

**UBA Liberia**  
**Annual Report**  
**2024**





# The **internet banking** platform

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# Catch the Vibe

## The UBA **nextgen** Account

**The next generation account just for you**

Save and keep up with your busy student life as you prepare for the real world.



**High School Students**



**College Students**

Between the ages of 18 to 25



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Africa, USA, UK, France, UAE  
Africa's Global Bank

# OVERVIEW

Welcome

Awards

Business & Financial Highlights

Global Network Chairman's

Statement

Managing Director's report



### ***Dear Shareholders, Colleagues, and Stakeholders,***

It is with great honor and profound pleasure that we present to you the 2024 Annual Report of UBA Liberia Ltd. This inaugural edition marks a significant milestone in our journey as we reflect on a year of remarkable accomplishments, strategic growth, and a deepened commitment to excellence.

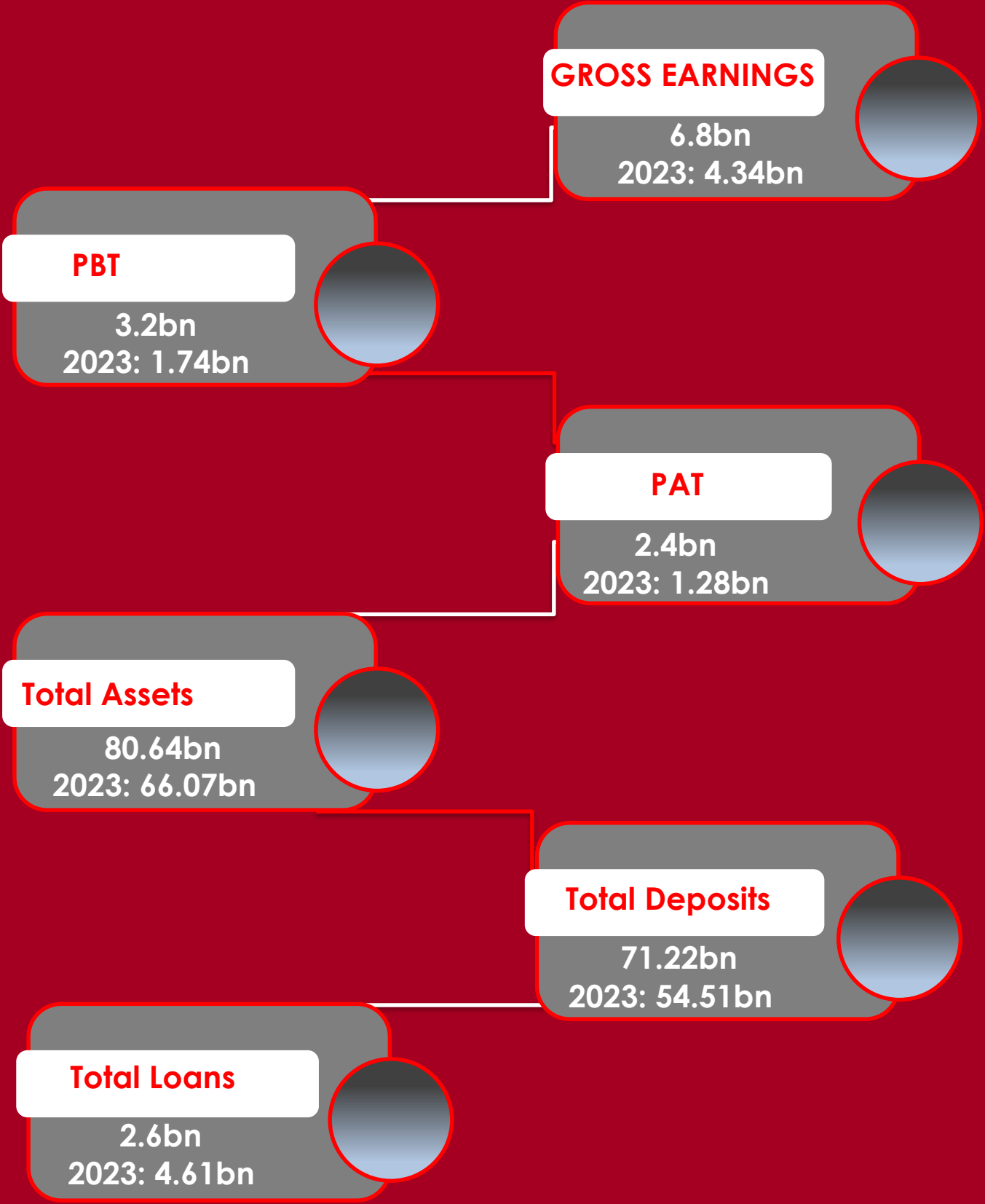
As part of the UBA Group – Africa's Global Bank – UBA Liberia has continued to uphold the Group's legacy of innovation, resilience, and a customer-first attitude. In the financial year 2024, we worked diligently across all facets of our operations to deliver strong results, build enduring relationships, and expand our impact within the Liberian financial landscape.

We are proud to report that UBA Liberia ranked #1 in customer deposits, #2 in Profit Before Tax (PBT), and #1 in total assets for the year. UBA Liberia's prepaid debit, Visa, and MasterCard products have emerged as the most convenient forms of digital banking in the country, offering a reliable and seamless alternative for both local and international transactions. This is a testament to the trust and loyalty of our valued customers, the dedication of our exceptional staff, and the soundness of our corporate governance and strategic execution.

Our achievements in 2024 build on the several accolades we have in the past obtained for our work, including the "Banker of the Year Award" in 2022. This report provides a comprehensive overview of our financial performance, operational highlights, and the strategic direction that positions us for continued growth. It also reaffirms our unwavering commitment to contributing to Liberia's economic development while delivering value to all our stakeholders.

We thank you for your continued confidence in UBA Liberia.  
Together, we look forward to building an even stronger brand.





Global Network



America, Europe, Asia

New York  
London  
Paris  
Dubai

Africa

|                   |            |              |        |
|-------------------|------------|--------------|--------|
| Benin             | Gabon      | Mali         | Uganda |
| Burkina Faso      | Ghana      | Nigeria      | Zambia |
| Cameroon          | Guinea     | Senegal      |        |
| Côte D'ivoire     | Kenya      | Sierra Leone |        |
| Congo Brazzaville | Liberia    | Tanzania     |        |
| Congo DRC         | Mozambique | Tchad        |        |



***“Throughout 2024, our dedicated and highly competent team has demonstrated remarkable resilience and professionalism. Their unwavering commitment ensured that we continued to provide reliable and accessible financial services to our customers across Liberia.”***

### Dear Shareholders and Stakeholders,

It is with great pleasure that I present to you the inaugural 2024 Annual Financial Report of United Bank for Africa Liberia Ltd.

Despite the prevailing global economic challenges, UBA Liberia has recorded notable achievements over the past year. This report marks an important milestone in our commitment to transparency, accountability, and excellence in service delivery.

Throughout 2024, our dedicated and highly competent team has demonstrated remarkable resilience and professionalism. Their unwavering commitment ensured that we continued to provide reliable and accessible financial services to our customers across Liberia. Their efforts have not only strengthened our operational performance but have also reinforced the trust and confidence our customers place in us.

### Financial Highlights Performance

UBA Liberia Ltd. delivered a strong financial performance in 2024, demonstrating resilience and effective execution of strategic initiatives despite the backdrop of global economic challenges. Below is a summary of our key financial highlights, showing significant year-on-year growth across core performance metrics:

#### Gross Earnings

UBA Liberia recorded gross earnings of L\$6.8 billion in 2024, a 55.9% increase from L\$4.34 billion in 2023. This growth reflects improved revenue streams across interest income, fees, and commissions.

#### Profit Before Tax (PBT)

The Bank achieved a PBT of L\$3.2 billion, up 82.1% from L\$1.74 billion in 2023. This impressive growth is a testament to disciplined cost management, improved operational efficiency and from our esteem customers through the effort and support of our marketing team, management and Board of Directors

As you explore this report, you will discover detailed insights into our financial performance, strategic initiatives, and key achievements. We remain optimistic about the future and are committed to building on this momentum to deliver even greater value in the years ahead.

#### Profit After Tax (PAT)

PAT grew to L\$2.4 billion in 2024, a 88.0% increase from L\$1.28 billion in the prior year. This performance underlines the Bank's profitability and value creation for shareholders.

#### Total Loans

Total loans stood at L\$2.6 billion, a -43.8% decline from L\$4.61 billion in 2023. This strategic reduction reflects a cautious approach to credit risk in a volatile macroeconomic environment, prioritizing asset quality and portfolio resilience.

#### Total Assets

Total assets expanded to L\$80.6 billion, reflecting a 22.1% growth from L\$66.07 billion in 2023. This growth was driven by balance sheet optimization and strategic asset allocation.

#### Total Deposits

Customer deposits rose to L\$71.22 billion, a 30.7% increase from L\$54.51 billion in 2023. This reduction was largely due to paid down by loan customers.

### Operations:

- Effective and efficient delivery of customer service

Thorough review of products & processes to improve turnaround time

Cost containment.

- Efficient management of our trade finance activities

Automation of processes to improve turnaround time and capture the market.

### Corporate Service:

- Effective cost containment
- Resource availability

### Human Resource:

- Staff Welfare
- Training (Function-specific)
- Staff Retention Strategy

### Marketing:

- Segmentation/Classification of customers to ensure direct focus
- Deposit Growth Strategy
- Revenue Generation Strategy

### Treasury:

- Pursue more trade finance lines to enhance our business
- Seek investment outlets
- Find ingenious ways of generating revenue
- Be proactive and ensure efficient management of our Assets & liabilities
- Ensure that the bank's liquidity position remains firm
- Ensure that the bank maintains a 'stronger currency position' at all times

### Technology:

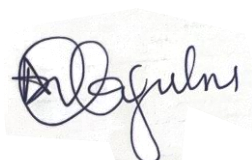
- Full automation of all processes
- Rolling out our E-products, etc.
- Procurement of a disaster recovery site

### Corporate Communication:

- Aggressive & well-articulated advertisement campaign
- Proper branding and marketing of our products and services

### Credit & Risk Management:

- Enhancement of risk management systems to mitigate all business risks
- Robust monitoring of our credit portfolio to reduce probable loan losses
- Robust loan recovery on NPL
- Ensure full implementation of our Business Continuity Plan



Ayokunle Olajubu

# BUSINESS OVERVIEW

Embassies, Multilateral & Donor Organizations (EMDO)

Omni-channel enabled solutions

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Testimonials and Case Studies

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(Risk Mgt disclosures)



The EMDO (Embassies, Multilateral, and Bilateral Donor Organizations) sector offers significant opportunities for businesses involved in development to include infrastructure, healthcare, education, and sustainability. By collaborating with embassies and donor organizations, UBAL can access new funding streams, expand operations globally, and contribute to impactful, sustainable development initiatives.

With its strong Pan-African presence, global reach, and commitment to financial inclusion and transparency, UBA is uniquely positioned to become the bank of choice for EMDOs across Africa. By offering tailored financial solutions, forming strategic partnerships with donor organizations, ensuring compliance, and leveraging technology and innovation, UBA has further strengthened its role in Africa's development ecosystem, helping donor organizations achieve their objectives and drive positive change across the continent.

The UBA Foundation also plays a vital role in supporting UBA's ambitions in the EMDO space. Through a range of impactful programs, initiatives, and strategic alliances, the Foundation advances sustainable development, promotes corporate social responsibility (CSR), and aligns the bank's vision with the broader goals of donor organizations.

As part of our strategic engagement with the EMDO community, UBAL, during the year under review, signed an MOU with the United Nations Development Programme (UNDP) to enhance development efforts in Liberia. This partnership focused on supporting post-revenue small and medium-sized Liberian enterprises—enabling them to scale operations, access capital, and drive national economic development through increased revenue generation and job creation.

Additionally, UBAL was been awarded the mandate to open the Moroccan Embassy's account, further strengthening our foothold in the EMDO space and reaffirming our commitment to being a trusted financial partner for diplomatic and development institutions.

## Business Review - Omni-channel enabled solutions (Digital Banking)

United Bank for Africa (Liberia) Ltd. offers a diverse suite of digital channels tailored to meet the needs of individuals, businesses, and institutions. From chat-based banking on social media to mobile apps, USSD services, internet banking, and seamless mobile money integration, UBA Liberia ensures convenient, secure, and flexible banking. These platforms support a wide range of services such as fund transfers, airtime purchases, bill payments, and bulk transactions, empowering customers to bank anytime, anywhere, with ease.

### Chat Banking (LEO)

Chat Banking (LEO) is UBA's intelligent virtual assistant, integrated with multiple social media platforms to provide customers with secure, convenient access to their bank accounts while online.

- Accessible via:
  - Facebook Messenger
  - WhatsApp Messenger
  - Apple Business Chat
  - Google Business Chat
  - Instagram
- Key Features:
  - Balance inquiries
  - Transfers to UBA accounts
  - ATM and branch location services
  - Airtime purchases
  - Mini account statements

### Mobile App

The UBA Mobile App is a comprehensive digital banking solution available on both Google Play Store and Apple App Store. It is designed for more advanced and larger financial transactions.

- Key Features:
  - Balance inquiries
  - Transfers to UBA accounts
  - ATM and branch location services
  - Airtime purchases
  - Full account statements
  - Visa prepaid card loading

### Internet Banking

UBA Internet Banking is a robust platform tailored for both individual and corporate users. It is accessible via desktop and mobile devices through apps available on Google Play Store and Apple App Store.

- Ideal for:
  - Businesses and corporate clients

High-volume transactions

- Businesses and corporate clients
- High-volume transactions

- Key Features:

- Bulk payments (e.g., employee salaries)
- Batch transfers to multiple accounts in a single click
- Custom beneficiary list management for streamlined payments
- Balance checks, airtime purchases, statement requests
- Visa prepaid card loading

### Magic Banking (\*919#)

UBA Magic Banking is a USSD-based platform that provides customers with instant access to banking services without requiring internet connectivity.

- Accessible via:
  - Any mobile phone using a Lonestar Cell MTN number
- Key Features:
  - Bill payments
  - Airtime purchases
  - Mini statements
  - UBA account transfers
  - Fast, offline access to essential banking services

### Bank to Wallet (Mobile Money Push and Pull)

UBA's Push and Pull service bridges the gap between mobile money platforms and traditional banking. Integrated with Orange Money and Lonestar Cell MTN Mobile Money, it allows seamless movement of funds between bank accounts and mobile wallets.

- Key Features:
  - Transfer funds from bank account to mobile wallet
  - Deposit from mobile wallet to bank account
  - No need to visit the bank

### Instant Bill Pay

Instant Bill Pay is UBA's secure payment gateway platform designed for businesses and institutions that accept payments online.

- Key Features:
  - Integration with websites
  - Real-time processing of customer payments
  - Secure and scalable for various business sizes

### Overview

At UBA Liberia, our staff members are the driving force behind the bank's continued success and growth.

