2025	Dec. 2024
Long Term Borrowings				
- Central Bank of Nigeria - 37.1	16,468	17,835	16,468	17,835
- Bank of Industry (BoI) - 37.2	4,828	502	4,828	502
- Eurobond debt security - 37.3	434,091	465,616	434,091	465,616
- Proparco (37.4)	24,859	53,425	24,859	16,145
-European Investment Bank (EIB) - 37.6	-	16,145	-	53,425
- DEG (37.7)	-	44,212	-	44,212
- Others (37.11)	11,522	170,823	-	-
	491,768	**768,559**	**480,246**	**597,735**
Short Term Borrowings				
- First Rand Bank (RMB) - 37.8	-	156,366	-	156,366
- Africa Trade Finance (ATF) -37.9	-	313,907	-	313,907
- African Export-Import Bank - 37.5	431,887	-	431,887	-
- Standard Chartered Bank - 37.10	-	155,964	-	155,964
	431,887	**626,237**	**431,887**	**626,237**
	923,656	**1,394,796**	**912,133**	**1,223,973**
Current	431,887	642,382	431,887	642,382
Non-current	491,769	752,414	480,246	581,590
	923,656	**1,394,796**	**912,133**	**1,223,973**
Movement in borrowings during the year:				
Opening balance	1,394,796	858,740	1,223,973	856,330
Additions	470,660	825,607	459,138	823,197
Interest expense	70,197	180,558	69,439	123,945
Interest paid	(107,094)	(133,331)	(107,094)	(133,331)
Repayments (principal)	(887,071)	(934,045)	(716,248)	(934,045)
Exchange difference	(17,833)	597,267	(17,074)	487,877
Closing balance	**923,656**	**1,394,796**	**912,133**	**1,223,973**

37. BORROWINGS - CONTINUED

337.1 This represents on-lending facilities provided by the Central Bank of Nigeria (CBN):

(a) ₦12.24 billion of this facility represents the outstanding balance on the Commercial Agriculture Credit Scheme granted to the Bank for the sole purpose of granting loans, at subsidised rates, to the agricultural sector. Interest on the facility cannot exceed 9% per annum inclusive of all charges and is to be shared between the Bank and CBN at 6% and 3% respectively. The Bank is the primary obligor to CBN and assumes the risk of default.

(b) ₦3.36 billion of this facility represents the outstanding balance on the loan granted by the Central Bank of Nigeria with respect to Real Sector Support Facility (RSSF) initiative to support the Federal Government's Special Fertilizer Intervention programme. The Central Bank shall lend to the Bank at 3% while the Bank shall on-lend to the customer at a maximum interest rate of 6% per annum, all charges inclusive. The 3% interest shall be remitted to CBN on a quarterly basis. The principal is repayable quarterly (after a one year moratorium) and the tenor of the facility is 7 years.

37.2 This represents an intervention credit granted to the Bank by the Bank of Industry (BOI) for the purpose of refinancing/restructuring existing loans to Small and Medium Scale Enterprises (SMEs), manufacturing companies and companies in the power and aviation industries. The maximum tenor of term loans under the programme is 15 years while the tenor for working capital is one year, renewable annually subject to a maximum tenor of five years. A management fee of 1% per annum, deductible at source in the first year and quarterly in arrears thereafter, is paid by the Bank under the intervention programme and the Bank is under obligation to on-lend to customers at an all-interest rate of 5% per annum. The Bank is the primary obligor to CBN/BOI and assumes the risk of default.

37.3 This represents the amortised cost of the Eurobond issued by the Bank in November, 2021. The $300million Notes issued by the Bank on November 19 2021 is for a tenor of 5 years with interest rate(coupon) of 6.75% p.a, payable semi-annually with bullet repayment of the Principal sum at maturity. The maturity date of the Eurobond is November 19, 2026.

37.4 This represents the amount granted under a $85 million trade loan facility granted by Proparco in April 2020. The facility is for a tenor of seven (7) years and Interest rate is six (6) months USD LIBOR (amended to six months USD SOFR with effect from 30th June 2023) plus 320 basis points. The interest repayments are payable semi-annually while the principal repayment commenced on a semi-annual basis following the 2 year grace period. Outstanding balance on the facility is $17.26 million and the facility matures in October 2026.

37.5 This represents the amount granted under a $300million trade finance loan facility granted by Afrexim Bank in November 2025 with a tenor of twelve(12) months. The Interest rate is twelve (12) months USD LIBOR + 2.0%. The interest repayment and the principal repayment will be made at the end of the tenor.

37.6 The N11.52mn represents the amount granted by Bank of Zambia on 22nd March 2022 with a tenor of five (5) years to strengthen and enhance financial sector resilience, particularly in the wake of the outbreak of the Coronavirus disease (COVID-19) and its potentially devastating impact on the domestic economy and also an amount granted by Bank of Zambia as part of their stability and resilence facility. Interest rate is fixed at 9% while both principal and interest is due upon maturity. The facilities are secured by government bonds.

38. STATEMENT OF CASH FLOW RECONCILIATION

In millions of Nigerian Naira	Group		Bank	
	Dec. 2025	Dec. 2024	Dec. 2025	Dec. 2024
i Change in financial assets at FVTPL				
Opening balance	100,687	33,849	18,018	534
Closing balance	(194,652)	(100,687)	(16,967)	(18,018)
Movement during the year	(93,965)	(66,838)	1,051	(17,484)
Finance cost - interest expense	9,216	74,147	4,139	3,896
Mark to Market Gains	(8,755)	(74,307)	(3,644)	(4,090)
Recognised in cash flow statement	**(93,505)**	**(66,998)**	**1,546**	**(17,678)**
ii Change in cash reserve balance with CBN				
Opening balance	3,929,953	2,686,563	3,589,647	2,585,578
Closing balance	(3,876,770)	(3,929,953)	(3,427,729)	(3,589,647)
Recognised in cash flow statement	**53,183**	**(1,243,390)**	**161,918**	**(1,004,069)**
iii Change in loans and advances to banks				
Opening balance	556,072	320,732	290,941	147,547
Closing balance	(437,526)	(556,072)	(257,874)	(290,941)
Movement during the year	118,546	(235,340)	33,067	(143,394)
Impairment of loans and advances to banks	(6,581)	(11,703)	(775)	(126)
Finance cost - (interest income)	128,938	241,647	89,913	104,784
Interest received	(139,368)	(243,914)	(87,804)	(104,784)
Recognised in cash flow statement	**101,535**	**(249,310)**	**34,401**	**(143,520)**
iv Change in loans and advances to customers				
Opening balance	6,954,545	5,228,849	3,920,533	3,320,373
Closing balance	(7,022,394)	(6,954,545)	(3,507,589)	(3,920,533)
Movement during the year	(67,849)	(1,725,696)	412,944	(600,160)
Impairment of loans and advances to customers	(381,209)	(246,890)	(317,897)	(189,056)
Loans and Advances written off	(12,984)	(13,015)	(1,226)	(1,871)
Finance cost - (interest income)	864,509	779,694	575,900	537,570
Interest received	(848,111)	(667,785)	(673,987)	(277,465)
Recognised in cash flow statement	**(445,646)**	**(1,873,693)**	**(4,266)**	**(530,982)**

For the year ended 31 December 2025

38. STATEMENT OF CASH FLOW RECONCILIATION - CONTINUED

v Change in other assets				
Opening balance	1,186,262	758,685	977,818	607,252
Closing balance	(1,395,079)	(1,186,262)	(911,893)	(977,818)
Movement during the year	(208,817)	(427,577)	65,925	(370,566)
Impairment charges on other assets	(8,614)	(19,578)	2,303	(21,634)
Effect of exchange flunctuation	(9,466)	302,530	(1,024,234)	(526,905)
Transfer of PPE and Intangibles	(2,759)	(6)	(0)	(1)
Effect of translation difference	(2,803,195)	(149,082)	(25,017)	277,567
Dividend income	17,733	16,884	319,101	251,551
Dividend received	(58,768)	(25,830)	(269,546)	(111,419)
Recognised in cash flow statement	**(3,073,886)**	**(302,659)**	**(931,468)**	**(501,407)**
vi Change in deposits from banks				
Opening balance	(2,756,472)	(2,464,444)	(1,643,031)	(1,598,524)
Closing balance	3,259,133	2,756,472	756,602	1,643,031
Movement during the year	502,661	292,028	(886,429)	44,507
Finance cost - (interest expense)	(319,742)	(196,634)	(186,230)	(91,595)
Interest paid	222,421	196,243	105,017	76,803
Recognised in cash flow statement	**405,340**	**291,637**	**(967,641)**	**29,715**
vii Change in deposits from customers				
Opening balance	(21,571,751)	(14,891,277)	(11,511,737)	(8,760,630)
Closing balance	23,948,907	21,894,689	11,913,128	11,834,675
Movement during the year	2,377,156	7,003,412	401,391	3,074,045
Finance cost - (interest expense)	(607,069)	(456,609)	(402,136)	(262,867)
Interest paid	800,920	362,566	396,081	272,714
Recognised in cash flow statement	**2,571,006**	**6,909,369**	**395,334**	**3,083,890**
viii Change in placement with banks				
Opening balance	297,190	155,715	219,670	252,904
Closing balance	(263,404)	(297,190)	(593,209)	(219,670)
Movement during the year	33,786	(141,475)	(373,539)	33,234
Impairment charges on placements	(485)	596	(819)	596
Finance cost - (interest income)	185,373	146,084	115,923	93,244
Interest received	(154,127)	(151,901)	(80,827)	(96,507)
Recognised in cash flow statement	**64,548**	**(146,696)**	**(339,263)**	**30,567**

