UNIVERSAL MERCHANT BANK LTD.
UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2025

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2025

	30 JUN 2025 GH¢	30 JUN 2024 GH¢
Interest Income	319,258,712	243,869,498
Interest Expense	(211,884,528)	(213,727,717)
Net Interest Income	**107,374,184**	**30,141,781**
Fees and Commission Income	51,641,086	52,752,907
Fees and Commission Expense	(16,000,630)	(10,143,172)
Net Fees and Commission Income	**35,640,456**	**42,609,735**
Net Trading Income	34,288,738	47,176,055
Other Operating Income	3,334,708	7,763,756
Net Trading and Other Operating Income	**37,623,446**	**54,939,811**
Total Operating Income	**180,638,086**	**127,691,327**
Impairment Expense	71,269,640	93,592,621
Personnel Expenses	(71,620,695)	(75,544,829)
Operating Expenses	(65,422,276)	(72,751,741)
Depreciation and Amortization	(15,896,414)	(15,891,088)
Profit Before Income Tax	**98,968,341**	**57,096,290**
Income Tax Expense	(24,742,085)	(11,990,221)
Profit After Tax	**74,226,256**	**45,106,069**
Other Comprehensive Income		
Other Comprehensive Income Net of Tax	-	(4,750,096)
Total Comprehensive Income for the Period	**74,226,256**	**40,355,973**
Basic Earnings Per Share	6.59	4.00

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

	30 JUN 2025 GH¢	30 JUN 2024 GH¢
Assets		
Cash and Cash Equivalents	1,869,993,394	976,754,352
Investment Securities	2,900,126,377	1,631,079,274
Advances to Banks	332,835,037	203,960,124
Loans and Advances to Customers	1,036,561,149	1,206,788,131
Other Equity Investments	2,993,691	3,381,140
Other Assets	589,042,207	381,931,939
Deferred Tax	243,115,533	194,791,453
Current Taxation	8,615,493	18,367,357
Investment Property	-	26,910,000
Asset held for sale	388,153,532	215,825,676
Property, Equipment and Right of Use Assets	294,781,848	155,099,775
Intangible Assets	19,392,369	23,639,418
Total Assets	**7,685,610,630**	**5,038,528,639**
Liabilities and Shareholders' Funds		
Liabilities		
Deposits from Customers	6,330,261,694	4,324,530,186
Borrowings	922,274,889	203,168,164
Other Liabilities	351,889,827	290,442,182
Employee Benefit Obligations	19,299,993	14,005,575
Total Liabilities	**7,623,726,403**	**4,832,146,107**
Shareholders' Funds		
Stated Capital	457,514,102	457,514,102
Revaluation Reserve	93,125,991	28,113,234
Credit Risk Reserve	281,912,236	236,671,224
Statutory Reserve	82,339,690	82,339,690
Other Reserves	(1,663,514)	(16,874,960)
Retained Earnings	(851,344,278)	(581,380,758)
Total Shareholders' Fund	**61,884,227**	**206,382,532**
Total Liabilities and Shareholders' Fund	**7,685,610,630**	**5,038,528,639**

Signed

Director

Signed

Director

UNAUDITED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2025

	30 JUN 2025 GH¢	30 JUN 2024 GH¢
Operating Activities		
Profit After Tax	74,226,256	45,106,069
Adjustments for:		
Depreciation and Amortization	15,896,414	15,891,088
Impairment on Financial Assets	(71,269,640)	(93,592,621)
Net Interest Income	(107,374,184)	(30,141,781)
Income Tax Expense	24,742,085	11,990,221
Unwinding of Earned Discount on Bonds	-	(7,540,528)
	(63,779,069)	**(58,287,552)**
Changes in:		
Advances to Banks	330,421,320	(110,000,548)
Loans and Advances to Customers	110,785,880	45,105,411
Other Assets	(215,762,451)	(19,403,057)
Deposits from Customers	1,094,031,072	(601,536,822)
Other Liabilities	67,560,944	12,936,045
Cash From Operations	**1,323,257,696**	**(731,186,523)**
Interest and Dividend Received	248,471,810	232,528,419
Interest Paid	(177,117,093)	(204,282,055)
Income Tax Paid	(3,000,000)	-
Net Cash From Operating Activities	**1,391,612,413**	**(702,940,159)**
Investing Activities		
Purchase of Property and Equipment	(277,689,535)	(35,483,953)
Purchase of Intangible Assets	(2,553,900)	(305,000)
Purchase of Investment Securities	(1,234,814,733)	(71,732,747)
Net Cash Used in Investing Activities	**(1,515,058,168)**	**(107,521,700)**
Financing Activities		
Repayment of Borrowings	744,173,852	(68,679,971)
Net Cash From/(Used In) Financing Activities	**744,173,852**	**(68,679,971)**
Net Increase in Cash and Cash Equivalents	**620,728,097**	**(879,141,830)**
Cash and cash equivalents at 01 January	1,262,850,820	1,856,027,569
Effect of Exchange Rate Fluctuations	(13,585,523)	(131,387)
Cash and Cash Equivalents at 30 June	**1,869,993,394**	**976,754,352**

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2025

1. Reporting Entity

Universal Merchant Bank Limited is a Bank incorporated in Ghana. The Bank operates with a Universal Banking license and undertakes all banking services. The address of the Bank's registered office is SSNIT Emporium, Liberation Road, Airport City, Accra.

2. Significant Accounting Policies

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and in a manner required by the Companies Act, 2019 (Act 992) and the Banks and Specialised Deposit Taking Institutions Act, 2016 (Act 930).

3. Use of Judgements and Estimates

In preparing these financial statements, Management has made judgements, estimates and assumptions that affect the application of the Bank's accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

4. Quantitative Disclosures

	Jun-25	Jun-24
Capital Adequacy Ratio (CAR)	-11.60%	-5.94%
Non-Performing Loans (NPL) Ratio	52.40%	19.86%

5. Risk Management

The Bank's activities expose it to a variety of operational and financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Taking risk is core to the Bank's business, and the operational risks are an inevitable consequence of being in business. The Bank's aim is therefore to achieve an appropriate balance between risk and return and minimize potential adverse effects on its financial performance. The most important types of risk include:

- Credit Risk
- Liquidity Risk
- Market Risk (includes currency, interest rate and other price risk)
- Operational Risk

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. The Board has established a Risk Oversight Committee and a Risk Department to assist in the discharge of this responsibility.

- In determining significant increase in credit risk, the Bank considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on theBank's historical experience, credit assessment and including forward-looking information. Key among them are Ageing Analysis, Sectorial Analysis, Early Warning Signals, etc.

- Liqudity risks are measured with reference to statutory liquidity ratios and internal guidelines

- Market risks are measured with respect to fluctuations in the following key market prices; Interest rate, foreign exchange rates, equity prices, credit spreads not relating to obligor's credit standing.

- Operational risks are measured mainly by frequency of breach of internal policies, procedures, systems , processes and standards.

6. Other Disclosures

	Jun-25	Jun-24
Default in Statutory Liquidity (No. of Times)	Nil	Nil
Default in Statutory Liquidity (Sanctions) (GH¢'m)	Nil	Nil

Serving Ghana with S.P.E.E.D. since 1972

@myumbbank Universal Merchant Bank

Website: www.myumbbank.com
Contact Centre: 0302633988
Toll-free: 0800100880