They are not just employees, they are dedicated professionals whose commitment and expertise form the backbone of our operations. Their consistent delivery of exceptional customer service transforms first-time visitors into long-term clients, fostering trust and strengthening customer loyalty.

Through efficient execution of projects and day-to-day responsibilities, they enhance productivity, streamline processes, and contribute significantly to the bank's overall performance.

It is through their passion, innovation, and teamwork that UBA Liberia maintains its reputation as a leading financial institution, consistently exceeding expectations and setting new benchmarks in service delivery.

### Recruitment

UBA Liberia uses its recruitment policy as a means to bring on talents that fit with the bank's culture and core values. Hiring is done through a rigorous process from the gathering of credentials, all the way to the onboarding stage, to include a detailed induction process done locally by the senior management team and globally by the UBA Group through the UBA Academy.

### Training

Part of maintaining the position of UBA as the best entails having the rightful skills and knowledge to perform the job effectively to increase productivity and job satisfaction. Therefore, we undertook a series of different training programs, mostly in partnership with the Banking Institute of Liberia, which included both internal and external programs. Some of the training programs focused on Customer Service, Operational Risk, Digital Banking, Negotiation Skills, Cyber Security, Fraud Awareness, and Compliance.

We also undertook our weekly early morning session on issues that regularly focus on the importance of quality service delivery. We conducted weekly Customer Service trainings throughout the year. And, we worked to foster self/career development to further capacitate staff with function-specific and/or internally acclaimed certification programs.

### Remunerations and Benefits

UBAL has an updated salary structure, which was revised with a 20% increment across all grades. This structure is competitive with the market and is also used to attract qualified, experienced, and the right talent that fits with our brand across all levels, from trainees to managers.

### Performance

UBA Liberia is a performance-driven bank in terms of sales, and also with its services and products. We operate an online system based on a set of well-defined and structured set of Key Performance Indicators (KPIs) and a performance scorecard by which each staff performance is measured annually. The Performance Management System is designed to identify, motivate, and retain an excellent workforce across the bank. All career and reward decisions, including but not limited to promotion, staff being placed on the improvement plan (PIP), and performance-based corrective measures, are drawn from the report of the system.

For the last five years, due to the resilience, dedication, and hard work of our workforce, the bank has attained and sustained the enviable position as part of the top three performing banks in the banking industry in Liberia.

### Succession plan

UBA Liberia runs a detailed and comprehensive talent succession planning structure. We scout potential employees, train and promote them to take on leadership roles.

### Employee Well-being

This is an integral part of the bank's agenda to retain its workforce. The bank has various initiatives/programs to address the well-being of its employees such as a full medical coverage of all staff members, hosting of quarterly team-building events including regular sporting activities like the jogging to bond, thank God it's Friday outing, staff recognition and awards program, finding the star of the week/month and the establishment of the HR corner, where staff can say issues that affect them freely without any fear of being turned down or off.



## Business Review - Customer Experience & Feedback

### Ensuring customer expectations are met.

**CASE STUDY:** Customer opened an account but traveled out of the country. While outside, he needed access to his account. On receipt of his communication and realizing his expectation we introduced the internet banking app to him and got him enrolled.

### Gathering customer feedback via QR code, customer call-back, KPMG and ICSS Surveys.

**CASE STUDY:** Upon the release of the 2024 KPMG Mirror Survey, we immediately engaged our detractors to discover the causes of their negative responses. Most of them were not happy due to their inability to acquire loan facilities. As a result, the management has strategized and introduced better ways to deal with the corporate, SME and consumer loan facilities. Other cases of service issues have been dealt with by ensuring customers' expectations are met.

## 2024 CUSTOMER CENTRIC INITIATIVES

### CWC AND WELCOME CALLS;

The respective calls were made by Relationship Officers to customers on different occasions of birthday celebrations and newly account opened. The Relationship Officers call customers on their birthdays to celebrate with them and also appreciate their loyalties to the bank while the welcome calls are appreciation calls meant for customers who opened accounts from certain threshold. Some other prestige customers are also called by the MD/CEO, Head of Retail and Branch Managers.

### CUSTOMER SERVICE WEEK:

This is an Internationally celebrated activity whereby customers were celebrated in October. Several activities were planned to celebrate and appreciate external and internal customers across the Group.

### CUSTOMER APPRECIATION DAY;

This is a weekly appreciation of customers for their loyalty to the bank and in 2024 we celebrated and appreciated them. Snacks, drinks and candies were provided for the customers on Wednesdays, the day mapped out for the appreciation.

### VOICE OF CUSTOMER;

In 2024 several surveys were deployed to customers in order to receive feedback on our performances via our products and services as seen below

KPMG Mirrored Survey; This is an annual survey done across the group to determine via data the Customer Satisfaction, Net Promoter Score and Customer Effort Score.

### CFC/branch call back;

Calls are done by the CFC unit randomly to customers who visited the bank for their transaction on any given day.

### QR Code;

The code is deployed to the branches to enable customers air their views on their experiences during their visits to the branches.

### Internal Customer Satisfaction Survey;

This is an annual survey deployed across the group to get the staff views and areas of improvement on



# A UBA card for your ATMs POS and online transactions

**Available for use on:**



**ATMS**



**POS**



**Online**



## Visa Prepaid Card

non account holders



## Master Debit Card

Account holders



## Visa Debit Card

**USD/LRD**  
Account holders

You can visit any of our Business Offices in  
Liberia to obtain your UBA Card.

## Business Review - Internal Audit

**The overarching approach to managing enterprise-wide risk is based on the “Three Lines of Defense” principle.**

**First Line of defense:**

All employees of the Bank are required to ensure the effective management of risks within the scope of their direct responsibilities risk owners/business and functional units/departments Business Units/Operations/Risk Owners take ownership of their risks and have the primary responsibility and accountability for direct assessment, control and mitigation of such risks.

**Second Line of defense:**

Control Functions (Risk Management, Internal Control, Compliance): This line provides the policies, frameworks, tools, techniques and support that enable risk and compliance to be managed in the first line, conducts monitoring to judge how effectively risks are being managed, and helps to ensure consistency of the definitions and measurement of risk. It assists risk owners in reporting adequate risk related information up and down the organization with accountability for directly assessing, controlling and mitigating their risks. The Control Functions review, challenge as well as provide oversight and advisory functions.

**Third Line of Defense:**

Internal Audit (Independent Assurance): Independent assessment and evaluation of the control environment is undertaken by Internal Audit, providing assurance to the Board of Directors and Senior Management on the effectiveness of the first and second lines of defense, and how the Bank assesses and manages risk. Sitting outside the risk management processes of the first two lines of defense, the Internal Audit monitors compliance with policies and standards and provides assurance on the effectiveness of internal control structures of the Bank through its program of both regular and ad-hoc reviews. The work of the Internal Audit function is focused on the areas of greatest risk as determined by a risk-based methodology. The Internal Audit function reports to the Board of Directors through the Board Audit Committee.

**Internal Audit**

**Mission Statement** -To enhance and protect organization value through provision of risk based independent and objective assurance and advice.

Using a systematic and disciplined approach, UBA Liberia Internal Audit will leverage on modern internal auditing techniques and best in class practices, technology and people to evaluate and improve the effectiveness of enterprise risk management, governance, controls and organization operations. An effective Internal Audit function is a critical component to the Bank's overall control, and corporate governance and, compliance program. Internal Audit is a vital function that independently and objectively evaluates the appropriateness and effectiveness of controls and risk management.

The scope of internal audit work includes the review of risk management procedures, internal control systems, information systems and governance processes. This work also involves periodic testing of transactions, best practice reviews, special investigations, pre and post implementation reviews, appraisals of regulatory requirements, and measures to help prevent and detect fraud.

**Objective and Accountability**

The core objective of the Internal Audit is to systematically evaluate the framework for internal control, risk management, regulatory compliance, corporate governance, policies and procedures of the Bank to ensure that the operations of the Bank are carried out in a safe and effective manner.

Country Head Audit shall prepare an audit plan, annually. The plan is based on a risk model that identifies business risks, and on input from line managers. It provides information about the risk assessment, the current order of priority of audit projects and how they are to be carried out. The plan shall be presented to the Subsidiary Board Audit Committee for approval.

Internal Audit is responsible for planning, conducting, reporting and following up on audit projects included in the audit plan, and decides on the scope and timing of audits. Internal Audit shall provide information and the status of the plan on a quarterly basis

**AUDIT FOCUS: RISK BASED APPROACH**

Internal Audit will carry out its annual periodic reviews based on risk evaluations of the organization and products/processes identifying and prioritizing areas of risk within an organization, and then designing an audit plan to address those risks. Internal Audit will also conduct regulatory reviews and critical investigations

The objective of Risk-Based auditing approach is to provide assurance that the financial statements of an organization are factually accurate and reliable and provide proactive controls, good risk management practices and adherence with laws, regulations and policies/procedures.

**Independence**

To provide for independence of the Internal Audit function, the Internal Audit staff shall report to the Country Chief Inspector who shall report functionally to the Board of Directors, through the Board Audit Committee and administratively to the Managing Director/Chief Executive Officer in a manner expressed above in the Accountability section. If it is necessary for fulfilling his duties, he will be invited to attend meetings of the Board.

**Audit Issues and Reports**

Throughout the course of the audit, the auditor shall document issues as they arise. This allows the auditor to review issues with management on a regular basis to avoid surprises in the report.

The audit report is the culmination of the audit fieldwork and the final client deliverable of the audit effort.

The audit report communicates the audit results in a concise manner. Reports will be brief and easy to understand, clearly outlining the concerns and issues resulting from the audit. At the same time, reports would be complete, accurate, and logical.

**Follow-up Tracking & Regularization Strategy**

The Internal Audit will monitor and track management action in response to audit findings. Based upon the negotiated response date, Internal Audit will proactively contact the auditee if a response has not been previously received.



## Business Review - Ethics and Professionalism

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- The United Bank for Africa is committed to the highest standards of ethics and professionalism in the conduct of its business and undertakings. UBA recognizes that its continued success and viability depends on each employee internalizing ethical principles that include integrity, honesty, fairness, transparency and accountability.
- The UBA Code of Professional Conduct and Ethics serves as a guideline to the standards that should govern all employee dealings with customers, suppliers, colleagues and the general public. The Code applies to the Directors and employees of UBA.
- All employees and Directors are expected to adhere to the standards of conduct and ethics outlined in the Code at a level well above the minimum standards required by law.

# SUSTAINABILITY AND RISK

## MANAGEMENT

Overview of CSR Projects and Impact  
Sustainability Report



## Sustainability and Risk Management - Overview of CSR Projects and Impact

In keeping with our commitment to support communities, promote empowerment, education, and foster growth and development through Corporate Social Responsibility, United Bank for Africa Liberia has been actively involved in ensuring that it helps strengthen sustainability. These initiatives are also in line with UBA Africa Foundation's aspiration to foster growth and development across the globe.

### UBA Liberia Champions Education and Youth Empowerment

As part of its commitment to promoting sustainable development through education, UBA Liberia has prioritized educational initiatives aimed at empowering young people. In line with this, the bank launched an innovative employment and entrepreneurship program targeting graduates of the University of Liberia.

Announced during the university's 104th convocation ceremony, the initiative provides training sessions and employment opportunities designed to enhance graduates' skills and prepare them for the workforce. This effort not only bridges the gap between education and employment but also contributes meaningfully to the growth of the local economy.

### UBA Liberia Partners with UNDP to Empower MSMEs and Agricultural Cooperatives

UBA Liberia, in collaboration with the United Nations Development Program (UNDP), is playing a pivotal role in the Growth Accelerator Liberia Program a strategic initiative designed to support micro, small, and medium enterprises (MSMEs) as well as agricultural cooperatives.

Through this partnership, the program offers technical assistance, mentorship, and co-financing grants to selected entrepreneurs, equipping them with the tools needed to scale their businesses. UBA Liberia further strengthens this initiative by facilitating access to loan opportunities for the winners, reinforcing its commitment to economic empowerment and inclusive growth across Liberia.

### UBA Liberia Promotes Literacy Through Read Africa Initiative

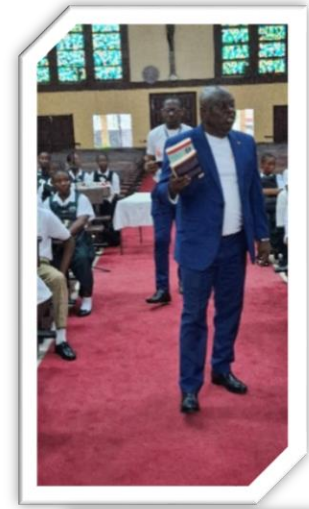
As part of its commitment to educational development, UBA Liberia, under the Read Africa initiative, distributed books to several schools across the country. Beneficiary institutions included Soltiamon Christian School System, Cathedral Catholic High School, BW Harris, and the College of West Africa (CWA).

This initiative aims to promote reading culture among students and encourage academic excellence by providing access to quality literature. Through such efforts, UBA continues to foster a love for learning and contribute to the intellectual growth of Liberia's youth.

### UBA Liberia Supports National Celebrations and Government Initiatives

Demonstrating its continued commitment to community engagement, UBA Liberia partnered with the Armed Forces of Liberia during its 2024 celebrations by providing mineral water for the event.

In a further show of support for national causes, UBA Liberia also collaborated with the Ministry of Gender, Children and Social Protection by sponsoring the printing of event banners. These gestures underscore the bank's dedication to fostering strong institutional partnerships and supporting national unity and recognition events.





## Sustainability and Risk Management - Sustainability Report

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These initiatives demonstrate UBA Liberia's alignment with the UBA Group's CSR focus areas: Education, Environment, Economic Empowerment, and Special Projects. By investing in these areas, UBA Liberia contributes to the socio-economic development of the communities it serves, reflecting its commitment to sustainable growth and corporate citizenship

UBA Liberia's Corporate Social Responsibility (CSR) activities, as part of the wider UBA Group's sustainability framework, align with several United Nations Sustainable Development Goals (SDGs). These global goals aim to end poverty, protect the planet, and ensure prosperity for all by 2030.

# MARKET OVERVIEW AND ECONOMIC ENVIRONMENT

Macroeconomic and Industry Analysis

Key Challenges and Opportunities

Risk Management

Looking ahead

Growth and Innovation Goals





## Market Overview and Economic Environment - Key Challenges and Opportunities Analysis

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The banking industry remained in compliance with the sector's regulatory requirements & continues to be relatively sound as evidenced by expansions in key Macroeconomic ratios. As at FY ended December 2022, the industry liquidity ratio stood at 52.26 percent. The industry liquidity ratio remained above the minimum regulatory requirement of 15.00 percent. The Capital Adequacy Ratio (CAR) stood at 33.80 percent. Moreover, the CAR remained above the minimum regulatory requirement of 10.00 percent. On the other hand, the Return on Assets (ROA) was reported as 3.42 percent while the Return on Equity (ROE) was 23.80 percent.