For the year ended 31 December 2025

38. STATEMENT OF CASH FLOW RECONCILIATION - CONTINUED

ix Change in other liabilities and provisions				
Opening balance	(931,376)	(282,627)	(1,080,606)	(350,914)
Closing balance	547,644	608,438	439,117	757,668
Movement during the year	(383,732)	325,811	(641,489)	406,754
Movement in lease liabilities	14,791	32,755	1,951	22,720
Effect of exchange flunctuation	(2,162)	-10,163	-	-
Impairment of finanial assets	(614)	240	-632	1,962.00
Recognised in cash flow statement	**(371,717)**	**348,643**	**(640,170)**	**431,436**
x Interest received				
Interest income	2,649,047	2,370,037	1,424,342	1,298,865
Movement in interest receivables	(100,028)	(155,279)	(1,402)	(310,756)
Recognised in cash flow statement	**2,549,019**	**2,214,758**	**1,422,940**	**988,109**
xi Interest paid				
Interest expense	(1,030,708)	(839,250)	(688,604)	(481,690)
Movement in interest payables	7,369	280,442	187,508	132,175
Recognised in cash flow statement	**(1,023,339)**	**(558,808)**	**(501,096)**	**(349,515)**
xii Proceeds from sale/redemption of investment securities				
Opening Balance of Investment Securities - FVOCI	4,942,106	3,093,036	4,131,287	2,710,345
Opening Balance of Investment Securities - Amortised cost	7,592,399	4,314,957	462,964	174,706
Closing Balance of Investment Securities - FVOCI	(4,518,293)	(4,942,106)	(3,837,545)	(4,131,287)
Closing Balance of Investment Securities - Amortised cost	(9,908,924)	(7,592,399)	(856,360)	(462,964)
Movement during the year	(1,892,712)	(5,126,512)	(99,654)	(1,709,200)
Impairment charges on investment securities	(11,949)	17,771	3,225	21,630
Interest income	(1,459,435)	(1,128,465)	(636,891)	(559,371)
Interest received	1,398,657	1,076,850	576,678	505,263
Effect of exchange flunctuation	121,958	218,733	130,724	64,956
Fair value adjustment	97,038	54,938	96,109	58,591
Purchase of investment securities	2,343,061	8,410,568	385,667	6,209,150
Recognised in cash flow statement	**596,618**	**3,523,881**	**455,857**	**4,591,019**
Purchase of investment securities				
Purchase of FVOCI bills	(328,410)	(5,287,323)	(328,410)	(5,287,323)
Purchase of Amortised cost bills	(907,894)	(1,021,079)	-	-
Purchase of FVOCI bonds	(27,251)	(438,739)	(27,251)	(438,739)
Purchase of Amortised cost bonds	(30,006)	(483,088)	(30,006)	(483,088)
Purchase of subsidiaries' investment securities	(1,049,500)	(1,180,339)	-	-
Recognised in cash flow statement	**(2,343,061)**	**(8,410,568)**	**(385,667)**	**(6,209,150)**

39. CAPITAL AND RESERVES

(a) Share capital

In millions of Nigerian Naira	Group Dec. 2025	Group Dec. 2024	Bank Dec. 2025	Bank Dec. 2024
Share capital comprises:				
Issued and fully paid -				
44,196,175,305 Ordinary				
shares of 50k each (2024: 34,199,421,366)	22,098	17,100	22,098	17,100
The movement in the share capital account during the period is as follows:				
In millions				
Number of shares in issue at start of the period	34,199	34,199	34,199	34,199
Additional number of shares from rights issue	9,996	-	9,996	-
Number of shares in issue at end of the year	**44,196**	**34,199**	**44,196**	**34,199**

In March 2024, the Central Bank of Nigeria (CBN) announced an increase in the minimum capital requirements for banks, aiming to strengthen the financial sector and position it to support the real economy. In line with the requirements, international commercial banks are required to maintain a minimum capital of ₦500 billion in share capital and premium only. Banks were given until March 2026 to comply with the new requirements, with options including raising additional capital, pursuing mergers and acquisitions, or downgrading their licenses to align with their current capital levels.

The Bank registered an equity capital raise program with the Securities and Exchange Commission to raise fresh equity capital of up to ₦400 billion and commenced the first tranche of the capital raise by a way of Rights Issue in November 2024 and closed by December 24, 2024. The Bank got SEC's approval of the right share allotment on May 7, 2025, after having received CBN's ""no objection"" for the capital verification exercise. The net issue proceeds of ₦234.27 billion following the deduction of the offer costs of ₦5.13 billion (representing 1.82% of gross issue proceeds) has been recognised in the books.

The Bank commenced the final tranche of its capital raise by a way of Rights issue on 30 July 2025 and and closed on September 05, 2025 raising additional 3,156,869,665 ordinary shares of 50 kobo each at N50.00 per share. On 31 Dec 2025, the Bank received the CBN's ""no objection"". The net issue proceeds of ₦154.653 billion following the deduction of the offer costs of ₦3.189 billion (representing 2.02% of gross issue proceeds) has been recognised in the books.

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

(c) Retained earnings
Retained earnings is the carried forward recognised income net of expenses plus current period profit attributable to shareholders.

(d) Other Reserves
Other reserves include the following:

In millions of Nigerian Naira	Group Dec. 2025	Group Dec. 2024	Bank Dec. 2025	Bank Dec. 2024
Foreign operations translation reserve (note (i))	1,086,996	1,029,944	-	-
Statutory reserve (note (ii))	584,512	347,647	329,871	305,075
Fair value reserve (note (iii))	272,478	176,056	331,512	235,899
Hyperinflationary reserve	206,084	203,922	-	-
Regulatory (Credit) risk reserve (note (iv))	201,577	18,146	245,675	241,560
	2,351,766	**1,775,715**	**907,058**	**782,533**

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

39. CAPITAL AND RESERVES - CONTINUED

(ii) Statutory reserve

Statutory reserve includes:

- Statutory reserve: this represents the cumulative appropriation from earnings in accordance with existing legislation that require the Bank to make an annual appropriation, In the current period, the Bank transferred ₦24.80 billion representing 15% (2024: 15%) of its profit after taxation to statutory reserves.
- Small and Medium Enterprises Equity Investment Scheme (SMEEIS) reserves of ₦2.635 billion as at 31 December 2025 (December 2024: ₦2.635 billion) . The Bank has since suspended further appropriation to SMEEIS reserve in line with the directives of the Central Bank of Nigeria.

(iii) Fair value reserve

The fair value reserve includes the net cumulative change in the fair value of investments at fair value through other comprehensive income. The net cumulative fair value change on equity instruments is transferred to retained earnings when the investment is derecognised while the net cummulative fair value change on debt instruments is recycled to the profit or loss.

(iv) Regulatory (Credit) risk reserve

The regulatory (credit) risk reserve represents the difference between the impairment on loans and advances determined using the prudential guidelines issued by the various Central Banks of the various operating jurisdictions compared with the expected credit loss model used in determining the impairment loss under IFRSs.

Where the loan loss impairment determined using the prudential guidelines is greater than the loan loss impairment determined using the expected credit loss model under IFRSs, the difference is transferred to regulatory credit risk reserve and it is non-distributable to owners of the parent. When the prudential provisions is less than IFRS provisions, the excess charges resulting is transferred from the regulatory reserve to retained earnings to the extent of the non-distributable reserve previously recognised.

40. DIVIDENDS

	Bank Dec 2025	Bank Dec 2024
Dividend Proposed	**10,260**	**170,995**
Number of Shares in Issue and Ranking for Dividend	44,196	34,199
Proposed Dividend Per Share (Naira)	**0.25**	**5.00**
Interim Dividend Per Share Proposed and paid (Naira)	0.25	2.00
Final Dividend proposed (Naira)	-	3.00
Final Dividend paid during the year	102,598	78,658
Interim dividend paid during the year	10,260	68,398
Total dividend paid during the year	**112,858**	**147,056**

The Board of Directors has not proposed a final dividend (Dec 2024: ₦3.00 per share) from the retained earnings account as at 31 December 2025. The number of shares in issue and ranking for dividend represents the outstanding number of shares as at 31 December 2025 and 31 December 2024 respectively.

41. CONTINGENCIES

(i) Litigation and claims

The Group, in the ordinary course of business is currently involved in 1,737 legal cases (2024:1,703). The total amount claimed in the cases against the Group is estimated at ₦2.511 trillion (2024: ₦1.325 trillion). The directors having sought the advice of professional legal counsel, are of the opinion that no significant liability will crystalise from these cases beyond the provision made in the financial statements.

(ii) Contingent liabilities

In the normal course of business, the Group conducts business involving acceptances, performance bonds and indemnities. Contingent liabilities and commitments comprise acceptances, endorsements, guarantees and letters of credit.

Nature of instruments

An acceptance is an undertaking by a bank to pay a bill of exchange drawn on a customer. The Group expects most acceptances to be presented, but reimbursement by the customer is normally immediate. Endorsements are residual liabilities of the Group in respect of bills of exchange, which have been paid and subsequently rediscounted.

Guarantees and letters of credit are given to third parties as security to support the performance of a customer to third parties. As the Group will only be required to meet these obligations in the event of the customer's default, the cash requirements of these instruments are expected to be considerably below their nominal amounts.

Other contingent liabilities include performance bonds and are, generally, short-term commitments to third parties which are not directly dependent on the customers' credit worthiness.

Documentary credits commit the Group to make payments to third parties, on production of documents, which are usually reimbursed immediately by customers.