The Industry's shareholders' funds position continues to provide adequate support for its stability and resilience.

### Key Challenges:

The rise in NPLs across the banking system, due to delinquent settlement by borrowers & also slow adjudication/speedy trail from the justice system. Legal challenges within the justice system need to be addressed by all stakeholders.

## Market Overview and Economic Environment- Risk Management

### Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. The Board of Directors is responsible for articulating the risk management policies of the Bank to enable informed decision making and approval, and establish/maintain an appropriate environment for risk management in the Bank. All UBA employees involved in the creation and management of risk exposures are required to comply at all times with the risk management policies and procedures as approved. Compliance is monitored on an ongoing basis by the Bank's Internal Audit Unit. The Bank's risk management policies are established to identify and analyze the risks faced by the Bank, to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions, products and services offered.

### Operational Risks

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Bank's processes, personnel, technology and infrastructure, and from external factors other than credit, market and

liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behavior. Operational risks arise from all of the Bank's operations and are faced by all business entities.

The Bank's objective is to manage operational risk so as to balance the avoidance of financial losses and damage

to the Bank's or Group's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within each business unit.

This responsibility is supported by the development of overall Bank standards for the management of operational risk in the following areas:

- Requirements for appropriate segregation of duties, including the independent authorization of transactions
- Requirements for the reconciliation and monitoring of transactions
- Compliance with regulatory and other legal requirements
- Documentation of controls and procedures
- Requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified
- Requirements for the reporting of operational losses and proposed remedial action
- Development of contingency plans
- Training and professional development
- Ethical and business standards
- Risk mitigation, including insurance where this is effective.

Compliance with Bank standards is supported by a programme of periodic reviews undertaken by Internal Audit.

The results of Internal Audit reviews are discussed with the management of the business unit to which they relate, with summaries submitted to the Audit Committee and senior management of the Bank



## Market Overview and Economic Environment- Looking ahead

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### EXPECTATIONS FOR 2025

#### **Operations:**

Effective and efficient customer service delivery  
Thorough review of products & processes to improve turnaround time  
Cost containment  
Efficient management of our trade finance activities  
Automation of processes to improve turnaround time and capture the market

#### **Technology:**

Full automation of all processes  
Rolling out of our E-products, etc.  
Procurement of disaster recovery site

#### **Corporate Service:**

Effective cost containment  
Resource availability

#### **Human Resource:**

Staff Welfare  
Training(Function-specific)  
Staff Retention strategy

#### **Marketing:**

Segmentation/Classification of customers to ensure direct focus  
Deposit Growth Strategy  
Revenue Generation Strategy  
Effective Relationship management

#### **Corporate Communication:**

Aggressive & well-articulated advertisement campaign  
Proper branding and marketing of our products and services

#### **Credit & Risk Management:**

Enhancement of risk management systems to mitigate all business risks  
Robust monitoring of our credit portfolio to reduce probable loan losses  
Robust loan recovery on Non Performing Loan

Ensure full implementation of our Business Continuity Plan



The UBA  
**nextgen**  
Account

**The next generation account just for you**

For High School and College Students Under the ages of Eighteen and Twenty years old.

**Benefits you get for opening a UBA NextGen Account**



**Earning**

Qualification criteria: a minimum of 5 fee-earning transactions on any of the bank's channel on a monthly basis.



**Cash Benefits**

Stands a chance to win pocket money of \$20 monthly for a year. However, the raffle draw will be targeted (school-specific) and conducted in selected schools once in a semester.



10 winners per institution stormed.

### GDP

- Liberia GDP Annual Growth Rate for 2025 projected at 6.2% showed an increase of 0.9% when compared to 5.3% in 2024.
- Services remain the largest sector with its share of GDP follow by Agriculture sector.

### Inflation

- ❑ Inflation in January 2025 increased to 11.9 percent, from the 10.7 percent reported in December 2024, mainly as a result of increase in prices of food & non-alcoholic beverages.
- ❑ Implication: increase in the rate of inflation, decreases the purchasing power of our currency.

### Exchange Rate

- ❑ EOP exchange rate of LD\$ to US\$ decreased from 194.1 in Sept'24 to 185.24 as at end of Dec'24.
- ❑ The Liberian dollar appreciated against the United States dollar on account of decreased demand for foreign exchange.
- ❑ Implication: Decrease in the exchange rate leads to appreciation of our LCY.

# GOVERNANCE

The Board

Governance Structure

Corporate Governance Report as part of the  
Audited Financial statements

Director's Responsibilities

Authority of the Board

Board Effectiveness Review or Report on Board  
Evaluation

The Certification

Committees of the Board

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Directors, Officers & Advisors

Other Engagements of Directors

Management Team

Director's Report

Related Party Transactions



## Board of Directors

### Ebele Ogbue

Board Chairman



**Ebele Ogbue** is the Group General Manager, Oil & Gas at United Bank for Africa (UBA) Plc. His responsibilities are to acquire, deepen and manage relationships the Bank has with all operators in the Oil & Gas industry primarily in Nigeria, while providing support and expertise to the bank's subsidiaries in Africa, the Europe and the US. This includes activities in the upstream, mid-stream, downstream, oil services and oil trading sectors.

Prior to this current role, he was Regional Director responsible for driving the wholesale banking business of the bank in Anglophone Africa, while also representing UBA Plc on the board of the Anglophone African subsidiaries.

He was the Chief Executive Office at UBA Capital (Europe) Limited, a financial services firm and subsidiary of UBA Plc focused on International Trade and Foreign Exchange Transactions into and out of Africa.

Prior to joining UBA Capital (Europe) Limited in April 2010, Ebele was the Chief Executive Officer, UBA Liberia Ltd for two years, which subsidiary he set up as a greenfield operation, while also overseeing the operations of UBA in Sierra Leone towards the end of his tenure in Liberia. He was also a senior member of the team that set up UBA (formerly Standard Trust Bank) in Ghana in 2004, where he was the Chief Credit Officer for three years from 2004 to 2007.

### Ayokunle Olajubu

MD/CEO



**Mr. Ayokunle Olajubu Abraham** is currently the Managing Director/ Chief Executive, at United Bank for Africa Liberia Limited. He is vast with banking experience, having worked and excelled in several capacities as a banker for over 33 years.

He started his professional Banking career in March 1992 at entry level as a Teller with the defunct Nigeria International Bank before moving to the then Citizens Bank in 1995. He joined UBA in 1995 and later moved over to Access Bank where he was deployed as an expatriate staff in Sierra Leone, Cote D'Ivoire, and the Gambia where he became the Managing Director/CEO.

Due to his enthusiasm to continue his career at UBA, Ayokunle rejoined the bank in 2021 as the Group Head of Compliance, and due to his major achievements in banking, he was redeployed to Liberia as the Managing Director/CEO of the Subsidiary.

He is a highly motivated, enthusiastic, and effective team builder with strong leadership and communication skills.

Ayokunle acquired his academic qualifications at the University of Ilorin, the University of Pennsylvania, the United States of America, and the University of Bangor in the United Kingdom. He is an associate member of the Nigeria Chartered Institute of Bankers and also a member of the Chartered Institute of Bankers of England.

Ayokunle's career objective has been to enjoy a rewarding career in banking and general management where his varied skills can profitably be utilized to achieve corporate objectives.

### Axel M. Addy

BOARD MEMBER



A senior leader with expertise in international trade policy, government, and business climate reforms. Built trust-based relationships across international diverse stakeholder communities enabling Liberia's record-time accession to the WTO. Mobilized multiple resources in accordance with various donors' institutional management processes, procedures, systems and policies valued over \$50 million in direct and indirect support. Galvanized trade community's support through consultations and negotiations, instituting emergency trade measures resulting in no major trade disruptions of primary commodities imports during Ebola epidemic. Designed and implemented innovations to drive inclusive finance for SMEs, facilitating opportunities of over \$80 million in public procurement contracts and investments. Led a multicultural team of over 250 local and international professionals in implementing a robust reform agenda resulting in improvements in Liberia's global rankings among the top 5 reformers in Africa, for starting a business, in the World Bank's Doing Business

Ranking and MCC Scorecard on Trade Policy to achieve over \$250 million Compact. Served as the chief diplomat for international trade for Liberia engaging local and international media, participating in international and local forums as panelists, special guest, producer, host among others.

### Wil Bako Freeman

BOARD MEMBER



**Wil Bako Freeman**, a strategic thinker and highly motivated professional with over twenty years of cross-functional experience in a multinational setting has operated in the United States, Ghana, Liberia, and internationally within a variety of sectors and leadership roles. He possesses an extensive working knowledge of Central Banking, Economics, Trading Options, Trade Economics, Regional Integration, Public-Private Dialogue (PPD), Private Sector Development, Credit Risk Management, Asset Liability Management (ALM), and Banking Laws and Regulations and Airport Administration, with proven capacity to work in post-conflict environments and committed to improving the investment and business climates, ultimately attracting Foreign Direct Investment (FDI) during periods of capital flight.

He is a successful designer and implementer of major airport infrastructure projects, including a USD 50 million new passenger terminal, a USD 35 million runway rehabilitation, a USD 10 million cargo terminal, and a USD 3 million new office complex.

Strong organizational abilities to plan and execute large-scale stakeholder convening such as the Liberia Better Business Forum (LBBF), which establishment drastically improved the investment and business climate in Liberia, resulting in an improvement of 20 points for the country on the World Bank's Doing Business ranking. Employs analytical, managerial, and problem-solving skills using clear, yet concise written and verbal communication skills.

## Abiola Bawuah

BOARD MEMBER



A hardworking, result oriented EMBA holder with over sixteen (16) years' experience and a detailed knowledge and understanding of banking issues, policies, as well as a dedication to achieving timely and cost- effective results, seeking to lead a team which will enhance the goodwill, increase shareholder value and increase job satisfaction thus position United Bank for Africa (Ghana) Ltd as number one in the industry and make a significant impact on Ghanaian society. Madam Bawuah has several personal and professional accolades to her name including:

Most Profitable Subsidiary Bank, 2016 Best Subsidiary Bank, 2014 CIMG Marketing Woman of the Year, 2016-CIMG Finance Personality of Year 2016 – Ghana Accountancy and Finance Awards □ Woman of Excellence in Finance (2016 CFO Awards) Woman Rising Award – Best 50 Corporate Women Leaders in Ghana, 2016 Woman Rising Award – Best 50 Corporate Women Leaders in Ghana, 2015 UBA Group CEO Awards – Most Enterprising Leader, 2016 SHEROES Award, 2016 Female Finance Personality of the Year 2014 Female Banking Personality of the Year 2014 among others. She is currently the CEO of West Africa One, responsible for overseeing the affairs of UBA Subsidiaries in Liberia, Ghana, Republic of Benin, Burkina Faso, Cote D'Ivoire, and Sierra Leone.

## Angelique Weeks

BOARD MEMBER



**Mrs. Angelique Weeks** has over nine (9) years of combined service as Chairperson of the Board of Commissioners of the national regulatory authorities for the telecommunications and electricity sectors in Liberia. Transactional attorney, seasoned administrator and C-level executive with exemplary management skills.

Member of numerous civic and professional Boards, including the Board of Directors for a local bank in Liberia. Ivy League institution executive management education. 10 years tenure with multi-billion dollar energy company (S&P 500 listed utilities group), including 5 years as in-house legal counsel handling broad range of transactional matters (including contracts drafting, review, negotiations, management, administration and dispute resolution) for property acquisition, conveyance and protection, regulatory compliance and corporate governance.

Over 14 years in administrative and managerial roles involving strategy, business and product development, government contracting and stakeholder management. Over 15 years combined experience in state government agencies in the USA and Liberia, handling contractual transactions for procurement of goods, works and services, real estate acquisitions, conveyance, and related title issues, public utility ratemaking, regulation and compliance. Strong negotiations, oral advocacy, research, writing and presentation skills. Impeccable integrity.



## **Governance – Governance Structure**

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The Board has four Committees namely:

- The Board Audit
- Governance and Nomination Committee
- The Board Assets/Liabilities
- Strategy and Finance Committee
- Board Credit Committee and the Board Risk Management Committee

The authority of the board includes:

- The Board
- Board Committees Governance Charter
- The CBL Regulations

### **Board Effectiveness Review or Report on Board Evaluation**

Deloitte statement of evaluation: "The result of our evaluation has shown that the corporate governance framework and Board complies with the provisions of the extant CBL Code in terms of its structure, procedures and responsibilities. We also ascertained that the key Board functionaries (Board and Board Committee Chairpersons) and the Board Committees met their responsibilities under the Codes and governance charters in UBA Liberia. The report further highlights detail of our review activities, observations and some recommendations for the Board and Management's action."

### **Annual Certification**

The Board certified that for the financial year ended 31 December 2022, the Bank has generally complied with the provisions of the Central Bank of Liberia Corporate Governance Regulations of 2012, including but not limited to: a) Board qualification and composition b) Board size and structure c) Board Secretary d) Other engagements of Directors e) Board sub-committees.

In addition, the Board certifies that: 1) It has independently assessed and documented that the Bank's corporate governance process is effective and has successfully achieved its objectives. 2) Directors are aware of their responsibilities to the Bank as persons charged with governance. 3) Directors were trained and subsequently certified by UBA Academy on IFRS 4, Credit, and AML/CFT.

# Do you have a UBA POS?



Your customers can pay for goods and services using the POS terminal, without the inconvenience of cash.

### Committees of the Board

The Board has continued to place emphasis on risk management as an essential tool for achieving the Bank's objectives. Towards this end, it has ensured that the management has in place robust risk management policies and mechanisms to ensure identification of risk and effective control. The Board approves the annual budget for management and ensures that a robust budgetary process is operated with adequate authorization levels put in place to regulate capital expenditure.

#### BOARD ASSET-LIABILITY/STRATEGY/FINANCE COMMITTEE (BASFC)

| Name                  | Designation | Number of Meetings | Attendance |
|-----------------------|-------------|--------------------|------------|
| Cllr. Angelique Weeks | Chairperson | 4                  | 4          |
| Abiola Bawuah         | Member      | 4                  | 4          |
| Ayokunle Olajubu      | Member      | 4                  | 4          |

At least once a year, the Board is required to review UBA Liberia's long-term plans and the principal issues that UBA Liberia will face in the future. This will be coordinated by the Board Asset-Liability/Strategy/Finance Committee and the Board Governance & Nomination Committee which may engage an Adviser to facilitate this role.

The BASFC committee is mandated to;

- formulate and shape the strategy of the Bank and make recommendations to the Board accordingly;
- conduct one (1) Board/Management/Key Shareholders Strategy retreat a year to formulate the strategy;
- review and approve the budget of the Bank within its limit and make recommendations to the Board for approvals above its limit;
- review and approve within its approved limits the annual manpower plan for the Bank as part of the Budget approval process. The manpower plan shall at a minimum include the vacancies, maximum levels, cost implication;
- monitor performance of the Bank against its budget;
- conduct quarterly business reviews with management and the Board;
- concur on compensation for Executives;
- approve compensation of MD/CEO with the concurrence of the Chairman of the Board;
- consider and approve expenses (including donations, sponsorships and overseas training) above the limits of executive management and its organs as specified in the Expense Empowerment Policy;
- consider and approve significant IT investments and expenditure;
- consider and approve extra budgetary expenditure (including donations, sponsorships and overseas training) above the limits of executive management and its organs as specified in the Expense Empowerment Policy;
- consider and approve income reversals, refunds of fraud losses on customer accounts and concessions on charges (non-credit related) above the limits of Executive Management and as specified in the Expense Empowerment Policy;
- review the Assets and Liability Committee reports;
- develop and review a Board information system needed for the Board to carry out its oversight role;
- approve compensation and incentives policies for ED, DMD, MD/CEO; and
- recommend the entitlements of directors to the Board for approval.

## Governance - Committees of the Board

### BOARD CREDIT COMMITTEE (BCC)

| Name             | Designation | Number of Meetings | Attendance |
|------------------|-------------|--------------------|------------|
| Abiola Bawuah    | Chairperson | 4                  | 4          |
| Ayokunle Olajubu | Member      | 4                  | 4          |
| Ebele Ogbue      | Member      | 4                  | 4          |

The Board Credit Committee is mandated to;

- review and oversee the overall lending policy of the Bank;
- deliberate on and approve loan applications in excess of the defined limits for management;
- direct the formulation of, and review the credit principles and policies of the Bank;
- ensure that there are effective procedures and resources to identify and manage irregular problem credits, minimize credit losses and maximize recoveries;
- direct, monitor, review and consider all issues that may materially impact on the present and future quality of the Bank's credit risk management;
- delegate and review lending to the various levels of the Bank;
- review and recommend to the Board for approval, the Bank's credit policies and strategies;
- make credit decisions on behalf of the Board within its limits defined by the Bank's Credit Policy;
- review and recommend to the Board for approval the credit and lending policies, frameworks and procedures of the Bank and review delegated credit authorities for compliance;
- review and approve products that have credit and non- credit elements;
- approve credits above the limits of the Executive Credit Committee and subject to limits set by the credit policy and as approved by the Board;
- recommend credits above the Board BCC and BRMC limits to the Board for approval;
- periodically review the loan portfolio; and
- review recommendations and approve subject to set limits write offs, loan restructures, loan/interest write offs, concessions and waivers in line with approved policies.

### BOARD AUDIT COMMITTEE (BAC)

| Name             | Designation | Number of Meetings | Attendance |
|------------------|-------------|--------------------|------------|
| Axel M. Addy     | Chairman    | 4                  | 4          |
| Angelique Weeks  | Member      | 4                  | 4          |
| Wil Bako Freeman | Member      | 4                  | 4          |

The Board Audit Committee is mandated to;

- review the integrity of the Bank's financial reporting and oversee the independence and objectivity of the external auditor;
- review and approve the annual audit plan, internal audit charter and make necessary changes to the plan, the adoption of which must be subject to the full Board's approval giving due relevance to the Committee's recommendation(s);
- review the performance of the head of internal audit annually, the overall internal audit function quarterly, as well as approve the remuneration of staff in the internal audit department, subject to final approval of the Board;
- make recommendations to the full board on the appointment, re-appointment and change of the external auditor

## Governance - Committees of the Board

- approve the remuneration and terms of engagement of the external auditor;
- review the auditor's findings and bring key issues to the attention of the full Board and require management to report periodically on progress in addressing problems raised by the audits so that the Board can ensure that the necessary corrective actions are implemented in a timely manner;
- monitor and assess the overall integrity of the financial statements and disclosures on the financial condition and results of operations of the Bank;
- monitor management's responsibilities to ensure that an effective system of financial and internal controls are in place;
- assist the Board in discharging its responsibilities on information technology (IT) as it relates to financial reporting and the status of the Bank as a going concern; and
- monitor and evaluate on a regular basis the qualifications, independence and performance of the external auditor and the internal audit and control department.

### BOARD RISK MANAGEMENT COMMITTEE (BRMC)

| Name             | Designation | Number of Meetings | Attendance |
|------------------|-------------|--------------------|------------|
| Wil Bako Freeman | Chairman    | 4                  | 4          |
| Ebele Ogbue      | Member      | 4                  | 4          |
| Axel M. Addy     | Member      | 4                  | 4          |

The Board Risk Management Committee is mandated to;

- approve the annual risk management plan including a fraud risk plan for the Bank and oversee its implementation and monitor performance;
- ensure that risk assessments are performed on a continual basis and that frameworks and methodologies are in place to increase the probability of anticipating unpredictable risks;
- monitor, review and assess the integrity and adequacy of the overall risk management framework of the Bank;
- set the Bank's appetite and tolerance for risk and recommend acceptable risk tolerance limits to the Board for approval;
- review and on a continuous basis update the risk management policies frameworks and procedures of the Bank subject to the approval of the Board; and
- review the sensitivity of the Bank's earnings to volatility in equity, credit, treasury and foreign exchange markets and make recommendations to the Board for approval.

## Governance - Director's Responsibility

The responsibility of the Board of Directors is to represent the shareholders while considering the overall interests of UBA Liberia and its stakeholders, and they are answerable to the shareholders. The Board offers general guidance and policy direction, oversees the Bank's strategic approach and policy development, and acts as the final decision-making authority of the Bank. The positions of Chairman and Chief Executive Officer are distinct and well-defined. The Chairman is mainly accountable for the function of the Board, whereas the Chief Executive Officer oversees the operation of the business and execution of the Board's strategy and policy. The Executive Management Committee, chaired by the Chief Executive Officer, helps him oversee the Bank's daily operations, consisting of senior management personnel and other essential functional leaders. The Board is answerable to shareholders and manages its relationships with different stakeholders. The Board is also tasked with overseeing the Bank's organizational structure and operational areas, financial reporting, guaranteeing a robust system of internal control and risk management, and making appointments to the Board. The Board has the power to assign issues to Directors, Board Committees, and the Executive Management Committee.

The Directors are highly honest individuals with a wealth of management, governance, and financial industry knowledge, which enables them to make well-informed decisions regarding the Bank's operations. The Board has given Board Committees some of its specific authority to carry out its duties to fulfill its mandate. Additionally, it has granted Executive Management, as outlined in an Executive Management Charter, some decision-making authority. The Board can verify that the terms of reference of every board committee align with the corporate governance directive and the bank's board charter.

## Conflicts of Interest

The Bank has a thorough policy on conflicts of interest that employees are expected to follow. The responsibility of directors to steer clear of circumstances or actions that might lead to conflicts of interest and to report any actions that have already or may lead to a conflict of interest is also explained to them. The bank has complied with the requirement for directors and employees to periodically disclose conflicts of interest to the regulator.

## Directors, Officers & Advisors

The Board of Directors

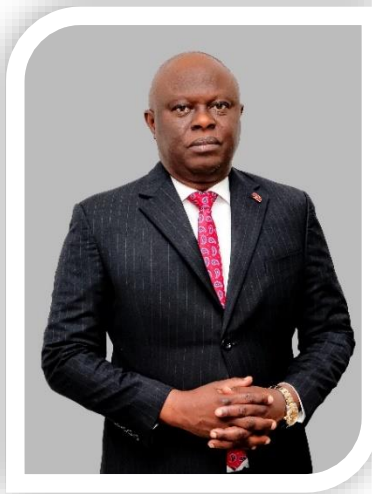
As at 31 December 2023, the UBA Liberia Board had seven (7) members, made up of two (2) Non-

## Other Engagements of Directors

| S/N | NAME                  | DESIGNATION                        |
|-----|-----------------------|------------------------------------|
| 1   | Mr. Ebele E. Ogbue    | Non-Executive Director             |
| 2.  | Mrs. Abiola Bawuah    | Non-Executive Director             |
| 3.  | Mr. Ayokunle Olajubu  | Executive Director                 |
| 4.  | Cllr. Cyril Jones     | Independent Non-Executive Director |
| 5.  | Cllr. Angelique Weeks | Independent Non-Executive Director |
| 6.  | Mr. Axel M. Addy      | Independent Non-Executive Director |
| 7.  | Mr. Wil Bako Freeman  | Independent Non-Executive Director |

- a. AGM/EGM
- b. Strategy Session
- c. Town Hall Meetings
- d. Trainings

**Ayokunle Olajubu**  
MD/CEO



**Mr. Ayokunle Olajubu Abraham** is currently the Managing Director/ Chief Executive, at United Bank for Africa Liberia Limited. He is vast with banking experience, having worked and excelled in several capacities as a banker for over 33 years.

He started his professional Banking career in March 1992 at entry level as a Teller with the defunct Nigeria International Bank before moving to the then Citizens Bank in 1995. He joined UBA in 1995 and later moved over to Access Bank where he was deployed as an expatriate staff in Sierra Leone, Cote D'Ivoire, and the Gambia where he became the Managing Director/CEO.

Due to his enthusiasm to continue his career at UBA, Ayokunle rejoined the bank in 2021 as the Group Head of Compliance, and due to his major achievements in banking, he was redeployed to Liberia as the Managing Director/CEO of the Subsidiary.

He is a highly motivated, enthusiastic, and effective team builder with strong leadership and communication skills.

Ayokunle acquired his academic qualifications at the University of Ilorin, the University of Pennsylvania, the United States of America, and the University of Bangor in the United Kingdom. He is an associate member of the Nigeria Chartered Institute of Bankers and also a member of the Chartered Institute of Bankers of England.

Ayokunle's career objective has been to enjoy a rewarding career in banking and general management where his varied skills can profitably be utilized to achieve corporate objectives.

**Kenechukwu Odigboh**  
Chief Operating Officer



Kenechukwu Odigboh, a professional Banker with over twenty-five years of experience in Business Development, Operations, and Customer Service, has built a career marked by leadership, operational efficiency, and customer satisfaction. Currently serving as the Chief Operating Officer at United Bank for Africa (UBA), Liberia Limited, Kenechukwu plays a pivotal role in coordinating Operations across the country.

**Korvah L. Dorbor**  
**Chief Financial Officer**



**Korvah L. Dorbor** is a seasoned financial professional with over twenty (20) years of management experience in the private sector. Dorbor has performed lower and middle-level management functions in the private sector. His career started as an Accountant with West Africa Fisheries Enterprise in 2005, a Frozen Food company engaged in the importation and sales of frozen food products. In 2008, he joined International Bank Liberia Limited (IBLL) as a Bank Teller. Due to his effectiveness and efficiency, he was later transferred as a Customer Service Officer in the Department of Banking Operations. Subsequently, Dorbor was transferred from Banking Operations to the Department of Finance as Accounts Analyst, where he last served as Acting Head of the Accounting Department (IBLL). Dorbor is a candidate for Master of Business Administration (MBA) from the University of Liberia (U.L) and an Alumnus of the University's undergraduate program. He holds a BBA of Accounting of the University of Liberia, 2007 and Certificate of Honor – Distinction ( of Cumlaude), Certificate of Honor – University of Liberia Honors Society, 2001/2002, Certificate of Participation – IFRS Training – Liberian Institute of Certified Public Accountants (LICPA), 2010, Certificate – Outstanding Performance – International Bank Liberia Limited (IBLL), 2010, Certificate of Participation-IFRS Training – PricewaterhouseCoopers Ghana Limited (PWC), 2011, Certificate of Participation – CBL/KPMG/ATMS/AMSCO IFRS Training, Liberia, 2013, Certificate of Participation Professional Development Seminar on IFRS AJ SILICON Consultants, Nigeria/Baker Tilly Liberia, 2013; Certificate of Participation-International Financial Reporting Standards (IFRS) PricewaterhouseCoopers- (PWC), Nigeria/Keystone Bank Ltd, Nigeria, 2014, Certificate of Participation-Anti-Money Laundering/Counter Financing of Terrorism (AML/CFT) Compliance Training Keystone Bank Ltd, Nigeria/Global Bank (Liberia) Ltd, 2014, Certificate of Completion-UBA Credit Risk Policy Training, UBA Academy, 2016. Certificate of Participation – UBA Plc Empowerment Training, Lagos, Nigeria.

**Okwudili James Chime**  
**Head of Internal Control**



**Okwudili James Chime** is a professional banker with over 20 years of experience in the banking industry, primarily focused on operations, internal control, and assurance. Chime graduated with a BSc in Statistics and Economics from the University of Nigeria. He further advanced his knowledge with an MBA in Business Administration from Enugu State University (ESUT), showcasing a strong academic foundation that complements his professional expertise.

Chime began his career with United Bank for Africa (UBA) in 2001 as a contract staff member, progressing to a confirmed staff position by 2003. Over the years, he has held various critical roles, including tellering, Funds Transfer Officer, Resident Control Officer and Cluster Control Manager. His responsibilities spanned diverse areas such as cash management, internal audit, compliance checks, and branch operations oversight, ensuring seamless and efficient bank operations.

In May 2023, Chime was appointed the Country Head of Internal Control for UBA Ltd in Liberia. In this role, he is entrusted with ensuring strict adherence to regulatory standards, managing fraud prevention protocols, and training control officers to maintain a robust compliance culture within the bank's operations. Chime is also a certified ISO 9001:2015 Auditor and holds multiple qualifications in Health, Safety, and Environment (HSE) standards, highlighting his commitment to quality management and workplace safety. Over the years, he has completed numerous professional courses, including training in Risk Management, customer service excellence, and relationship management. Outside of his professional life, Okwudili Chime is an avid soccer enthusiast and enjoys listening to music. His dedication to fostering growth, implementing stringent controls, and ensuring organizational integrity has made him a respected figure in the banking industry.

## **Lionel Kaizer Massaquoi**

### **Head of Digital Banking**



**Lionel Kaizer Massaquoi** is an accomplished banking professional with over 13 years of experience in Liberia's financial sector. Currently serving as Head of Digital Banking at United Bank for Africa Liberia Limited, Lionel is skilled in banking operations, marketing, management, and portfolio development. He has previously held key roles within UBA Liberia, such as Branch Manager and Head of Personal Banking, where he excelled in team leadership, customer relations, and strategic growth initiatives. Known for his expertise in youth entrepreneurship and government engagement, Lionel is adept at building and managing productive relationships across sectors. He holds an MBA in Finance from Cuttington University and a BBA in Management from African Methodist Episcopal University. Lionel's professional accomplishments are underpinned by a dedication to delivering innovative digital banking solutions, enhancing market reach, and fostering a customer-focused culture. His career is marked

## **Vaanii J. Kiazolu-Jr**

### **Chief Risk Officer**



**Vaanii J. Kiazolu, Jr.** is an experienced finance and risk management professional with over 15 years in the banking sector in Liberia. He holds an MBA in Finance from Cuttington University and a BSc in Economics from the University of Liberia. Kiazolu is currently the Chief Risk Officer at UBA Liberia Limited, where he designs and implements enterprise risk management frameworks, assesses various financial risks and leads compliance and anti-money laundering efforts. Previously, he served as Chief Risk Officer at Bloom Bank Liberia Limited. He also served as Head of Treasury and Head of Risk Management at Global Bank Liberia, where he designed and developed the bank's risk management framework that covers all risks to which the Bank is exposed, managing liquidity, policy alignment, and credit risk assessments. His early career included roles in grant compliance for USAID projects, credit administration, and financial reporting. Kiazolu's professional development includes certifications from the World Bank's IFC, WAIFEM, and international risk and compliance workshops. His comprehensive risk, compliance, and strategic management expertise underscores his dedication to Liberia's financial stability.