The following tables summarise the nominal principal amount of contingent liabilities and commitments with off-balance sheet risk. There are no guarantees, commitments or other contingent liabilities arising from related party transactions.

	Group		Bank	
In millions of Nigerian naira	**Dec. 2025**	**Dec. 2024**	**Dec. 2025**	**Dec. 2024**
Performance bonds and guarantees	1,258,791	1,634,775	938,331	874,168
Allowance for credit losses	(7,644)	(2,782)	(1,118)	(937)
Net carrying amount	**1,251,147**	**1,631,992**	**937,213**	**873,231**
Letters of credits	266,943	262,451	204,269	106,022
Allowance for credit losses	(1,621)	(401)	(852)	(401)
Net carrying amount	**265,322**	**262,050**	**203,417**	**105,621**
Gross amount	1,525,734	1,897,226	1,142,600	980,190
Total allowance for credit losses	(9,265)	(3,183)	(1,970)	(1,338)
Total carrying amount for performance bonds and guarantees	**1,516,469**	**1,894,042**	**1,140,631**	**978,852**

(iii) Loan commitments

Loan commitments are irrevocable commitments to provide credits under pre-specified terms and conditions. The Group's loan commitments are usually conditioned on the maintenance of a satisfactory financial standing by the customer and absence of defaults on other covenants. At the reporting date, the Group had loan commitments amounting to ₦151.79 billion (2024: ₦23.71 billion); Bank: ₦94.19 billion (2024: ₦15.00 billion) in respect of various loan contracts. The ECL on loan commitmments is negligible and immaterial.

(iv) Capital commitments

Capital commitments are irrevocable contractual commitments for the acquisition of items of property and equipment or intangible assets. At the balance sheet date, the Group had capital commitments amounting to ₦7.88 billion (December 2024 ₦11.14 billion) in respect of authorised and contracted capital projects.

	Group	Group
In millions of Nigerian naira	Dec 2025	Dec 2024
Property and equipment	7,878	11,137
Intangible assets	-	-
	7,878	**11,136**

42. RELATED PARTIES AND INSIDER RELATED CREDITS

United Bank for Africa Plc (UBA Plc) is the ultimate parent/controlling party of the Group. The shares of UBA Plc are listed on the Nigerian Stock Exchange and held by widely varied investors.

Parties are considered to be related if one party has the ability to control the other party or exercise influence over the other party in making financial and operational decisions, or one other party controls both. The definition includes subsidiaries, associates, joint ventures as well as key management personnel.

(a) Subsidiaries

Transactions within Group comprising of United Bank for Africa Plc and the subsidiaries also meet the definition of related party transactions. Where these are eliminated on consolidation, they are not disclosed in the consolidated financial statements but are disclosed in the individual books of the entities. The transactions and balances among the entiites in the Group during the period and at period end are as follows:

(i) Cash and cash equivalents with the following subsidiaries are:

Name of Subsidiary	Nature of Balance	Dec 2025	Dec 2024
In millions of Nigerian naira			
UBA UK Limited	Money market placement	-	122,256
UBA UK Limited	Nostro Balances	189,156	248,200
UBA Senegal	Money market placement	-	76,524
		189,156	**446,981**

(ii) Loan and advances

Name of Subsidiary	Type of Loan	Dec 2025	Dec 2024
In millions of Nigerian naira			
UBA Cameroun	Overdraft	11,705	22,900
UBA Congo DRC	Overdraft	13,083	-
UBA Gabon	Overdraft	1,033	112
UBA Chad	Overdraft	4,522	7,054
UBA Congo Brazzaville	Overdraft	4,352	54,600
UBA Benin	Overdraft	-	6,104
UBA Sierra Leone	Overdraft	2,165	-
UBA Guinea	Overdraft	25	-
UBA CDI	Overdraft	-	961
UBA Liberia	Overdraft	-	263
UBA Senegal	Overdraft	-	303
		36,885	**92,296**

42. RELATED PARTIES AND INSIDER RELATED CREDITS - CONTINUED

(iii) Deposits

Name of Subsidiary	Type of Deposit	Dec 2025	Dec 2024
In millions of Nigerian naira			
UBA Congo DRC	Current	4,645	6,628
UBA Uganda	Current	260	227
UBA Senegal	Current	666	123
UBA Mozambique	Current	177	227
UBA Mali	Current	4,178	1,218
UBA Congo Brazzaville	Current	2	16
UBA Sierra Leone	Current	30	12
UBA Ghana	Current	230	524
UBA Benin	Current	375	718
UBA Cameroun	Current	54	22
UBA Kenya	Current	3,264	44
UBA Guinea	Current	216	202
UBA Chad	Current	26	50
UBA Pension Custodian	Current	-	47
UBA Liberia	Current	102	81
UBA Zambia	Current	9	4
UBA Tanzania	Current	135	26
UBA Burkina Faso	Current	32	98
UBA Cote D'Ivoire	Current	3	3
UBA Gabon	Current	-	10
UBA UK Limited	Current	-	3
UBA Liberia	Domicilliary	2,384	2,261
UBA Uganda	Domicilliary	547	1,141
UBA Ghana	Domicilliary	13,326	27,344
UBA Guinea	Domicilliary	1,619	3,027
UBA Senegal	Domicilliary	2,597	834
UBA Benin	Domiciliary	379	461
UBA Sierra Leone	Domicilliary	553	696
UBA Kenya	Domicilliary	14	1,278
UBA Burkina Faso	Domicilliary	67	696
UBA Cameroon	Domicilliary	48	15
UBA Cote D'Ivoire	Domicilliary	46	78
UBA Chad	Domicilliary	34	235
UBA Tanzania	Domicilliary	562	298
UBA Gabon	Domicilliary	167	452
UBA Zambia	Domicilliary	446	237
UBA Mozambique	Domicilliary	176	220
UBA UK Limited	Money market deposit	10,007	-
UBA Ghana	Money market deposit	-	109
		47,378	**49,664**

42. RELATED PARTIES AND INSIDER RELATED CREDITS - CONTINUED

(iv) Accounts receivable from the following subsidiaries are:

In millions of Nigerian naira	**Type of Deposit**	**Dec 2025**	**Dec 2024**
UBA Ghana	Accounts receivable	21,847	20,702
UBA Cote D'Ivoire	Accounts receivable	4,542	4,289
UBA Cameroon	Accounts receivable	12,905	15,604
UBA Burkina Faso	Accounts receivable	3,502	3,403
UBA Benin	Accounts receivable	3,162	3,046
UBA DRC Congo	Accounts receivable	7,943	7,812
UBA Zambia	Accounts receivable	788	355
UBA Gabon	Accounts receivable	3,157	3,486
UBA Congo Brazzaville	Accounts receivable	9,061	8,303
UBA Senegal	Accounts receivable	997	913
UBA Guinea	Accounts receivable	1,666	630
UBA Uganda	Accounts receivable	2,244	2,414
UBA Chad	Accounts receivable	6,488	6,048
UBA Liberia	Accounts receivable	384	219
UBA Sierra Leone	Accounts receivable	350	396
UBA Pension Custodian	Accounts receivable	40	28
UBA Tanzania	Accounts receivable	1,101	1,184
UBA Kenya	Accounts receivable	-	6
UBA Mali	Accounts receivable	89	55
UBA Mozambique	Accounts receivable	337	309
UBA UK	Accounts receivable	32	8
		80,636	**79,212**

(v) Dividend receivable from the following subsidiaries are:

In millions of Nigerian naira	**Type of Deposit**	**Dec. 2025**	**Dec. 2024**
UBA Pension Custodian			
UBA Ghana		26,462	19,314
UBA Gabon		21,999	14,453
UBA Chad		24,663	36,962
UBA Sierra Leone		34,571	41,030
UBA Liberia		36,629	20,734
UBA Senegal		11,618	1,641
UBA Burkina Faso		10,765	8,388
UBA Benin		11,756	6,884
UBA Congo Brazzaville		66,829	87,526
UBA Cote D'Ivoire		28,681	2,602
UBA Zambia		2,191	2,926
UBA Cameroon		77,619	84,627
UBA Guinea		11,279	9,426
UBA Mozambique		13,011	-
UBA DRC Congo		4,446	-
		382,520	**336,513**

42. RELATED PARTIES AND INSIDER RELATED CREDITS - CONTINUED

(ix) Internal transfer pricing charges from the following subsidiaries are:	Dec 2025	Dec 2024
UBA Ghana	2,097	640
UBA Burkina Faso	1,279	596
UBA Cote d' Ivoire	1,568	482
UBA Benin	1,378	524
UBA Cameroun	2,164	495
UBA Senegal	1,096	292
UBA Congo DRC	720	506
UBA Liberia	471	278
UBA Sierra Leone	1,147	440
UBA Zambia	485	86
UBA Chad	710	419
UBA Kenya	204	161
UBA Congo Brazaville	1,407	638
UBA Gabon	729	427
UBA Guinea Conakry	1,668	376
UBA Mozambique	339	163
UBA Pension	205	67
UBA UK	82	24
UBA Mali	237	117
	17,985	**6,731**

(b) Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of UBA Group, directly or indirectly, including any director (whether executive or otherwise) of the Bank, and their close family members. Close family members are those family who may be expected to influence, or be influenced by that individual in their dealings with UBA Group and its subsidiaries.

Key management personnel and their close family members engaged in the following transactions with the Bank during the period:

Loans and advances to key management personnel

In millions of Nigerian Naira	Dec 2025	Dec 2024
Loans and advances as at year end	2,587	3,539

In millions of Nigerian Naira	Dec 2025	Dec 2024
Interest income earned during the year	173	35

Loans to key management personnel are granted on the same terms and conditions as loans to other employees. Related party loans are secured over real estate, equity and other assets of the respective borrowers. No impairment losses (2024: Nil) have been recorded against related party loans.

42. RELATED PARTIES AND INSIDER RELATED CREDITS - CONTINUED

Loans and advances to key management personnel's related persons and entities as at 31 December 2025

In millions of Nigerian Naira

Name of company/ individual	Name of Director/ Relationship	Facility Type	Status	Dec. 2025	Dec. 2024
Heirs Holdings	Tony Elumelu	Secured Term Loan	Performing	25,186	42,033
Transcorp Hotels Plc	Emmanuel Nnorom	Secured Overdraft	Performing	1,408	1,580
Transcorp Power Limited	Emmanuel Nnorom	Secured Term Loan	Performing	26,139	30,919
Transnational Corporation Plc	Tony Elumelu	Secured Overdraft	Performing	1,707	2,331
Transnational Corporation Plc	Tony Elumelu	Secured Term Loan	Performing	9,489	9,648
United Capital Plc	Former Subsidiary	Secured Term Loan	Performing	217,670	256,913
Transcorp Power Limited*	Emmanuel Nnorom	Secured Term Loan	Performing	10,292	10,835
				291,890	**354,259**

*Vendor to Transcorp Power Limited.

Subsequent to year-end, the aggregate facilities have been paid down to a N88.55bn (deposit N19.97bn.)

In millions of Nigerian Naira	Dec 2025	Dec 2024
Interest income earned during the year	29,738	31,600

Deposit liabilities

Deposit liabilities relating to key management personnel and their related persons and entities as at end of the period is as follows:

In millions of Nigerian Naira	Dec 2025	Dec 2024
Deposits as at year end	50,960	15,570

	Dec 2025	Dec 2024
Interest expense during the year	943	1,971

Compensation

Aggregate remuneration to key management staff during the period is as follows:

In millions of Nigerian Naira	Dec 2025	Dec 2024
Executive compensation	1,197	891
Defined contribution plan	39	32
	1,236	**923**

43. COMPENSATION TO EMPLOYEES AND DIRECTORS

(i) The number of persons in the employment of the Group and th

	Group		Bank	
(In absolute units)	Dec. 2025	Dec. 2024	Dec. 2025	Dec. 2024
Group executive directors	7	7	7	7
Management	151	196	106	141
Non-management	10,663	9,120	6,621	5,219
	10,821	**9,323**	**6,734**	**5,367**

43. COMPENSATION TO EMPLOYEES AND DIRECTORS - CONTINUED

Compensation for the above personnel (including executive directors):	Group		Bank	
In millions of Nigerian Naira	Dec. 2025	Dec. 2024	Dec. 2025	Dec. 2024
Salaries and wages	359,334	297,601	118,799	89,802
Termination Benefits	3,486	2,150	1,896	640
Defined contribution plans	13,448	14,909	2,802	1,926
	376,268	**314,660**	**123,497**	**92,368**

(ii) The number of employees of the Group and the Bank, other than Directors, who received emoluments in the following ranges (excluding pension contributions) were:

(In absolute units)	Group		Bank	
	Dec. 2025	Dec. 2024	Dec. 2025	Dec. 2024
N300,001 - N2,000,000	924	692	-	-
N2,000,001 - N2,800,000	481	758	-	-
N2,800,001 - N3,500,000	395	355	-	-
N3,500,001 - N4,000,000	134	168	3	-
N4,000,001 - N5,500,000	331	384	32	-
N5,500,001 - N6,500,000	80	2,654	-	2,501
N6,500,001 - N7,800,000	194	100	21	-
N7,800,001 - N9,000,000	3,267	1,744	3,156	1,515
N9,000,001 - above	5,008	2,461	3,515	1,344
	10,814	**9,316**	**6,727**	**5,360**

(iii) Directors

	Group		Bank	
In millions of Nigerian Naira	Dec. 2025	Dec. 2024	Dec. 2025	Dec. 2024
Remuneration paid to the Group's Directors was:				
Fees and sitting allowances	1,020	571	1,020	571
Executive compensation	1,197	891	1,197	891
Defined contribution plan	39	32	39	32
	2,257	**1,495**	**2,257**	**1,495**
Fees and other emoluments disclosed above includes amounts paid to:				
The Chairman	118	85	118	85
The highest paid Director	286	254	286	254
The number of Directors who received fees and other emoluments (excluding pension contributions) in the following ranges was:				
(In absolute units)				
N5,500,001 and above	15	15	15	15
	15	15	15	15

44. IAS 29 - FINANCIAL REPORTING IN HYPERINFLATIONARY ECONOMIES

The Ghana and Sierra Leone economies were designated as hyperinflationary from 31 December 2023. As a result, application of IAS 29 has been applied to United Bank for Africa (Ghana) Limited and United Bank for Africa (Sierra Leone) Limited which have a functional currency of Ghanaian cedi and Sierra Leonean leones respectively. During the year, Ghana exited hyperinflationary designation based on World Economic Report. Consequently for the year ended Ghana has not been designated a hyperinflationary economy.

44. IAS 29 - FINANCIAL REPORTING IN HYPERINFLATIONARY ECONOMIES - CONTINUED

Thus, only UBA Sierra Leone Limited is operating in a hyperinflationary economy and is required, for group purposes, to report to UBA Plc in its stable functional currency of Nigerian naira (NGN). The hyperinflation reserve at the Group has not been adjusted for the prior period portion relating to UBA Ghana

IAS 29 para 37 requires the use of a general price index (GPI) to reflect changes in purchasing power. In our view, the consumer price index (CPI) is the most reliable indicator of changes in general price level as it is reported at the end of the supply chain and it reflects the impact of prices on the general population's consumption basket.

The CPI data applied for Sierra Leone has been obtained from the IMF website. This has been deemed appropriate as the indices published:

- have a wide range of reference (i.e. the inclusion of most of the goods and services produced in the economy);
- are available for the prior year as well as the current year; and
- have regular monthly updating

(i) Impact on the financial statements of the hyperinflationary subsidiaries

A. Statement of financial position

Non-monetary assets and liabilities carried at historical cost	These balances are expressed at amounts current at the date of acquisition and are restated by applying the change in the GPI from the date of acquisition to the end of the reporting period
Non-monetary assets and liabilities with a measurement basis that is already at current purchasing power at the reporting date (e.g. items carried at fair value)	These balances are not restated, however, for the presentation in the statement of profit or loss and other comprehensive income, the carrying amount at the beginning of the period (i.e. the comparative balance) should be restated per inflation to the end of the reporting period and then the restated carrying amount should be compared to the current purchasing power of the asset or liability to segregate the monetary gain or loss from the change in the current measurement basis.

B. Statement of changes in equity

On 1 January 2025 , the components of shareholders' equity, excluding retained earnings, are restated by applying the GPI from the dates on which the items were contributed or otherwise arose. Retained earnings are restated for the balancing figure derived from the other amounts in the restated opening statement of financial position.

On 31 December 2025, all components of shareholders' equity are restated by applying the GPI from the beginning of the period or the date of contribution, if later. The movements for the period in shareholders' equity are disclosed in accordance with IAS 1 Presentation of Financial Statements ("IAS 1").

C. Statement of profit or loss and comprehensive income

All items in the statement of profit or loss and other comprehensive income for the current reporting period have been restated by applying the change in the GPI from the dates when the items of income and expense were originally recorded.

The result of the current period restated comprehensive income is added to the balance of the restated opening retained earnings in the statement of financial position.

Calculation of the monetary gain or loss

The monetary gain or loss is calculated as the difference between:

- the historical amounts; and
- the result from the restatement of non-monetary items, equity and items in the statement of comprehensive income

The monetary gain or loss is reported in the restated statement of profit or loss and comprehensive income and is separately disclosed.

D. Statement of cash flows

Cash flows are reported using Indirect Method. All items in the statement of cash flows are expressed in a measuring unit current at the reporting date. There is no detailed guidance for the statement of cash flows in IAS 29.

(ii) Impact on the financial statements for the purposes of group reporting

Hyperinflation accounting is applied to all of the subsidiary's assets and liabilities before translation. Restated amounts in the subsidiary's financial statements (i.e. assets, liabilities, equity income and expenses) are then translated at the prevailing closing rate.

44. IAS 29 - FINANCIAL REPORTING IN HYPERINFLATIONARY ECONOMIES - CONTINUED

A. Comparative period

For group reporting purposes, the comparatives are not adjusted for subsequent changes in price levels or exchange rates.

B. Elimination of intercompany transactions

IFRS 10 Consolidated Financial Statements ("IFRS 10") requires the elimination of intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group.

Intra-group transactions in a hyperinflationary subsidiaries are restated, however, this could result in a difference between the amounts recognised by the subsidiary and the parent for the same transaction. This difference is taken into account in the elimination entry.