## Chidi Emmanuel Anaba

### Head of Customer Experience



**Chidi Emmanuel Anaba** started his banking career as the Personal Assistant to the then Managing Director/CEO in 2012 and after three years was redeployed as the Head of Corporate Service where he took charge of the bank's facilities and procurement activities in 2016 and in 2017 he became the Head of Cash Management Center and later drafted to sales where he became a Relationship manager and later the Head of retail banking in 2019.

In 2021, with the introduction and establishment of the Customer Fulfilment Center, Chidi was drafted to Head the Unit in order to stabilize and strengthen its activities to meet the bank's standard and in 2022, he was drafted to head the Customer Experience Unit, also a new unit, to stabilize and strengthen it to meet the bank's standard. He is currently heading the unit and also overseeing the Marketing and Corporate Communication unit.

Chidi Emmanuel Anaba had his tertiary education at the University of Port Harcourt, Rivers State in Nigeria with a Bachelor of Arts degree in Philosophy. He is candidate for Masters in International Law and Diplomacy, University Science and Technology, Rivers State, Nigeria. He has attained other academic programs on Conflict Resolution, Customer Experience, leadership trainings and compliance trainings.

## Rosa Turay

### Head of Human Capital Management



**Rosa E.A. Dillon-Turay** is a seasoned Human Resources and Administration professional with over 15 years of progressive leadership experience in the banking, development, and NGO sectors. She currently serves as Country Head of Human Capital Management at United Bank for Africa (UBA), where she oversees strategic HR operations, talent development, and culture alignment across the organization.

Rosa's career spans key roles with Give Directly, Millennium Challenge Account-Liberia (MCAL), IBI-LASS, IBIS Liberia, and Child Fund Liberia. Her core expertise includes HR strategy, policy development, performance management, organizational culture building, and employee engagement. She has led major HR transformations, designed performance systems, and managed high-impact recruitment and onboarding initiatives.

She is recognized for her ability to align HR with business strategy, develop strong teams, and ensure regulatory compliance across sectors. Her work has consistently contributed to organizational growth and operational excellence.

She holds an MBA in Management from Cuttington University Graduate School and a Postgraduate Certificate in Human Resource Management from GIMPA, Ghana. She also earned a B.Sc. in Biology from Cuttington University. She has received advanced training in organizational development, gender integration, and performance improvement from institutions including Harvard CID and Davine Thaw & Warren Banks.

**Mai Evelyn Cole**  
**Head of Retail Banking**



**Mai Evelyn Cole** is a seasoned finance and administrative professional with a Master of Science in Finance from Cuttington Graduate School, Liberia, and a Bachelor of Arts in Business Administration from African Methodist Episcopal University, Liberia. Known for her integrity, dedication, and ability to manage complex resources efficiently, Mai has established herself as a reliable and results-driven leader in the financial sector. She brings over a decade of experience, blending an analytical approach with a commitment to ethical practices and operational excellence.

Mai began her career in 2003 as a Procurement Clerk at the Liberian Bank for Development and Investment (LBDI), where she handled procurement processes and maintained stringent documentation standards. She later transitioned to the United Nations World Food Programme as a Storekeeper, managing logistics and inventory for WFP's warehousing unit in Monrovia. This role honed her skills in logistics management, overseeing stock integrity, and conducting regular audits to ensure operational compliance.

Her experience deepened at LBDI, where she served as a Credit Relationship Officer from 2009 to 2015, focusing on credit analysis and client relationship management. Here, Mai developed strategies to identify financing opportunities and monitor key performance indicators to ensure customer success and regulatory compliance.

In 2015, Mai joined the United Bank for Africa (UBA) Liberia as a Credit Analyst, quickly advancing to Branch Manager by 2016. In this role, she oversaw branch operations, supported business growth, and cultivated customer relationships to enhance deposit growth and credit offerings. Since May 2023, she has been the Head of Retail Banking at UBA Liberia, where she is responsible for strategy development, policy creation, and sales team training across all branches in Liberia. Her contributions have driven business growth and expanded customer engagement within the subsidiary.

**Alvin S. Dahn**  
**Head of Corporate Services**



**Alvin S. Dahn** currently serves as the Head of Corporate Services at UBA Liberia. He has served in the banking sector for the Past Thirteen (14) years. He has also served in several other capacities in the sector, including Relationship Manager, Risk Officer, Head of Cash Movement, and Teller.

Mr. Dahn is a Graduate of the University of Liberia, majoring in Accounting and Management. He has obtained several other certificates, including, a Certificate of Achievement, Microsoft Unlimited Potential Courses, Certificate of Participation, Training on "Customer Acquisition Strategies and Effective Relationship Management", Certificate Participation, Workshop on Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) for Stakeholders; Financial Intelligence Unit (FIU)/ Central Bank of Liberia

He is the current National Pastor of the Christ Pavilion Ministries Int'l, Wonders of Praise Chapel, Lakpazee, Sinkor, Monrovia. As the National Pastor, he is responsible for teaching and preaching the Word of God, evangelizing, planning and organizing the activities of the Church, leading, counseling, and conducting leadership training and meetings to develop programs and innovative ideas to efficiently and effectively run the church in winning souls for the kingdom of God.

Mr. Dahn was born unto the union of Mr. Moses K. Dahn and Mother Christiana Wehyee in Karnplay City, Nimba County.

**Emmanuel Knagay**  
**Head of Treasury**



**Emmanuel Knagay** is a Liberian who has served the Liberian banking sector for the last 14 years in various capacities. In the earlier stage of his career, Mr. Knagay served as an accountant at the International Banks Liberia Limited. He assisted the institution in preparing and submitting several financial and regulatory reports. He also served as a Senior Accountant at the Afriland First Bank. He was very instrumental in setting up the bank's Finance Department and contributed immensely to transforming the institution's reporting regularities. He then moved to Global Bank Liberia as the bank's Chief Finance Officer. At Global, Mr. Knagay oversaw the bank's entire financial and reporting function. He led the bank's team in transforming to the new International Financial Reporting Standards.

He has a Master's Degree in Corporate Finance from the African Methodist Episcopal University. Mr. Knagay is an associate member of several professional bodies, including the Association of Certified Fraud Examiners, the Institute of Chartered Accountants of Ghana. He holds a Bachelor's Degree in Accounting from the AME University. He has also earned several postgraduate certificates in various fields, including Accounting, Finance, IFRS, Treasury, etc.

He is the Country Head of Treasury at the United Bank for Africa Liberia Limited. He is overseeing the bank's Investment, Liquidity, and Treasury functions.

## **Eduardo Blamo Nyantee II** **Head of Legal**



**Eduardo Blamo Nyantee** is a seasoned legal and financial professional with over thirty (30) years of experience across the legal, financial, and corporate sectors in Liberia.

He currently serves as Head of Legal and Company Secretary of the Bank. He provides legal counsel, supports corporate governance, ensures regulatory compliance, and coordinates executive management functions. He has continued to practice law with the Tuan Wreh Law Firm as a Trial lawyer since 2013.

He has held multiple management roles in Liberia's private sector, including, General Manager, Network Cargo Handling Services, Manager, Phoenix Institute of Information Technology, Administrative and Finance Manager, Geoservices Inc., Deputy Business Manager, College of West Africa Junior College, Financial Manager and Accountant at Sonco Shipping Corporation and Alert Security Systems. He holds MBA in Finance (Magna Cum Laude) from A.M.E. University, an LLB in General Law from the University of Liberia Louis Arthur Grimes School of Law, a BBA and several earlier certifications in Accounting and Business.

His public service includes volunteer roles at the National Port Authority, the Ministry of Finance, the National Elections Commission, and the Liberia Aiders for the Disabled Displaced Inc. He also contributes actively to professional associations, including the Liberian National Bar Association, Grand Kru Bar Association, and previously, the National Customs Brokers Association.

He is also a published writer with articles in The Analyst and The News Newspaper, covering political, legal, and economic issues in Liberia.

## **Joseph Fatorma Sando** **Head of Corporate and Commercial Banking**



**Joseph Sando** has provided services in the Liberian banking sector for the last twelve (12) years with focus in various roles of the Wholesale banking business of UBA Liberia.

He was promoted to head the Oil & Gas, Energy, Construction, Agriculture and Mining Sectors in 2015 and three years later, he took over as head of Corporate Banking of UBA Liberia. A year later, Joseph Sando was given the entire Wholesale Banking-WSB Strategic Business Unit-SBU to manage. Joseph Fatorma Sando has earned for himself a high performance in his business driving skills and leadership role since 2015. He was amongst 2019 UBA Group CEO Award for outperforming peers on all lines.

He, along with his team won best department awards for the financial years 2018, 2019, 2020 & 2021 in UBA Liberia,

Prior to joining UBA Liberia, he worked in the Oil & Gas Sector for over six (6) years rising from delivery officer to Sales Manager with the Sheriff Gas Station (Now named: Gboni Enterprise).

He worked as Safe Drinking Water Distribution Officer with the Medicines Sans Frontiers (MSF) Kounkan Refugee Camp, Republic of Guinea between 2002 and 2003.

Mr. Sando also functions as Chairman for the Fassavolu Development Association (FADA) since 2013. He discharges community engagement responsibilities in the organization where he has led projects to construct Clinics, Schools, Churches & Mosques as well as 9.7Km of road in his home county, Lofa.

Our head of Corporate & Commercial Banking is a Registered Member of the National Muslim Council of Liberia.

**Joseph Fatorma Sando** holds a Bachelor of Business Administration degree from the African Methodist Episcopal University in Accounting with an emphasis in Management. Certificate of distinction for high academic performance from the African Methodist Episcopal University.

Mr. Sando holds an MBA-Masters of Business Administration (MBA) in Banking & Finance from the Graduate School of the University of Liberia in the Business & Public Administration Graduate Program.

During the course of his functions at UBA Liberia, he has also participated in several internal & external trainings and as well obtained training certificates from both local and international organizations to include but not limited to International Finance Corporation (IFC)-World Bank Group in Ivory Coast, AFREXIMBANK Trade Finance Seminar in Namibia, UBA Academy, Lagos, Nigeria, Moody's Financial Analytics etc.

**Nathaniel S. Dweh**  
**Head of Compliance**



**Nathaniel S. Dweh** is a seasoned professional. He has served as a Risk and Internal Control Officer for over 9 years with the Liberian Bank for Development and Investment and United Bank for Africa.

He holds a BA in Business Administration from the Stella Maris Polytechnic. He obtained both local and international Professional training certificates while he was serving as an Internal control officer in UBA and LBDI.

Some of the Certificates include: Certificate of Participation Anti-Money Laundering / Countering the Financing of Terrorism (AML/CFT)(CBL), Skills and enhancement training for IT Audit/Control and forensic investigators Lagos Nigeria, Certificate in Fraud prevention and Detection Central Bank of Liberia, Certificate of Participation Fraud Risk Management Association of Certified Fraud Examiners Kenya Chapter (Number 134), Certificate of Participation Audit and Compliance Central Bank of Liberia, One Week Training in Audit & Control Program United Bank for Africa (UBA) Accra Ghana, Certificate of Participation Records Management and Office Procedures Liberian Bank for Development and Investment Monrovia, Liberia.

Nathaniel joined UBA Liberia as internal control on May 1, 2012.

**Lady-Lawrene Dennis**  
**Head, Public Sector Group**



**Lady-Lawrene Dennis** is a seasoned banking professional with over a decade of experience in public sector, institutional banking, and engagement with Embassies and Multilateral Donor Organizations (EMDOs). She currently serves as Head of the Public Sector Group at United Bank for Africa (UBA) Ltd, a role she has held since April 2020. In this capacity, she leads key initiatives across government, and development sectors. Prior to this, she held strategic leadership roles within UBA, including Team Lead, Institutional Banking and Team Lead, Public Sector, where she managed complex client relationships and drove portfolio growth. She holds a Bachelor's Degree in Accounting from the University of Liberia.

She is widely recognized for her strategic leadership, exceptional client relationship management skills, and a deep understanding of the public sector, institutional banking, and EMDO operations.

## Dennise Nimpson

### Head, Marketing and Corporate Communications



**Dennise Nimpson** is a distinguished Liberian journalist with extensive experience in both broadcast and print media. She has 17 years of working experience in the Public and Private Sector, Micro-Finance Inclusion, with almost a decade in mainstream journalism.

Prior to joining the United Bank for Africa-Liberia, she served as a correspondent for Voice of America (VOA), a Contributing writer for Frontpage Africa Newspaper, and a fellow of New Narratives, a media development initiative. She has held prominent roles in Liberia's media landscape, including serving as Director, Editor, Senior Reporter, and Presenter. She also led the Executive Mansion Reporters Association Press Corps, overseeing coverage of the Liberian Presidency.

In 2022, known for her impact in the Liberian Media, she was selected by the U.S. Embassy and traveled to the US and participated in the Edward R. Murrow Program for Journalists, where she earned a certificate in New and Traditional Broadcast Media. It is a prestigious initiative under the International Visitor Leadership Program (IVLP).

She has earned multiple national and international training certificates in various disciplines. In 2023, she was part of a delegation of female journalists that traveled to Sierra Leone to provide media coverage for the country's general elections.

She is a candidate for a Master's Degree in International Relations with Emphasis in Foreign Service Leadership from the African Methodist Episcopal University and holds a BA in Mass Communication and Public Administration from the University of Liberia.

She is a member and associate member of several professional groups, including the State Exchange Alumni of Liberia (SEAL), Press Union of Liberia, Female Journalists Association of Liberia (FeJAL), and the International Visitor Leadership Program Alumni.

## REPORT OF DIRECTORS

The directors have pleasure in submitting their report to the shareholders, together with the financial statements for the year ended December 31, 2024.

### Directors' responsibility statement

The Bank's directors are responsible for the preparation and fair presentation of the financial statements, comprising the statement of financial position as at December 31, 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, as well as the notes to the financial statements. These notes include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards (IFRS), the requirements of the Business Corporation Act of the Associations Law (amended) 2020 and the New Financial Institutions Act of 1999.

The directors' responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable under the circumstances.

The directors have made an assessment of the Bank's ability to continue as a going concern and have no reason to believe the Bank will not be a going concern in the year ahead.