C. Consolidation of functional currencies of hyperinflationary economies with financial results of group entities

	UBA Sierra Leone	UBA Sierra Leone	UBA Group
In millions of Nigerian Naira	Dec. 2024 Restated	Dec. 2025 Restated	Dec. 2025 Restated
Interest income	62,084	73,860	73,860
Interest expense	(5,812)	(6,058)	(6,058)
Fees and commission income	11,939	13,089	13,089
Fees and commission expense	(2,388)	(2,198)	(2,198)
Net trading and foreign exchange income	4,132	3,568	3,568
Other income	202	71	71
Allowance for credit losses on financial assets	(621)	(1,166)	(1,166)
Personnel expenses	(4,826)	(2,862)	(2,862)
Depreciation	(874)	(1,139)	(1,139)
Other operating expenses	(6,935)	(9,420)	(9,420)
Income tax expense	(14,383)	(16,970)	(16,970)
Net monetary loss on hyperinflation	**(5,715)**	**(2,162)**	**(2,162)**
Cash and bank balances	132,620	94,752	94,752
Investment securities	186,092	165,728	165,728
Loans and advances to customers	31,676	105,983	105,983
Other assets	3,320	2,706	2,706
Property and equipment	14,982	15,920	15,920
Intangible asset	-	22.42	22
Deferred income tax assets	259.68	1,299.32	1,299
Deposits from customers	(239,389)	(279,956)	(279,956)
Deposits from banks	(20,451)	(26,717)	(26,717)
Other liabilities	(45,318)	(5,607)	(5,607)
Current tax liabilities	(405)	(1,022)	(1,022)
Share capital	(39,282)	(37,989)	(37,989)
Revenue reserve	(20,907)	(34,106)	(34,106)
Statutory reserve	(40,830)	(47,354)	(47,354)
Credit risk reserve	(607)	(110)	(110)
Other reserves	1,436	(2,162)	(2,162)

44. IAS 29 - FINANCIAL REPORTING IN HYPERINFLATIONARY ECONOMIES - CONTINUED

D. Accounting policy choices

There is no specific guidance in IFRS on where the difference between the restated opening net asset value in the subsidiary's financial statements and the non-restated comparatives included in the consolidtaed financial statements should be presented in the year an entity first applies IAS 29.

Management has thus elected to treat the combined effects of restating and translating the opening net asset values of the hyperinflationary subsidiaries as a net change in Other Comprehensive Income (OCI). This is in line with the March 2020 IFRS IC Agenda Decision, which provided management with accounting choices of either treating the combined effect of restating and translating the opening net assets values as a change in OCI or as a change in equity.

	UBA Sierra Leone		
In millions	**1-Jan-25 SLL**	**Exchange rate**	**1-Jan-25 NGN**
Net asset value (subsidiary financial statements)	992	0.02	61,651
Net asset value (Group financial state-ments)	1176	0.02	73,108
Group adjustment to opening net asset value	**-184**	**-**	**11,457**

45. NON-AUDIT SERVICES

During the year, the Bank's external auditors (Ernst & Young) rendered the following non-audit service to the Bank:

(i) Internal Control over Financial Reporting (ICFR). The fee paid for this service was ₦60 million.

(ii) NDIC deposit certification. The fee paid for this service was ₦6.00 million.

(iii) Review of compliance with section 18.2 of the CBN Code of corporate governance. The fee paid for this service was ₦10.00 million.

(iv) Review of compliance with section 18.3 of the CBN Code of corporate governance. The fee paid for this service was ₦20.00 million.

(v) Review of the Banks Recovery and Resolution plan for FY2025. The fee paid for this service was ₦5.00 million.

(vi) Provision of UBA DUBAI - Agreed upon procedures. The fee paid for this service was ₦6.00 million.

Note: These non-audit service was undertaken by different E&Y teams. These payments are included as part of contract services expense in "other operating expenses" in note 19.

46. COMPLIANCE WITH BANKING REGULATIONS

During the year, the bank incurred the following penalties from Central Bank of Nigeria for various contraventions:

In millions of Nigerian Naira	**Description**	**Amount**
1	Consumer complaint resolved by consumer protection department	8.00
2	Penalty On Cash Disbursement	150.00
3	Delay in remitting regulatory payments to the Nigeria Electricity Market Stabilization Facility	14.00
	Total	**172.00**

47. EVENTS AFTER THE REPORTING DATE

There were no other events after the reporting date that could have material effect on the financial condition of the Group and the Bank as at 31 December 2025 and the profit and other comprehensive income for the period ended which have not been adjusted or disclosed.

48. SECURITIES TRADING POLICY

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule)United Bank for Africa Plc maintains a Security Trading Policy which guides Directors, Audit Committee members, employees and all individuals categorized as insiders as to their dealing in the Company's shares. The Policy undergoes periodic reviews by the Board and is updated accordingly. The Company has made specific inquiries of all its directors and other insiders and is not aware of any infringement of the policy during the period.

49. FREE FLOAT DECLARATION

United Bank for Africa Plc with a free float percentage of 79.33% (and a free float value of ₦1,365,820,435,956.90 as at 31 December 2025, is compliant with free float requirements for companies listed on the Premium Board of The Nigerian Exchange Limited.

50. CONDENSED RESULT OF CONSOLIDATED SUBSIDIARIES

For the year ended 31 December 2025

In millions of Nigerian Naira	UBA Ghana	UBA Liberia	UBA Cote D' Ivoire	UBA Senegal	UBA Kenya	UBA Guinea	UBA Gabon	UBA Benin
Condensed statements of comprehensive income								
Operating Revenue	180,695	71,184	186,887	101,230	24,009	102,965	71,107	104,952
Total operating expenses	(117,298)	(26,779)	(96,346)	(77,644)	(18,735)	(45,165)	(43,445)	(69,463)
Net impairment gain/(reversal) on financial assets	14,771	(12,138)	36,041	(10,624)	(242)	2,820	(5,127)	(4,285)
Profit before income tax	**78,169**	**32,267**	**126,583**	**12,963**	**5,032**	**60,620**	**22,535**	**31,204**
Income tax expense	(27,672)	(8,067)	(1,575)	(13)	-	(11,993)	(6,761)	(998)
Profit for the year from continuing operations	**50,497**	**24,200**	**125,008**	**12,950**	**5,032**	**48,627**	**15,774**	**30,206**
Profit for the year	**50,497**	**24,200**	**125,008**	**12,950**	**5,032**	**48,627**	**15,774**	**30,206**
Condensed statements of financial position								
Assets								
Cash and bank balances	400,683	187,768	279,202	147,139	61,368	353,954	138,881	114,637
Loans and Advances to Banks	-	-	-	-	-	-	-	-
Loans and advances to customers	175,972	40,471	352,658	227,772	53,065	127,195	105,260	357,426
Investment securities	876,420	189,618	1,684,906	925,024	113,227	590,341	307,580	705,888
Other assets	89,364	274,687	33,436	26,264	13,271	40,734	19,541	16,757
Property and equipment	16,333	3,440	17,751	4,467	2,156	4,778	13,530	8,800
Intangible assets	256	99	641	234	119	37	181	132
Deferred tax assets	29,626	-	-	-	-	-	-	-
Total assets	**1,588,653**	**696,083**	**2,368,595**	**1,330,900**	**243,206**	**1,117,039**	**584,973**	**1,203,640**
Financed by:								
Deposits from banks	111,306	1,089	355,097	540,323	31,886	13,595	16,526	286,550
Deposits from customers	1,195,857	611,537	1,709,193	678,825	180,303	902,655	466,398	802,318
Other liabilities	21,989	9,199	17,639	16,674	9,504	65,921	21,348	11,688
Current income tax liabilities	-	1,523	1,546	13	-	11,182	6,662	980
Deferred tax liability	-	312	10,524	-	-	-	-	-
Total Equity	259,501	72,423	274,595	95,065	21,512	123,686	74,040	102,104
Total liabilities and equity	**1,588,653**	**696,083**	**2,368,595**	**1,330,900**	**243,206**	**1,117,039**	**584,973**	**1,203,640**
Condensed cash flows								
Net cash from/(used in)operating activities	382,055	(9,638)	382,358	273,537	44,105	240,008	112,512	106,788
Net cash from /(used in)financing activities	36,599	(1,484)	5,086	(24,206)	(1,422)	(42,191)	(12,352)	(16,153)
Net cash from/(used in) investing activities	(414,115)	(9,465)	(243,232)	(176,210)	(81,679)	(161,223)	(25,579)	(54,166)
Increase/(decrease) in cash and cash equivalents	**4,539**	**(20,588)**	**144,213**	**73,121**	**(38,996)**	**36,594**	**74,581**	**36,469**
Cash and cash equivalents at beginning of the year	396,144	208,356	134,989	74,019	100,364	317,362	64,301	78,168
Cash and cash equivalents at end of the period	**400,683**	**187,768**	**279,202**	**147,140**	**61,368**	**353,956**	**138,882**	**114,637**

50. CONDENSED RESULT OF CONSOLIDATED SUBSIDIARIES - CONTINUED

For the year ended 31 December 2025

In millions of Nigerian Naira	UBA Sierra Leone	UBA Burkina Faso	UBA Chad	UBA Uganda	UBA Congo Brazzaville	UBA Mozambique	UBA Cameroun	UBA Pension Custodian	UBA Mali
Condensed statements of comprehensive income									
Operating Revenue	90,587	143,995	70,933	35,853	107,115	59,230	176,659	11,531	28,943
Total operating expenses	(23,839)	(92,018)	(41,186)	(25,372)	(52,705)	(26,897)	(97,073)	(2,917)	(26,297)
Net impairment gain/(reversal) on financial assets	(1,166)	(3,481)	(11,281)	(716)	(5,514)	(3,685)	(17,688)	(16)	(1,184)
Profit before income tax	**65,583**	**48,495**	**18,465**	**9,765**	**48,896**	**28,648**	**61,898**	**8,598**	**1,462**
Income tax expense	(16,970)	(769)	(9,037)	(2,762)	(9,552)	(5,572)	(20,426)	(2,928)	(189)
Profit for the year from continuing operations	**48,613**	**47,726**	**9,428**	**7,003**	**39,344**	**23,076**	**41,472**	**5,670**	**1,273**
Profit for the year	**48,613**	**47,726**	**9,428**	**7,003**	**39,344**	**23,076**	**41,472**	**5,670**	**1,273**
Condensed statements of financial position									
Assets									
Cash and bank balances	94,752	116,670	62,951	77,641	119,792	137,396	201,786	17,569	57,933
Loans and advances to customers	105,983	410,454	204,884	65,976	237,917	36,814	641,028	-	86,588
Investment securities	165,728	1,153,070	400,487	137,418	530,447	175,420	1,099,564	-	168,283
Other assets	2,706	30,469	3,795	3,939	42,982	1,053	102,808	896	6,867
Property and equipment	15,920	11,601	6,484	3,643	6,537	4,567	6,642	519	6,069
Intangible assets	22	86	57	155	-	225	947	94	512
Deferred tax assets	1,299	-	-	-	-	-	-	92	-
Total assets	**386,410**	**1,722,350**	**678,657**	**288,773**	**937,675**	**391,328**	**2,052,775**	**19,170**	**326,251**
Financed by:									
Deposits from banks	26,717	525,325	-	44,050	107,515	7,202	74,179	-	63,152
Deposits from customers	279,956	1,021,702	575,044	164,443	630,064	265,179	1,596,050	-	200,835
Other liabilities	5,607	34,556	18,987	10,089	34,048	5,653	37,341	1,049	8,584
Current income tax liabilities	1,022	755	8,905	-	-	-	-	3,249	205
Deferred tax liability	-	-	-	-	-	-	-	96	2,738
Total Equity	73,108	140,012	75,721	70,191	166,047	113,294	345,204	14,776	50,738
Total liabilities and equity	**386,410**	**1,722,350**	**678,657**	**288,773**	**937,675**	**391,328**	**2,052,775**	**19,170**	**326,251**
Condensed cash flows									
Net cash from/(used in)operating activities	(17,850)	228,923	93,887	44,430	103,707	44,355	50,539	5,759	51,215
Net cash from /(used in)financing activities	(38,790)	(29,326)	(3,750)	(3,112)	(123,887)	(8,466)	33,580	(5,016)	21,932
Net cash from/(used in) investing activities	19,031	(198,590)	(152,156)	(21,491)	(20,925)	(100,222)	(115,099)	(15)	(61,043)
Increase/(decrease) in cash and cash equivalents	**(37,609)**	**1,007**	**(62,019)**	**19,827**	**(41,105)**	**(64,333)**	**(30,980)**	**729**	**12,103**
Cash and cash equivalents at beginning of the year	132,361	115,662	124,971	57,813	160,896	201,729	232,766	16,840	45,830
Cash and cash equivalents at end of the year	**94,752**	**116,669**	**62,952**	**77,640**	**119,791**	**137,396**	**201,786**	**17,569**	**57,933**

50. CONDENSED RESULT OF CONSOLIDATED SUBSIDIARIES - CONTINUED

For the year ended 31 December 2025

In millions of Nigerian Naira	UBA Tanzania	UBA Congo DRC	UBA UK Limited	UBA Zambia Limited	Bank	Group Adjustments	Group
Condensed statements of comprehensive income							
Operating Revenue	10,016	62,419	35,013	49,047	1,688,680	(323,083)	3,089,968
Total operating expenses	(13,125)	(45,958)	(40,448)	(36,338)	(1,337,756)	21,306	(2,335,497)
Net impairment gain/(reversal) on financial assets	336	(1,680)	(767)	(34)	(300,803)	(4,609)	(331,071)
Profit before income tax	**(2,773)**	**14,781**	**(6,202)**	**12,675**	**50,121**	**(306,386)**	**423,400**
Income tax expense	115	(2,885)	(1,526)	(4,307)	115,182	1	(18,704)
Profit for the year	**(2,658)**	**11,896**	**(7,728)**	**8,368**	**165,303**	**(306,385)**	**404,696**
Condensed statements of financial position							
Assets							
Cash and bank balances	37,866	243,672	260,001	92,874	6,254,780	(507,301)	8,952,012
Financial assets at FVTPL	-	-	141,833	-	16,967	(1)	194,652
Assets under management	-	-	-	-	17,567	-	17,567
Derivative assets	-	-	-	-	1,368	-	1,368
Loans and Advances to Banks	-	-	204,225	-	257,874	(24,573)	437,526
Loans and advances to customers	14,403	129,829	4,130	173,289	3,507,589	(36,307)	7,022,394
Investment securities	19,709	83,548	258,964	184,385	4,693,905	(36,715)	14,427,217
Other assets	1,973	21,744	4,241	5,293	911,893	(259,632)	1,395,079
Investments in Subsidiaries	-	-	-	-	260,555	(260,555)	-
Property and equipment	3,731	13,597	6,429	4,345	287,656	(1)	448,997
Intangible assets	219	124	1,696	2,016	14,065	46,667	68,584
Deferred tax assets	-	-	-	441	182,496	(6,162)	207,792
Non-current assets held for distribution	-	-	-	-	-	-	-
Total assets	**77,901**	**492,514**	**881,519**	**462,643**	**16,406,715**	**(1,084,580)**	**33,173,188**
Financed by:							
Derivative liabilities	-	-	-	-	124,227	-	124,227
Deposits from banks	(0)	-	721,332	36,811	756,602	(460,123)	3,259,133
Deposits from customers	59,421	381,506	43,911	352,314	11,913,129	(81,734)	23,948,907
Other liabilities	4,745	1,244	9,033	5,801	469,960	(200,841)	619,818
Current tax liability	-	3,272	-	-	7,527	(9,845)	36,997
Borrowings	-	-	-	11,522	912,133	-	923,656
Deferred tax liability	-	-	-	-	-	(6,162)	7,507
Total Equity	13,735	106,492	107,243	56,194	2,223,137	(325,876)	4,252,942
Total liabilities and equity	**77,901**	**492,514**	**881,519**	**462,643**	**16,406,715**	**(1,084,581)**	**33,173,188**
Condensed cash flows							
Net cash from/(used in)operating activities	(9,205)	(30,556)	232,154	208,176	(1,756,404)	(670,576)	110,279
Net cash from /(used in)financing activities	(1,558)	5,930	(7,339)	75,444	(93,671)	(27,775)	(261,925)
Net cash from/(used in) investing activities	26,264	30,707	(123,320)	(190,746)	192,302	76,771	(1,804,202)
Increase/(decrease) in cash and cash equivalents	**15,501**	**6,081**	**101,495**	**92,874**	**(1,657,773)**	**(621,580)**	**(1,955,848)**
Effects of exchange rate changes on cash and cash equivalents	-	-	-	-	968,191	1,862,970	2,831,161
Cash and cash equivalents at beginning of the year	22,365	237,590	158,506	-	2,923,424	(1,867,931)	3,936,525
Cash and cash equivalents at end of the year	**37,866**	**243,671**	**260,001**	**92,874**	**2,233,842**	**(626,541)**	**4,811,838**

50. CONDENSED RESULT OF CONSOLIDATED SUBSIDIARIES - CONTINUED

For the year ended 31 December 2024

In millions of Nigerian Naira	UBA Ghana	UBA Liberia	UBA Cote D' Ivoire	UBA Senegal	UBA Kenya	UBA Guinea	UBA Gabon	UBA Benin
Condensed statements of comprehensive income								
Operating Revenue	141,336	43,498	164,363	94,153	20,670	85,225	61,435	95,531
Total operating expenses	(95,500)	(19,749)	(87,281)	(66,882)	(26,017)	(36,642)	(40,422)	(67,616)
Net impairment gain/(reversal) on financial assets	(23,625)	(2,797)	(19,845)	912	(1,073)	(4,405)	2,539	(3,202)
Profit before income tax	**22,211**	**20,952**	**57,237**	**28,183**	**(6,421)**	**44,177**	**23,552**	**24,714**
Income tax expense	(8,997)	(5,238)	(1,477)	(1,477)	-	(11,895)	(7,066)	(2,972)
Profit for the year	**13,214**	**15,714**	**55,760**	**26,706**	**(6,421)**	**32,282**	**16,486**	**21,742**
Condensed statements of financial position								
Assets								
Cash and bank balances	396,144	208,356	134,989	74,019	100,364	317,362	64,301	78,168
Loans and Advances to Banks	-	-	145,116	-	-	-	-	-
Loans and advances to customers	117,627	21,762	493,524	238,383	24,652	26,002	84,751	358,104
Investment securities	449,638	179,132	1,449,504	741,560	30,698	428,316	281,815	650,720
Other assets	25,330	264,265	17,478	16,214	5,297	12,730	17,714	19,787
Property and equipment	28,427	4,441	10,087	11,763	3,004	5,592	13,831	9,877
Intangible assets	828	119	476	192	121	25	66	57
Deferred tax assets	26,829	-	4,832	-	-	-	-	-
Total assets	**1,044,823**	**678,075**	**2,256,007**	**1,082,131**	**164,136**	**790,026**	**462,478**	**1,116,713**
Financed by:								
Derivative liabilities	-	-	-	-	-	-	-	-
Deposits from banks	85,306	1,169	538,627	508,482	16,117	17,197	13,386	316,944
Deposits from customers	768,972	599,236	1,524,767	450,100	109,601	634,039	322,574	696,600
Other liabilities	28,731	16,235	46,411	17,227	20,516	9,281	48,844	12,157
Current income tax liabilities	(10,591)	11,068	-	-	-	12,258	7,055	2,961
Deferred tax liability	-	660	1,700	-	-	-	-	-
Total Equity	**172,405**	**49,707**	**144,501**	**106,321**	**17,902**	**117,250**	**70,618**	**88,051**
Total liabilities and equity	**1,044,823**	**678,075**	**2,256,007**	**1,082,131**	**164,136**	**790,026**	**462,477**	**1,116,713**
Condensed cash flows								
Net cash from/(used in)operating activities	242,957	256,638	847,819	231,941	40,542	323,294	119,767	236,152
Net cash from /(used in)financing activities	127,880	11,334	(16,609)	10,977	10,941	49,494	9,696	13,240
Net cash from/(used in) investing activities	(175,230)	(104,823)	(801,903)	(291,820)	15,695	(248,976)	(94,698)	(246,772)
Increase/(decrease) in cash and cash equivalents	**195,606**	**163,149**	**29,307**	**(48,901)**	**67,178**	**123,813**	**34,766**	**2,620**
Cash and cash equivalents at beginning of the year	200,537	45,207	105,682	122,922	33,185	193,549	29,534	75,548
Cash and cash equivalents at end of the year	**396,143**	**208,356**	**134,989**	**74,021**	**100,363**	**317,362**	**64,300**	**78,168**