### Holding company

The Bank is a wholly owned subsidiary of United Bank for Africa Plc, a company incorporated in the Federal Republic of Nigeria.

### Principal activities

The Bank's principal activities comprise corporate, commercial and consumer banking. There was no change in the nature of the Bank's business during the year.

### Financial results

The highlights of the financial results of the Bank for the year ended December 31, 2024 are set out below:

|                                                                            | 2024<br>LR\$'000 | 2023<br>LR\$'000 |
|----------------------------------------------------------------------------|------------------|------------------|
| Profit for the year (attributable to equity holders)                       | 2,404,094        | 1,278,508        |
| to which is added the balance brought forward on retained earnings of      | <u>1,672,751</u> | <u>1,682,828</u> |
|                                                                            | 4,076,845        | 2,961,336        |
| out of which is transferred to the statutory reserve                       |                  |                  |
| in accordance with the New Financial Institutions Act of 1999 an amount of | (601,024)        | (319,627)        |
| Dividends paid to equity holders                                           | <u>(772,000)</u> | <u>(968,958)</u> |
| leaving a balance to be carried forward on the retained earnings of        | <u>2,703,821</u> | <u>1,672,751</u> |

## Governance - Related Party Transactions

(All amounts are in thousands of Liberian dollars unless otherwise stated)

### Related parties

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 Bank is subsidiary and 100% owned by UBA Bank for Africa Plc. A number of business transactions are entered into with the Group. These include the maintenance of the various accounts on which interests are earned and the payment of certain operating and capital expenditure on behalf of the Bank.

### Due to related parties

|                                                                             | 2024             | 2023             |
|-----------------------------------------------------------------------------|------------------|------------------|
| Technical assistance fees payable (United Bank for Africa Plc)<br>(Note 23) | <u>16,653</u>    | <u>52,101</u>    |
| Deposit from banks (UBA Uganda Limited)                                     | -                | -                |
| Deposit from banks (UBA Africa Plc)                                         | <u>-</u>         | <u>-</u>         |
| Placement with (UBA Africa PLC)                                             | <u>7,609,666</u> | <u>1,135,690</u> |

### Transactions with related part

|                                                           | 2024          | 2023           |
|-----------------------------------------------------------|---------------|----------------|
| Technical assistance fees - United Bank for Africa Plc    | <u>88,001</u> | <u>136,359</u> |
| Interest expense on deposits - United Bank for Africa Plc | <u>-</u>      | <u>6,464</u>   |
| Interest expense on deposits - UBA Uganda Limited         | <u>-</u>      | <u>-</u>       |

### Executive Directors and key management personnel

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of United Bank of Africa Liberia Limited (directly or indirectly) and comprise the Directors and Senior Management of the Bank.

Remuneration and benefits of Executive Directors and key management personnel are as follows:

|                                       | 2024           | 2023           |
|---------------------------------------|----------------|----------------|
| Short-term employee benefits          | <u>173,885</u> | <u>110,018</u> |
| Interest income on loans and advances | <u>1,774</u>   | <u>2,007</u>   |

### Directors and key management personnel balances

|                    |               |               |
|--------------------|---------------|---------------|
| Deposits           | <u>5,085</u>  | <u>1,336</u>  |
| Loans and advances | <u>35,472</u> | <u>40,133</u> |

### Events after the post financial position date

There were no events after the end of the reporting period, which could have had a material effect on the state of affairs of the Bank as at December 31, 2023 and on the results for the year then ended which have not been adequately provided for and/or disclosed.

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# FINANCIALS

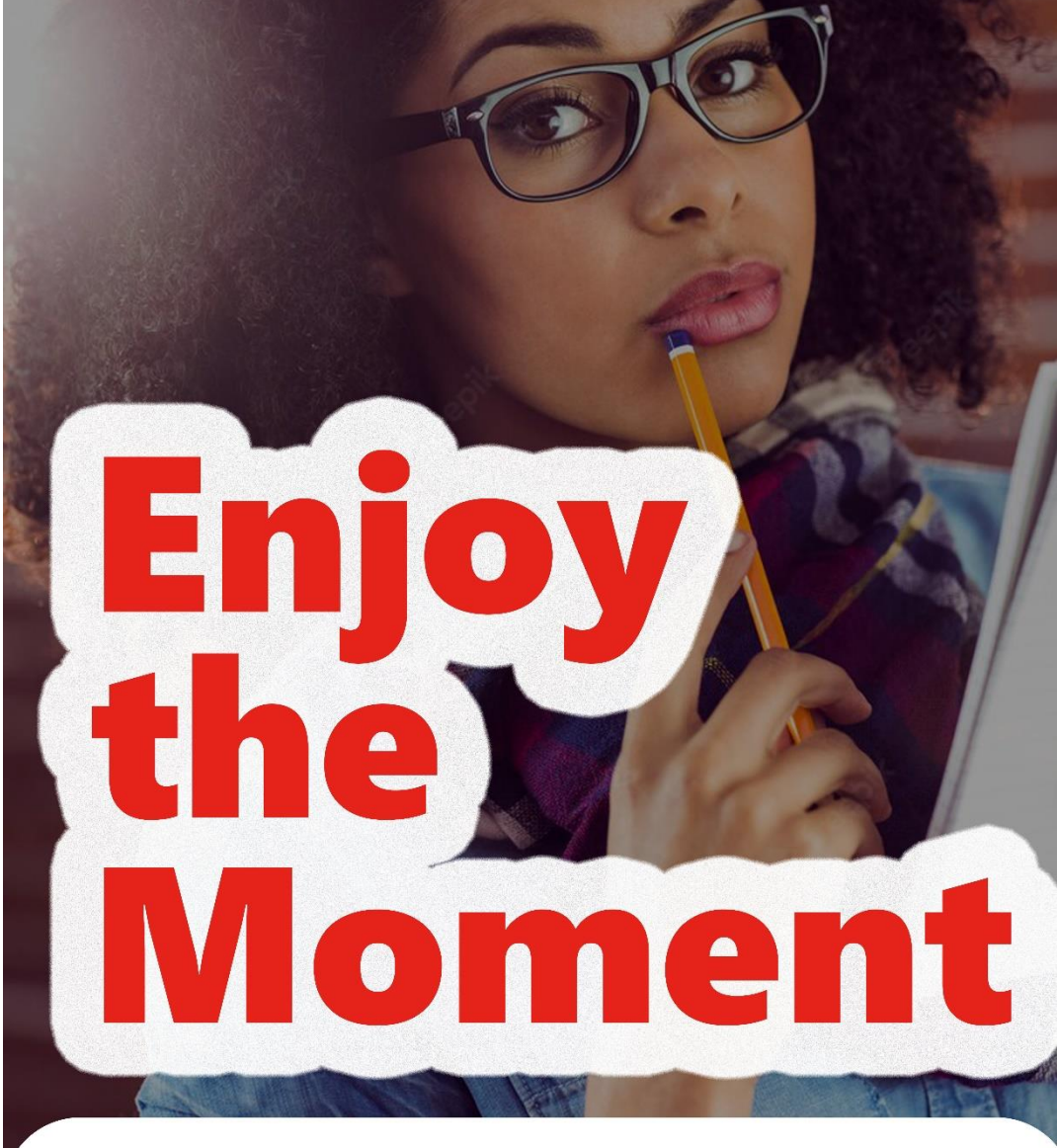
Independent Auditor's Report

Statement of Comprehensive Income

Statement of Financial Position

Changes in Equity Statement of Cash Flows Notes





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### Independent Auditor's Report

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#### Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of United Bank for Africa Liberia Limited (the "Bank") as at December 31, 2024, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and the New Financial Institutions Act of 1999.

#### What we have audited

We have audited the financial statements of United Bank for Africa Liberia Limited for the year ended December 31, 2024.

The financial statements comprise:

- the statement of financial position as at December 31, 2024;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

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#### 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 financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

We are independent of the Bank in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (the Code) issued by the International Ethics Standards Board for Accountants that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities in accordance with the Code.

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#### Other information

The directors are responsible for the other information. The other information comprises the Corporate Information, Report of the Directors, Corporate Governance Report and Branch and ATM locations but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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#### Other information (continued)

In connection with our audit of the 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 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, 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.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 Bank's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;

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### Auditor's responsibilities for the audit of the financial statements (continued)

- 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 Bank'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 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 Bank to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with section 21(1)(a) of the New Financial Institutions Act of 1999, we hereby confirm that:

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were required for the purposes of our audit; and
- ii) the Bank's balance sheet (statement of financial position) and income statement (statement of comprehensive income) are properly drawn up so as to present a true and fair view of the state of the Bank's affairs according to the best of the information and the explanations given to us, and as shown by the books of the Bank.

## Financials - Statement of Comprehensive Income

### STATEMENT OF COMPREHENSIVE INCOME

(All amounts are in thousands of Liberian dollars)

|                                                                        | Note | Year ended December 31 |                  |
|------------------------------------------------------------------------|------|------------------------|------------------|
|                                                                        |      | 2024                   | 2023             |
| Interest income                                                        | 5    | 5,214,423              | 3,033,211        |
| Interest expense                                                       | 5    | (1,104,034)            | (708,601)        |
| <b>Net interest income</b>                                             |      | <b>4,110,389</b>       | <b>2,324,610</b> |
| Fee and commission income                                              | 6    | 1,441,590              | 1,156,130        |
| Fee and commission expense                                             | 7    | (423,175)              | (251,258)        |
| Net trading income                                                     | 8    | 15,760                 | 82,457           |
| Other operating income                                                 | 9    | 102,022                | 72,178           |
| <b>Operating income</b>                                                |      | <b>5,246,586</b>       | <b>3,384,117</b> |
| Net impairment charge on financial assets                              | 10   | (435,490)              | (276,377)        |
| Personnel expenses                                                     | 11   | (752,307)              | (614,232)        |
| Depreciation and amortization                                          | 12   | (129,892)              | (104,560)        |
| Other operating expenses                                               | 13   | (762,818)              | (650,745)        |
| <b>Profit before income tax</b>                                        |      | <b>3,166,079</b>       | <b>1,738,203</b> |
| Income tax expense                                                     | 14   | (761,985)              | (459,695)        |
| <b>Profit for the year</b>                                             |      | <b>2,404,094</b>       | <b>1,278,508</b> |
| <b>Other comprehensive income:</b>                                     |      |                        |                  |
| <i>Items that may be reclassified subsequently to profit or loss</i>   |      |                        |                  |
| Exchange difference on translation from US dollars to Liberian dollars |      | (470,608)              | 439,900          |
| <b>Total comprehensive income for the year</b>                         |      | <b>1,933,486</b>       | <b>1,718,408</b> |
| Basic earnings per share                                               | 25   | 2.13                   | 1.13             |
| Diluted earnings per share                                             | 25   | 2.13                   | 1.13             |

## Financials - Statement of Financial Position

### STATEMENT OF FINANCIAL POSITION

(All amounts are in thousands of Liberian dollars)

|                                         |      | At December 31    |                   |
|-----------------------------------------|------|-------------------|-------------------|
|                                         | Note | 2024              | 2023              |
| <b>Assets</b>                           |      |                   |                   |
| Cash and bank balances                  | 15   | 24,761,399        | 9,615,600         |
| Loans and advances to customers         | 16   | 2,592,294         | 4,611,776         |
| Investment securities at amortized cost | 17   | 21,337,753        | 16,234,097        |
| Other assets                            | 18   | 31,478,635        | 35,067,794        |
| Deferred tax assets                     | 14   | -                 | -                 |
| Intangible assets                       | 20   | 14,232            | 1,140             |
| Right-of-use assets                     | 21   | 175,446           | 244,747           |
| Property and equipment                  | 19   | 279,989           | 295,457           |
| <b>Total assets</b>                     |      | <b>80,639,748</b> | <b>66,070,611</b> |
| <b>Liabilities</b>                      |      |                   |                   |
| Deposits from customers                 | 22   | 71,224,284        | 54,506,320        |
| Deposits from banks                     | 22   | 139,241           | 188,842           |
| Other liabilities                       | 23   | 1,768,822         | 5,655,569         |
| Deferred tax liabilities                | 14   | 38,660            | 78,635            |
| Current income tax liabilities          | 14   | 1,304,801         | 608,106           |
| Lease liabilities                       | 21   | 208,032           | 238,717           |
| <b>Total liabilities</b>                |      | <b>74,683,840</b> | <b>61,276,189</b> |
| <b>Equity</b>                           |      |                   |                   |
| Share capital                           | 24   | 1,128,769         | 1,128,769         |
| Cumulative translation reserve          | 24   | 573,848           | 1,044,456         |
| Statutory reserve                       | 24   | 1,549,470         | 948,446           |
| Retained earnings                       | 24   | 2,703,821         | 1,672,751         |
| <b>Total equity</b>                     |      | <b>5,955,908</b>  | <b>4,794,422</b>  |
| <b>Total equity and liabilities</b>     |      | <b>80,639,748</b> | <b>66,070,611</b> |

## Financials - Changes in Equity

### STATEMENT OF CHANGES IN EQUITY

(All amounts are in thousands of Liberian dollars)

| Year ended December 31, 2024      | Share capital    | Cumulative translation reserve | Retained earnings | Statutory reserve | Total            |
|-----------------------------------|------------------|--------------------------------|-------------------|-------------------|------------------|
| <b>At January 1</b>               | <b>1,128,769</b> | <b>1,044,456</b>               | <b>1,672,751</b>  | <b>948,446</b>    | <b>4,794,422</b> |
| Profit for the year               | -                | -                              | 2,404,094         | -                 | 2,350,539        |
| <b>Other comprehensive income</b> |                  |                                |                   |                   | <b>(470,608)</b> |
| Foreign currency translation      | -                | (470,608)                      | -                 | -                 | 1,933,486        |
| Total comprehensive income        | -                | <b>(470,608)</b>               | <b>2,404,094</b>  |                   | <b>6</b>         |
| Transfer to statutory reserve     | -                | -                              | (601,024)         | 601,024           | -                |
| Dividends to equity holders       | -                | -                              | (772,000)         | -                 | <b>(772,000)</b> |
| <b>At December 31</b>             | <b>1,128,769</b> | <b>573,848</b>                 | <b>2,703,821</b>  | <b>1,549,470</b>  | <b>5,955,908</b> |

| Year ended December 31, 2023      | Share capital    | Cumulative translation reserve | Retained earnings | Statutory reserve | Total            |
|-----------------------------------|------------------|--------------------------------|-------------------|-------------------|------------------|
| <b>At January 1</b>               | <b>1,128,769</b> | <b>604,556</b>                 | <b>1,682,828</b>  | <b>628,819</b>    | <b>4,044,972</b> |
| Profit for the year               | -                | -                              | 1,278,508         | -                 | 1,278,508        |
| <b>Other comprehensive income</b> |                  |                                |                   |                   |                  |
| Foreign currency translation      | -                | 439,900                        | -                 | -                 | 439,900          |
| Total comprehensive income        | -                | 439,900                        | 1,278,508         |                   | 1,718,408        |
| Transfer to statutory reserve     | -                | -                              | (319,627)         | 319,627           | -                |
| Dividends to equity holders       | -                | -                              | (968,958)         | -                 | <b>(968,958)</b> |
| <b>At December 31</b>             | <b>1,128,769</b> | <b>1,044,456</b>               | <b>1,672,751</b>  | <b>948,446</b>    | <b>4,794,422</b> |