50. CONDENSED RESULT OF CONSOLIDATED SUBSIDIARIES - CONTINUED

For the year ended 31 December 2024

In millions of Nigerian Naira	UBA Sierra Leone	UBA Burkina Faso	UBA Chad	UBA Uganda	UBA Congo Brazza-ville	UBA Mozam-bique	UBA Cameroun	UBA Pension Custo-dian	UBA Mali
Condensed statements of comprehensive income									
Operating Revenue	72,591	130,026	66,249	32,398	106,199	48,599	187,699	11,094	25,705
Total operating expenses	(20,821)	(88,730)	(33,502)	(23,059)	(75,187)	(22,903)	(92,798)	(2,437)	(22,681)
Net impairment gain/(reversal) on financial assets	(621)	(1,692)	(3,700)	(4,846)	2,681	353	1,730	(5)	7,032
Profit/(loss) before income tax	**51,150**	**39,604**	**29,047**	**4,493**	**33,693**	**26,049**	**96,631**	**8,652**	**10,056**
Income tax expense	(14,373)	(684)	(9,334)	(1,798)	-	(3,450)	(32,209)	(2,955)	(3,167)
Profit/(loss) for the year	**36,777**	**38,920**	**19,713**	**2,695**	**33,693**	**22,599**	**64,422**	**5,697**	**6,889**
Condensed statements of financial position									
Assets									
Cash and bank balances	132,361	115,662	124,971	57,813	160,896	201,729	232,766	16,840	45,830
Loans and Advances to Banks	-	-	74,055	-	-	-	-	-	-
Loans and advances to customers	31,615	443,934	167,479	66,689	182,565	47,514	551,463	-	81,680
Investment securities	185,729	955,511	249,057	115,156	510,138	103,530	985,585	-	106,966
Other assets	3,316	9,575	3,069	5,875	70,331	2,328	80,064	704	7,037
Property and equipment	14,961	10,200	5,755	4,375	5,905	4,880	6,420	552	6,473
Intangible assets	11	456	59	194	17	115	48	46	382
Deferred tax assets	259	-	-	-	-	-	-	107	-
Total assets	**368,252**	**1,535,340**	**624,445**	**250,103**	**929,853**	**367,413**	**1,856,346**	**18,249**	**248,367**
Financed by:									
Derivative liabilities	-	-	-	-	-	-	-	-	-
Deposits from banks	20,411	495,902	(34)	31,721	62,482	3,903	49,937	-	56,977
Deposits from customers	277,921	887,228	485,465	146,276	610,252	255,888	1,480,486	772	147,480
Other liabilities	6,230	29,917	68,971	5,806	6,528	8,937	23,609	-	13,064
Current income tax liabilities	405	681	-	-	-	-	32,162	3,264	150
Deferred tax liability	-	-	-	-	-	-	-	91	3,163
Total Equity	63,284	121,612	70,043	66,300	178,252	98,684	270,152	14,122	27,533
Total liabilities and equity	**368,252**	**1,535,340**	**624,445**	**250,103**	**929,853**	**367,413**	**1,856,346**	**18,249**	**248,367**
Condensed cash flows									
Net cash from/(used in)operating activities	181,973	365,490	200,272	32,099	279,752	181,640	290,125	6,147	61,736
Net cash from /(used in)financing activities	(2,379)	12,174	20,916	27,693	115,931	29,892	68,855	(3,589)	7,059
Net cash from/(used in) investing activities	(110,548)	(290,792)	(124,188)	(44,646)	(280,450)	(72,054)	(265,288)	(329)	(50,745)
Increase/(decrease) in cash and cash equivalents	**69,046**	**86,871**	**97,000**	**15,146**	**115,233**	**139,479**	**93,692**	**2,228**	**18,051**
Cash and cash equivalents at beginning of the year	63,316	28,792	27,972	42,666	45,662	62,252	139,074	14,613	27,781
Cash and cash equivalents at end of the year	**132,362**	**115,663**	**124,972**	**57,812**	**160,895**	**201,731**	**232,766**	**16,841**	**45,832**

50. CONDENSED RESULT OF CONSOLIDATED SUBSIDIARIES - CONTINUED

For the year ended December 31, 2024

In millions of Nigerian Naira	UBA Tanzania	UBA Congo DRC	UBA UK Limited	UBA Zambia Limited	Bank	Group Adjustments	Group
Condensed statements of comprehensive income							
Operating Revenue	16,483	64,067	70,574	50,855	1,835,786	(237,655)	3,186,880
Total operating expenses	(13,609)	(40,721)	(51,740)	(39,863)	(1,173,338)	(5,643)	(2,147,142)
Net impairment gain/(reversal) on financial assets	(4,610)	(579)	417	(238)	(175,914)	(4,525)	(236,012)
Profit before income tax	**(1,737)**	**22,766**	**19,251**	**10,754**	**486,534**	**(247,823)**	**803,726**
Income tax expense	(928)	(1,794)	(2,189)	(3,315)	78,161	(1)	(37,158)
Profit for the year from continuing operations	**(2,665)**	**20,972**	**17,062**	**7,439**	**564,695**	**(247,824)**	**766,568**
Condensed statements of financial position							
Assets							
Cash and bank balances	22,365	237,590	158,506	122,594	6,732,741	(1,572,696)	8,163,668
Financial assets at FVTPL	-	-	75,351	-	18,018	-	100,687
Assets under management	-	-	-	-	15,175	-	15,175
Derivative assets	-	-	-	-	188,583	-	188,583
Loans and Advances to Banks	-	-	271,390	-	290,941	(225,430)	556,072
Loans and advances to customers	21,832	138,147	-	33,316	3,920,533	(97,028)	6,954,545
Investment securities	46,137	118,294	205,349	152,465	4,594,251	(5,044)	12,534,505
Other assets	3,302	65,238	9,506	1,501	977,818	(432,219)	1,186,262
Investments in equity-accounted investee	-	-	-	-	-	-	-
Investments in Subsidiaries	-	-	-	-	184,290	(184,290)	-
Property and equipment	3,588	9,593	2,696	4,052	250,148	-	416,623
Intangible assets	198	89	2,207	1,946	13,641	45,571	66,864
Deferred tax assets	-	-	2,024	502	105,817	-	140,371
	-	-	-	-	-	-	-
Total assets	**97,423**	**568,952**	**727,028**	**316,377**	**17,291,956**	**(2,471,136)**	**30,323,354**
Financed by:							
Derivative liabilities	-	-	-	-	33,849	-	33,849
Deposits from banks	17,026	-	578,400	17,101	1,643,031	(1,622,462)	2,756,472
Deposits from customers	55,837	476,345	15,236	248,836	11,834,676	(133,899)	21,894,689
Other liabilities	6,609	2,114	11,080	5,215	790,766	(497,939)	680,312
Current tax liability	-	1,829	-	(1,765)	79,506	-	138,983
Subordinated liabilities	-	-	-	-	-	-	-
Borrowings	-	-	-	3,332	1,223,973	-	1,394,796
Deferred tax liability	-	-	-	-	-	-	5,614
Deposits for shares*						-	
Total Equity	17,950	88,665	122,311	43,657	1,686,157	(216,836)	3,418,641
Total liabilities and equity	**97,423**	**568,952**	**727,028**	**316,377**	**17,291,958**	**(2,471,136)**	**30,323,356**
Condensed cash flows							
Net cash from/(used in)operating activities	33,037	120,280	208,673	251,130	1,714,592	(1,374,210)	4,851,846
Net cash from /(used in)financing activities	15,869	45,333	84,122	29,927	(393,461)	(672,586)	(397,292)
Net cash from/(used in) investing activities	(28,652)	(122,472)	(168,144)	(158,463)	(1,599,923)	239,988	(5,025,233)
Increase/(decrease) in cash and cash equivalents	**20,254**	**43,141**	**124,651**	**122,594**	**(278,792)**	**(1,806,808)**	**(570,679)**
Effects of exchange rate changes on cash and cash equivalents	-	-	-	-	1,004,318	275,668	1,279,986
Cash and cash equivalents at beginning of the year	6,168	216,437	71,189	-	2,197,898	(522,766)	3,227,218
Cash and cash equivalents at end of the year	**26,422**	**259,578**	**195,840**	**122,594**	**2,923,424**	**(2,053,906)**	**3,936,525**