## Financials - Statement of Cash Flows

### STATEMENT OF CASH FLOWS

(All amounts are in thousands of Liberian dollars)

|                                                                   | Note | Year ended December 31 |              |
|-------------------------------------------------------------------|------|------------------------|--------------|
|                                                                   |      | 2024                   | 2023         |
| <b>Cash flows from operating activities</b>                       |      |                        |              |
| Profit before income tax                                          |      | <b>3,166,079</b>       | 1,738,203    |
| <b>Adjustments for:</b>                                           |      |                        |              |
| Depreciation and amortization                                     | 12   | <b>129,892</b>         | 104,560      |
| Interest expense on lease liabilities                             | 21   | <b>12,725</b>          | 12,093       |
| Exchange loss on lease liabilities                                | 21   | <b>11,214</b>          | 38,195       |
| Impairment on financial assets                                    | 10   | <b>435,490</b>         | 276,377      |
| <b>Changes in:</b>                                                |      |                        |              |
| Loans and advances to customers                                   |      | <b>2,019,482</b>       | (287,313)    |
| Other assets                                                      |      | <b>3,589,159</b>       | (20,845,720) |
| Deposits from customers                                           |      | <b>16,717,964</b>      | 22,711,387   |
| Deposits from banks                                               |      | <b>(49,601)</b>        | (815,353)    |
| Other liabilities                                                 |      | <b>(3,886,747)</b>     | 4,931,363    |
| Income tax paid                                                   | 14   | <b>(105,265)</b>       | (123,043)    |
| <b>Net cash generated from operating activities</b>               |      | <b>22,040,392</b>      | 7,740,749    |
| <b>Cash flows from investing activities</b>                       |      |                        |              |
| Purchase of property and equipment                                | 19   | <b>(44,169)</b>        | (42,589)     |
| Net purchase of investment securities maturing over 91 days       |      | <b>(4,018,614)</b>     | (3,599,950)  |
| Purchase of intangible assets                                     | 20   | <b>(15,565)</b>        | (302)        |
| <b>Net cash outflow from investing activities</b>                 |      | <b>(4,078,348)</b>     | (3,642,841)  |
| <b>Cash flows from financing activities</b>                       |      |                        |              |
| Payments of lease liabilities                                     | 21   | <b>(57,467)</b>        | (53,492)     |
| Dividen paid                                                      |      | <b>(772,000)</b>       | (968,958)    |
| <b>Net cash outflow from financing activities</b>                 |      | <b>(829,467)</b>       | (1,022,450)  |
| Net increase in cash and cash equivalents                         |      | <b>17,132,577</b>      | 3,075,458    |
| Effect of exchange rate fluctuations on cash and cash equivalents |      | <b>496,892</b>         | 385,327      |
| Cash and cash equivalents at January 1                            | 15   | <b>11,422,100</b>      | 7,961,315    |
| <b>Cash and cash equivalents at December 31</b>                   | 15   | <b>29,051,569</b>      | 11,422,100   |

### Reporting entity

United Bank for Africa (UBA) Liberia Limited ("the Bank") is a limited liability company domiciled in Liberia. The address of the Bank's registered office is P. O. Box 4523, Broad & Nelson Streets, Monrovia. The Bank is a subsidiary of United Bank for Africa (Plc). The Bank operates with a universal Banking license that allows it to undertake corporate, commercial and consumer banking.

### Summary of material accounting policies

The principal accounting policies applied in the preparation of the financial statements are set out below. These accounting policies have been consistently applied to all periods presented in these financial statements.

#### 2.1 Basis of preparation and adoption of

##### IFRS

The financial statements of the Bank have been prepared in accordance with International Financial Reporting Standards (IFRS) and with the requirements of the New Financial Institutions Act (1999) and the Business Corporation Act of the Associations Law (amended) 2020. These financial statements have been prepared under the historical cost convention unless otherwise stated.

##### (a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Bank's functional currency is the United States Dollars while the presentation currency is the Liberian Dollars. All amounts have been rounded to the nearest thousands, except where otherwise indicated.

##### (b) Basis of measurement

These financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies.

##### (c) Use of estimates and judgments

The preparation of the financial statements requires the directors to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income 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 ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. These estimates have been disclosed in note 4 to these financial statements.

#### 2.2 Changes in accounting policies and disclosures

##### 2.2.1 New and amended standards and interpretations adopted by the Bank

The following standards and interpretations apply for the first time to financial reporting periods commencing on or after 1 January.

##### (i) Classification of Liabilities as Current or Non-current — Amendments to IAS 1

Amendments made to IAS 1, 'Presentation of Financial Statements', in 2020 and 2022 clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity's expectations or events after the reporting date (for example, the receipt of a waiver or a breach of covenant).

Covenants of loan arrangements will not affect classification of a liability as current or non-current at the reporting date if the entity must only comply with the covenants after the reporting date.

However, if the entity must comply with a covenant either before or at the reporting date, this will affect the classification as current or non-current even if the covenant is only tested for compliance after the reporting date.

The amendments require disclosures if an entity classifies a liability as non-current and that liability is subject to covenants that the entity must comply with within 12 months of the reporting date.

The disclosures include:

- the carrying amount of the liability.
- information about the covenants; and
- facts and circumstances, that indicate that the entity might have difficulty complying with the covenants.

The amendments also clarify what IAS 1 means when it refers to the 'settlement' of liability. Terms of a liability that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instrument can only be ignored for the purpose of classifying the liability as current or non-current if the entity classifies the option as an equity instrument. However, conversion options that are classified as a liability must be considered when determining the current/non-current classification of a convertible liability.

The amendments must be applied retrospectively in accordance with the normal requirements in IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors'. Special transitional rules apply if an entity had early adopted the 2020 amendments regarding the classification of liabilities as current or non-current. This amendment was adopted in preparation for the 2024 financial statements. The adoption, however, did not have any impact on the bank's financials.

**(ii) Lease Liability in a Sale and/ Leaseback — Amendments to IFRS 16**

In September 2022, the IASB finalized narrow-scope amendments to the requirements for sale and leaseback transactions in IFRS 16, Leases, which explain how an entity accounts for a sale and leaseback after the date of the transaction. The amendments specify that, in measuring the lease liability after the sale and leaseback, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognizing any amount of the gain or loss that relates to the right of use that it retains. This could particularly impact on sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate. The amendment was applied in the preparation of the 2024 financial statements. This, however, did not impact the numbers.

**2.2 Changes in accounting policies and disclosures (continued)**

**2.2.1 New and amended standards and interpretations adopted by the Bank (continued)**

**(iii) Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7**

On 25 May 2023, the IASB issued amendments to IAS 7 and IFRS 7 to require specific disclosures about supplier finance arrangements (SFAs). The amendments respond to the investors' need for more information about SFAs to be able to assess how these arrangements affect an entity's liabilities, cashflows and liquidity risk.

**The new disclosures will provide information about:**

- (1) The terms and conditions of SFAs.  
The carrying amount of financial liabilities that are part of SFAs, and the line items in which those liabilities are presented.
- (3) The carrying amount of the financial liabilities in (2), for which the suppliers have already received payment from the finance providers.
- (4) The range of payment due dates for both the financial liabilities that are part of SFAs, and comparable trade payables that are not part of such arrangements
- (5) Non-cash changes in the carrying amounts of financial liabilities in (2)
- (6) Access to SFA facilities and concentration of liquidity risk with the finance providers.

Entities will be required to aggregate the information that they provide about SFAs. However, entities should disaggregate information about terms and conditions that are dissimilar, disclose explanatory information where the range of payment due dates is wide, and disclose the type and effect of non-cash changes that are needed for comparability between periods. The IASB has provided transitional relief by not requiring comparative information in the first year and not requiring disclosure of specified opening balances. Further, the required disclosures are only applicable for annual periods during the first year of application. Therefore, the earliest that the new disclosures will have to be provided is in annual financial reports for December 2024 year-ends, unless an entity has a financial year of less than 12 months.

**(a) New standards, amendments and interpretations issued/amended but not effective**

The following standards and interpretations had been issued but were not mandatory for annual reporting periods ending on 31 December 2024.

**(i) Lack of Exchangeability — Amendments of IAS 21**

- (ii) The IASB has amended IAS 21, 'The Effects of Changes in Foreign Exchange Rates', by adding requirements which will help entities to:

- assess whether a currency is exchangeable into another currency, and
- determine the spot exchange rate to use, when exchangeability is lacking. If an entity has estimated a spot exchange rate because a currency is not exchangeable into another currency, it will have to provide additional information to help users to understand the effects and associated risks, the estimated rates and estimation process used. These changes will be effective for financial statements starting on or after January 1, 2025.

**(ii) Classification and Measurement of Financial Instruments — Amendments to IFRS 9 and IFRS 7**

The IASB issued targeted amendments to IFRS 9, 'Financial Instruments', and IFRS 7, 'Financial Instruments: Disclosures', to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

## Financials - Notes

(a) clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system.

(b) clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion.

(c) add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and

(d) update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The amendments in (b) are most relevant to financial institutions, but the amendments in (a), (c) and (d) are relevant to all entities. These changes will be effective for financial statements starting on or after January 1, 2026.

### 2.2 Changes in accounting policies and disclosures (continued)

#### 2.2.2 New standards, amendments and interpretations issued/amended but not effective (continued)

(iii) IFRS 18, 'Presentation and Disclosure in Financial Statements'

The IASB issued a new standard on presentation and disclosure in financial statements, which replaces IAS 1, with a focus on updates to the statement of profit or loss.

The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss with defined subtotals.
- a requirement to determine the most useful structured summary for presenting expenses in the statement of profit or loss.
- required disclosures in a single note within the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

This standard will be effective for financial statements starting on or after January 1, 2027.

(iv) **IFRS 19, 'Subsidiaries without Public Accountability: Disclosures'**

The IASB issued a new standard that works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements, and it applies instead the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries.

A subsidiary is eligible if:

- It does not have public accountability; and
- It has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

This standard will be effective for financial statements starting on or after January 1, 2027.

### 2.3 Foreign currency translation

#### Functional and presentation currency

Foreign currency transactions that require settlement, in a foreign currency are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary items denominated in foreign currency are translated using the closing rate as at the reporting date. Non-monetary items measured at historical cost denominated in a foreign currency are translated with the exchange rate as at the date of initial recognition. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

As the Bank's functional currency is different from its presentation currency, the results and financial position are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the reporting date;
- income and expenses are translated at average exchange rates; and
- resulting exchange differences on non-monetary assets and liabilities are recognized in other comprehensive income.

### 2.4 Interest income and interest expense

Interest income and expenses are recognized in the statement of comprehensive income for all interest-bearing instruments on an accrual basis using the effective interest rate method.

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, which appropriate, a shorter period) to the carrying amount of the financial asset or liability.

The calculation of the effective interest rate includes all fees and interest paid or received transaction costs, and discounts or premiums that are an integral part of the effective interest rate. Transaction costs are incremental costs directly attributable to the acquisition, issue or disposal of a financial assets or liabilities.

## Financials - Notes

Interest income and expenses include interest on financial assets and liabilities at amortized cost on an effective interest rate basis. Interest income and expense on all trading assets and liabilities are considered to be incidental to the Bank's trading operations and are presented together with all other changes in the fair value of trading assets and liabilities in net trading income/(expense).

### 2.5 Fees and commissions

Fees and commissions 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. Fees and commissions include but are not limited to;

- Trade finance and other fees relate to income on import and export finance transactions, and other similar import and export finance transactions. Trade finance and other fees also include issuance of letters of credit, guarantees and other transactions not included in the other categories.
- Account servicing fees relate to income earned on current account services and related services. Commission on remittances relates to fees earned on activities of the Bank relating to outward and inward remittance service charges on current accounts, and other earnings on similar commission related transactions.
- Loan related fees and commission relate to establishment fees earned on loans and advances other than interest income.

### 2.5 Fees and commissions (continued)

Fees and commissions income, including account servicing fees, investment management fees, sales commissions, placement fees and syndication fees, are recognized as the related services are performed. Fees and commission expense relate mainly to transaction and service fees, processing fees, which are expensed as the services are received.

### 2.6 Net trading income / expense

Net trading income/expense comprises trading gains and losses related to foreign exchange purchases and sale on behalf of customers. Interest income and expense on all trading assets and liabilities are considered to be incidental to the Bank's trading operations and are presented together with all other changes in the fair value of trading assets and liabilities in net trading income/(expense).

### 2.7 Income tax expense

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the income statement except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

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

Deferred tax is provided using the balance sheet method, providing for 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 recognized for temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws enacted or substantively enacted by the reporting date.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. 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 realized.

Deferred tax is presented as a non-current asset/liability of the statement of financial position and the deferred tax charge/credit is recognized in the income statement except to the extent that it relates to items recognized directly in equity.

### 2.8 Financial assets and liabilities

#### a) Initial recognition and subsequent measurement of financial assets

Financial instruments are recognized initially when the Bank becomes a party to the contractual provisions of the instrument. Financial instruments carried at fair value through profit or loss are initially recognized at fair value with transaction costs, which are directly attributable to the acquisition or issue of the financial instruments, being recognized immediately through profit or loss. Financial instruments that are not carried at fair value through profit or loss are initially measured at fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial instruments. Financial instruments are recognized or de-recognized on the date the Bank commits to purchase or sell the instrument (trade day accounting).

### 2.8 Financial assets and liabilities (continued)

#### a) Initial recognition and subsequent measurement of financial assets (continued)

## Financials - Notes

- i. Regular-way purchases and sales of financial assets are recognized on the trade 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 amortized 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.
- ii. Debt instruments are measured at amortized cost if both of the following conditions are met and the asset is not designated as FVTPL:
  - the asset is held within a business model that is Hold-to-Collect (HTC); and
  - 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:

- the asset is held within a business model that is Hold-to-Collect-and-Sell (HTC&S); and
- 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 Bank has irrevocably elected to measure equity instruments at FVOCI as no equity instrument is held for trading purposes. At December 31, 2022, the Bank held all of its debt financial assets at amortized cost.

### Business model assessment

The Bank determines the business models at the level that best reflects how portfolios of financial assets are managed to achieve the Bank'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 the Bank's business, 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 Bank'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.

### 2.8 Financial assets and liabilities (continued)

Instruments held within the HTC or HTC&S business models 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.

#### *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 the election eliminates an accounting mismatch.

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 income/(expense) in the income statement.

## Financials - Notes

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.