OTHER NATIONAL DISCLOSURES

UNITED BANK FOR AFRICA PLC
Statement of Value Added

For the year ended 31 December 2025

	2025 N'million	%	2024 N'million	%
Group				
Gross revenue	3,089,968		3,186,880	
Interest paid	(1,030,708)		(839,250)	
	2,059,260		2,347,630	
Administrative overheads:				
- local	(823,667)		(926,172)	
- foreign	(38,174)		(37,497)	
Value added	**1,197,419**	**100**	**1,383,961**	**100**
Distribution				
Employees				
- Salaries and benefits	376,268	31	314,660	23
Government				
- Current Income tax	18,704	2	37,158	3
The future				
- Asset replacement (depreciation and amortization)	66,680	6	48,608	4
- Asset replacement (provision for losses)	331,071	27	216,967	15
- Expansion (transfer to reserves and non-controlling interests)	404,696	34	766,568	55
	1,197,419	**100**	**1,383,961**	**100**

	2025 N'million	%	2024 N'million	%
Bank				
Gross revenue	1,688,680		1,835,786	
Interest paid	(688,604)		(501,602)	
	1,000,076		1,334,184	
Administrative overheads:				
- local	(490,255)		(553,704)	
- foreign	(649)		(548)	
Value added	**509,172**	**100**	**779,932**	**100**
Distribution				
Employees				
- Salaries and benefits	123,497	24	92,368	12
Government				
- Taxation	(115,182)	(23)	(78,161)	(10)
The future				
- Asset replacement (depreciation and amortization)	34,751	7	23,228	3
- Asset replacement (provision for losses)	300,803	59	177,802	23
- Expansion (transfer to reserves and non-controlling interests)	165,303	32	564,695	72
	509,172	**100**	**779,932**	**100**

Value added represents the additional wealth which the Group has been able to create by its own and employees efforts.

UNITED BANK FOR AFRICA PLC
Five - Year Financial Summary

For the year ended 31 December 2025

GROUP

STATEMENT OF FINANCIAL POSITION

In millions of Nigerian Naira	December 31, 2025	December 31, 2024	December 31, 2023	December 31, 2022	December 31, 2021
ASSETS					
Cash and bank balances	8,952,012	8,163,668	6,069,496	2,553,629	1,818,784
Financial assets at fair value through profit or loss	194,652	100,687	33,849	14,963	13,096
Assets under management	17,567	15,175	14,026	12,923	-
Derivative assets	1,368	188,583	498,824	39,830	33,340
Loans and advances to banks	437,526	556,072	320,732	303,249	153,897
Loans and advances to customers	7,022,394	6,954,545	5,228,849	3,136,879	2,680,667
Investment securities					
- At fair value through other comprehensive income	4,518,293	4,942,106	3,093,037	2,193,253	993,791
- At amortised cost	9,908,924	7,592,399	4,314,957	1,987,438	2,341,839
Other assets	1,395,079	1,186,262	758,683	254,704	149,154
Investments in equity-accounted investee	-	-	-	-	8,945
Property and equipment	448,997	416,623	267,148	208,039	178,117
Intangible assets	68,584	66,864	43,855	33,468	30,450
Deferred tax assets	207,792	140,371	9,741	23,603	43,329
Asset Classified as Held for Sale	-	-	-	95,593	95,909
TOTAL ASSETS	**33,173,188**	**30,323,355**	**20,653,197**	**10,857,571**	**8,541,318**
LIABILITIES					
Derivative liabilities	124,227	33,849	1,885	79	98
Deposits from banks	3,259,133	2,756,472	2,464,444	1,170,238	654,211
Deposits from customers	23,948,907	21,894,689	14,891,277	7,824,892	6,369,189
Other liabilities	619,819	680,313	313,181	383,283	216,209
Current income tax liabilities	36,997	138,983	42,671	20,281	21,415
Borrowings	923,656	1,394,796	858,739	535,735	455,772
Deferred tax liabilities	7,507	5,614	50,805	959	19,617
TOTAL LIABILITIES	**28,920,246**	**26,904,716**	**18,623,002**	**9,935,467**	**7,736,511**
EQUITY					
Share capital and share premium	504,737	115,815	115,815	115,815	115,815
Reserves	3,617,305	3,200,750	1,846,347	771,482	660,359
EQUITY ATTRIBUTABLE TO EQUITY - HOLDERS OF THE BANK	4,122,042	3,316,565	1,962,162	887,297	776,174
Non-controlling interests	130,900	102,074	68,033	34,807	28,633
TOTAL EQUITY	**4,252,942**	**3,418,639**	**2,030,195**	**922,104**	**804,807**
TOTAL LIABILITIES AND EQUITY	**33,173,188**	**30,323,355**	**20,653,197**	**10,857,571**	**8,541,318**

SUMMARIZED STATEMENT OF COMPREHENSIVE INCOME

In millions of Nigerian Naira	December 31, 2025	December 31, 2024	December 31, 2023	December 31, 2022	December 31, 2021
Net operating income	1,858,788	2,113,632	1,589,325	592,624	442,994
Operating expenses	(1,106,040)	(1,056,341)	(624,444)	(350,091)	(278,986)
Net impairment loss on loans and receivables	(329,348)	(253,565)	(207,201)	(41,968)	(12,863)
Share of profit/(loss) of equity-accounted investee	-	-	-	311	1,928
Profit before income tax expense	**423,400**	**803,726**	**757,680**	**200,876**	**153,073**
Income tax expense	(18,704)	(37,158)	(149,984)	(30,599)	(34,395)
Profit after taxation	**404,696**	**766,568**	**607,696**	**170,277**	**118,678**
Profit from discontinued operations	-	-	-	-	-
Profit for the year	**404,696**	**766,568**	**607,696**	**170,277**	**118,678**
- Non-controlling interests	31,042	23,447	9,411	4,826	2,795
- Equity holders of the parent	373,654	743,121	598,285	165,451	115,883
Other comprehensive income for the year	153,541	768,935	470,332	(19,786)	(14,607)
Total comprehensive income for the year	**558,237**	**1,535,503**	**1,078,028**	**150,491**	**104,071**

UNITED BANK FOR AFRICA PLC
Five - Year Financial Summary

For the year ended 31 December 2025

BANK

STATEMENT OF FINANCIAL POSITION

Statement of financial position **ASSETS**	**December 31, 2025**	**December 31, 2024**	**December 31, 2023**	**December 31, 2022**	**December 31, 2021**
Cash and bank balances	6,254,780	6,732,741	5,036,380	2,154,971	1,446,906
Financial assets at fair value through profit or loss	16,967	18,018	534	14,963	7,984
Assets under management	17,567	15,175	14,026	12,923	-
Derivative assets	1,368	188,583	498,824	39,830	33,340
Loans and advances to banks	257,874	290,941	147,547	231,753	120,124
Loans and advances to customers	3,507,589	3,920,533	3,320,373	2,123,097	1,848,102
Investment securities					
- At fair value through other comprehensive income	3,837,545	4,131,287	2,710,346	2,071,689	840,249
- At amortised cost	856,360	462,964	174,707	115,376	806,217
Other assets	911,893	977,818	607,251	156,535	88,649
Investments in subsidiaries	260,555	184,290	184,290	145,994	103,275
Investments in equity-accounted investee	-	-	-	-	2,715
Property and equipment	287,656	250,148	172,733	163,841	141,581
Intangible assets	14,065	13,641	10,763	12,618	18,063
Deferred tax assets	182,496	105,817	-	21,862	21,862
Non-current assets held for Sale	-	-	-	95,593	95,909
TOTAL ASSETS	**16,406,714**	**17,291,956**	**12,877,774**	**7,361,045**	**5,574,976**
LIABILITIES					
Derivative liabilities	124,227	33,849	1,885	79	98
Deposits from banks	756,602	1,643,031	1,598,524	863,795	483,110
Deposits from customers	11,913,128	11,834,675	8,760,630	5,046,514	4,004,306
Current income tax liabilities	7,527	79,506	17,781	8,327	2,751
Borrowings	912,133	1,223,973	856,329	530,446	455,772
Other liabilities	469,960	790,767	407,742	326,691	127,338
TOTAL LIABILITIES	**14,183,577**	**15,605,800**	**11,642,891**	**6,775,852**	**5,073,375**
EQUITY					
Share capital and share premium	504,737	115,815	115,815	115,815	115,815
Reserves	1,718,400	1,570,342	1,119,068	469,378	385,786
	2,223,137	1,686,157	1,234,883		
TOTAL EQUITY	16,406,714	17,291,956	12,877,774	**585,193**	**501,601**
TOTAL LIABILITIES AND EQUITY	**16,406,714**	**17,291,956**	**12,877,774**	**7,361,045**	**5,574,976**

SUMMARIZED STATEMENT OF COMPREHENSIVE INCOME

In millions of Nigerian Naira	**31 December 2025**	**31 December 2024**	**31 December 2023**	**31 December 2022**	**31 December 2021**
Net operating income	907,679	1,237,631	1,141,783	382,743	239,434
Operating expenses	(553,869)	(553,437)	(331,396)	(230,861)	(169,166)
Net impairment loss on loans and receivables	(303,689)	(197,660)	(137,376)	(10,565)	(9,749)
Profit before income tax expense	**50,121**	**486,534**	**673,011**	**141,317**	**60,519**
Income tax expense	115,182	78,161	(86,385)	(7,621)	(1,850)
Profit for the year	**165,303**	**564,695**	**586,626**	**133,696**	**58,669**
Other comprehensive income for the year	95,613	33,636	110,945	(15,905)	(16,198)
Total comprehensive income for the year	**260,916**	**598,331**	**697,571**	**117,791**	**42,471**

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