### b) Financial liabilities

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

Financial liabilities are either classified as financial liabilities at amortized cost or financial liabilities at FVTPL. The Bank classifies its financial liabilities as measured at amortized cost, except for:

*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 Bank'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 Bank's credit risk are also presented in profit or loss.

To make that determination, the Bank assesses whether to expect that the effects of changes in the liability's credit risk will be offset in profit or loss by a change in the fair value of another financial instrument measured at FVTPL. Such an expectation is based on an economic relationship between the characteristics of the liability and the characteristics of the other financial instrument. The determination is made at initial recognition and is not reassessed. To determine the fair value adjustments on debt instruments designated at FVTPL, the Bank calculates the present value of the instruments based on the contractual cash flows over the term of the arrangement by using our effective funding rate at the beginning and end of the period.

Financial liabilities that are not classified at fair value through profit or loss are measured at amortized cost using the effective interest rate method. Financial liabilities measured at amortized cost are deposits from banks or customers and other financial liabilities.

### (c) Modifications of financial assets

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 de-recognized, the Bank assesses whether there has been a significant increase in the credit risk of the financial asset by comparing:

- the risk of a default occurring at the reporting date (based on the modified contractual terms); and
- the risk of a default occurring at initial recognition (based on the original, unmodified contractual terms).

A modification will however lead to de-recognition 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 ten 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 lifetime 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 de-recognition of the loan:

- 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 asset.

### (d) De-recognition of financial instruments

Financial assets, or a portion thereof, are derecognized when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either (i) the Bank transfers substantially all the risks and rewards of ownership, or (ii) the Bank neither transfers nor retains substantially all the risks and rewards of ownership and the Bank has not retained control.

## Financials - Notes

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognized) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognized in Other Comprehensive Income is recognized in profit or loss. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Bank is recognized as a separate asset or liability.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit or loss.

### e) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a currently legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in event of default, insolvency or bankruptcy of the company or the counterparty.

Income and expenses are presented on a net basis only when permitted under IFRS or for gains and losses arising from a group of similar transactions such as in the Bank's trading activity.

### f) Impairment of financial assets

In line with IFRS 9, the Bank assesses the under listed financial instruments for impairment using Expected Credit Loss (ECL) approach:

- Financial assets at amortized cost;
- Debt securities classified as at FVOCI;
- Off-balance sheet loan commitments; and
- Financial guarantee contracts.

Equity instruments and financial assets measured at FVTPL are not subjected to impairment under the standard. Refer to note 3.3 for details of the Bank's impairment approach.

### g) Financial guarantees

Financial guarantees are contracts that require the Bank to make specified payments to reimburse the holders for losses incurred because specified debtors fail to make payments when due, in accordance with the terms of a debt instrument.

All financial guarantee liabilities are disclosed by way of notes in the financial statements and are only included in other liabilities if the liability has crystallized or becomes probable that it will crystallize.

## 2.9 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 amortized 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 fee 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 fee income over the expected term of the resulting loans using the effective interest method. Otherwise, such fees are recorded as other liabilities and amortized into profit or loss over the commitment or standby period.

## 2.10 Cash and cash equivalents

Cash and cash equivalents include notes and coins on hand, balances with other banks, unrestricted balances held with the Central Bank of Liberia and highly liquid financial assets with original maturities of less than three months, which are subject to insignificant risk of changes in their values and are used by the Bank in the management of its short-term commitments.

## 2.11 Property and equipment

### *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.

### *Subsequent costs*

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

## Financials - Notes

### Depreciation

Depreciation is recognized 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. Leasehold improvement 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 de-recognized 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 corresponding periods are as follows:

Leasehold improvement

Leased terms on a straight-line basis

Motor vehicles

20%

Equipment and furniture

20%

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 amortization period or methodology, as appropriate, and treated as changes in accounting estimates.

### De-recognition

item of property and equipment is derecognized 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 derecognized.

### Capital work in progress

Property and equipment under construction is stated at initial cost and depreciated from the date the asset is made available for use over its estimated useful life. Assets are transferred from capital work in progress to an appropriate category of property and equipment when commissioned and ready for its intended use.

### 2.12 Intangible assets

Software acquired by the Bank is stated at cost less accumulated amortization and accumulated impairment losses. Expenditure on internally developed software is recognized as an asset when the Bank 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 capitalized costs of internally developed software include all costs directly attributable to developing the software, and are amortized over its useful life. Internally developed software is stated at capitalized cost less accumulated amortization and impairment.

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

Amortization is recognized 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 amortization period and the amortization 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 amortization period or methodology, as appropriate, which are then treated as changes in accounting estimates.

### 2.13 Impairment of non-financial assets

The carrying amounts of the Bank's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. 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.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

### 2.14 Deposits

Deposits are initially measured at fair value, plus transaction costs, and subsequently measured at their amortized cost using the effective interest method.

### 2.15 Provisions

A provision is recognized if, as a result of a past event, the Bank 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.

## Financials - Notes

A provision for restructuring is recognized when the Bank 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 recognized when the expected benefits to be derived by the Bank 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 Bank recognizes any impairment loss on the assets associated with that contract.

### 2.16 Employee benefits

#### *Short-term benefits*

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

A provision is recognized for the amount expected to be paid under short term cash bonus or profit sharing plans if the Bank has a present legal and constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be reliably estimated.

#### *Defined contribution plans*

The Bank pays contributions to the National Social Security and Welfare Corporation (NASSCORP) on a mandatory basis. The Bank has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as assets to the extent that a cash refund or a reduction in future payments is available.

#### *Termination benefits*

Termination benefits are payable when employment is terminated by the Bank before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Bank recognizes termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than twelve months after the balance sheet date are discounted to present value.

#### *Provident fund*

The Bank also operates a provident fund scheme (Staff Investment Fund Account – SIFA), which by its nature is a defined contribution scheme to which it contributes 2% of employees basic salary in addition to the 2% contribution made by the employees themselves. The provident fund is administered by the Trustees to the fund under the rules of the fund. Employees receive their contributed benefits plus a portion or all of management's contribution (based on the length of time they stay with the Bank) when they leave the services of the Bank.

### 2.17 Share capital and reserves

#### *Ordinary shares*

Ordinary shares are classified as 'share capital' in equity.

#### *Share issue costs*

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

#### *Dividend on the Bank's ordinary shares*

Dividends on the Bank's ordinary shares are recognised in equity when approved by the Bank's Board of Directors.

### 2.18 Earnings per share

The Bank presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Bank 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.

### 2.19 Leases

The Bank leases various offices, branches and other premises under non-cancellable lease arrangements. The lease typically run for a period of up to five years with an option to renew the lease after that date.

Contracts may contain both lease and non-lease components. The Bank allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Bank is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Leases are recognized as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Bank. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on a rate, initially measured as at the commencement date;
- amounts expected to be payable by the Bank under residual value guarantees;
- the exercise price of a purchase option if the Bank is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Bank exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Bank, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. To determine the incremental borrowing rate, the Bank:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received, and
- makes adjustments specific to the lease, eg term, country, currency and security.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The finance cost is presented as a financing activity in the statement of cash flows.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Bank is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. Right-of-use buildings held by the Bank under IFRS 16 are not revalued.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option. Low-value assets comprise IT equipment and office stationery.

Extension and termination options are included in a number of property and equipment leases across the Bank. These are used to maximize operational flexibility in terms of managing the assets used in the Bank's operations. The majority of extension and termination options held are exercisable only by the Bank and not by the respective lessor.

### Financial risk management

#### 3.1 Introduction and overview

The Bank's business involves taking on risk in a targeted manner and managing the consequences professionally.

The core functions of the Bank's risk management are to identify all key risks for the Bank, measure these risks, manage the risk positions and determine capital allocations. The Bank regularly reviews its risk management policies and systems to reflect changes in market, products and best market practice.

The Bank's aim is to achieve an appropriate balance between risk and return and minimize potential adverse effects on the Bank's financial performance. The Bank defines risk as the possibility of losses or profits forgone, which may be caused by internal or external factors.

The Bank has exposure to the following forms of risk from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Bank's exposure to each of the risks above, the Bank's objectives, policies and processes for measuring and managing risk, and the Bank's management of capital.

#### 3.2 Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework.

The Board of Directors is responsible for articulating the risk management policies of the Bank to enable informed decision making and approval, and establish/maintain an appropriate environment for risk management in the Bank. All UBA employees involved in the creation and management of risk exposures are required to comply at all times with the risk management policies and procedures as approved. Compliance is monitored on an on-going basis by the Bank's Internal Audit Unit.

The Bank's risk management policies are established to identify and analyze the risks faced by the Bank, to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions, products and services offered.

#### 3.3 Credit risk

Credit risk is the risk of financial loss to the Bank if a customer or counterparty fails to meet its contractual obligations, and arises principally from the Bank's loans and advances to customers, bank balances, other receivables and investment securities. For risk management reporting purposes, the Bank considers and consolidates all elements of credit risk exposures (such as individual obligor default risk, country and sector risk).

The Board of Directors has delegated responsibility for the management of credit risk to its Board Credit Committee and Management Credit Committee.

### 3.3.1 Management of credit risk

The Board Credit committee under delegated authority is responsible for the following:

- facilitating the effective management of credit risk by the Bank;
- approving credit risk management policies, underwriting guidelines and standard proposals on the recommendation of the Management Credit Committee;
- approving definition of risk and return preferences and target risk portfolio;
- approving the Bank's credit rating methodology and ensure its proper implementation;
- approving credit appetite and portfolio strategy;
- approving lending decisions and limit setting;
- approving new credit products and processes;
- approving assignment of credit approval authority on the recommendation of the Management Credit Committee;
- approving credit facility requests and proposals within limits defined by UBA Bank Plc's credit authorities;
- recommending credit facility requests above stipulated limit to the Board;
- reviewing credit risk reports on a periodic basis;
- approving credit exceptions in line with Board approval; and
- making recommendations to the Board on credit policy and strategy where appropriate.

The Management Credit Committee is responsible for managing credit risks in the Bank. The members of the Committee include all group heads and Head of Credit Risk. This Committee is responsible for the following:

- reviewing credit policy recommendations for Board approval;
- approving individual credit exposure in line with its approval limits;
- agreeing on portfolio plan/strategy for the Bank;
- reviewing monthly credit risk reports and remedial action plan; and
- coordinating the Bank's response to material events that may have an impact on the credit portfolio.

The Bank is required to implement credit policies and procedures, with credit approval authorities delegated from the Board Credit Committee.

### 3.3.2 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, overdraft, debt securities, bank balances, other receivables etc. These are carried at amortized cost and presented net of ACL on the statement of financial position.

ACL on loans, investment securities and other receivables is presented in the income statement as under "net impairment charges on financial assets".

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 as 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 behavioral cash flows, 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 sheets 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.

*Stage 1 (Performing financial assets):* 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.

*Stage 2 (Underperforming financial assets):* 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 those financial assets.

*Stage 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 re-measurements due to changes in loss expectations or stage migrations are recorded in Provision for credit losses. Write-offs are recorded against ACL. Recoveries of amounts previously written off are recorded in other operating income.

The ACL represents an unbiased estimate of expected credit losses on 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.

### 3.3.3 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 twelve months while Stage 2 estimates project PD, LGD and EAD over the remaining lifetime of the instrument. Expected credit losses are discounted to the reporting period date using the effective interest rate.

PD is an estimate of the likelihood of default over a given time horizon, which are calculated based on statistical models, and assessed using rating tools tailored to the various categories of counterparties and exposures. These statistical models are based on internally compiled data comprising both quantitative and qualitative factors. Where it is available, market data may also be used to derive the PD for large corporate counterparties. If a counterparty or exposure migrates between rating classes, then this will lead to a change in the estimate of the associated PD. PDs are estimated considering the contractual maturities of exposures and estimated prepayment rates.

LGD is the magnitude of the likely loss if there is a default. The Bank estimates LGD parameters based on the history of recovery rates of claims against defaulted counterparties. The LGD models consider the structure, collateral, seniority of the claim, counterparty industry and recovery costs of any collateral that is integral to the financial asset. LGD estimates are recalibrated for different economic scenarios and, for lending, to reflect possible changes in the economies. They are calculated on a discounted cash flow basis using the effective interest rate as the discount.

EAD represents the expected exposure in the event of a default. The Bank derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract including amortization. The EAD of a financial asset is its gross carrying amount at the time of default. For lending commitments, the EAD includes the amount drawn, as well as potential future amounts that may be drawn under the contract, which are estimated based on historical observations and forward-looking forecasts. For financial guarantees, the EAD represents the amount of the guaranteed exposure when the financial guarantee becomes payable. For some financial assets, EAD is determined by modelling the range of possible exposure outcomes at various points in time using scenario and statistical techniques.

As described above, and subject to using a maximum of a twelve month PD for financial assets for which credit risk has not significantly increased, the Bank measures ECL considering the risk of default over the maximum contractual period (including any borrower's extension options) over which it is exposed to credit risk, even if, for risk management purposes, the Bank considers a longer period. The maximum contractual period extends to the date at which the Bank has the right to require repayment of an advance or terminate a loan commitment or guarantee.

However, for overdrafts and revolving facilities that include both a loan and an undrawn commitment component, the Bank measures ECL over a period longer than the maximum contractual period if the Bank's contractual ability to demand repayment and cancel the undrawn commitment does not limit the Bank's exposure to credit losses to the contractual notice period. These facilities do not have a fixed term or repayment structure and are managed on a collective basis. The Bank can cancel them with immediate effect but this contractual right is not enforced in the normal day-to-day management, but only when the Bank becomes aware of an increase in credit risk at the facility level. This longer period is estimated taking into account the credit risk management actions that the Bank expects to take and that serve to mitigate ECL. These include a reduction in limits, cancellation of the facility and/or turning the outstanding balance into a loan with fixed repayment terms.

Where modelling of parameters are carried out on a collective basis, the financial instruments are grouped on the basis of shared risk characteristics that include instrument type, date of initial recognition, credit risk gradings, industry categorization, collateral type, remaining term to maturity and past due information.

### *Significant increase in credit risk*

The criteria for determining whether credit risk has increased significantly vary by portfolio and include quantitative changes in PDs, days past due information and a range of qualitative factors.

The credit risk of a particular exposure is deemed to have increased significantly since initial recognition if, based on the Bank's quantitative modelling, the lifetime PD is determined to have increased by more than a pre-determined percentage/range. Using its expert credit judgement and, where possible, relevant historical experience, the Bank may determine that an exposure has undergone a significant increase in credit risk based on particular qualitative indicators that it considers are indicative of such and where the effect may not otherwise be fully reflected in its quantitative analysis on a timely basis.

The Bank considers that a significant increase in credit risk occurs no later than when an asset is more than thirty (30) days past due. Days past due are determined by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received. Due dates are determined without considering any grace period that might be available to the borrower.

If there is evidence that there is no longer a significant increase in credit risk relative to initial recognition, then the loss allowance on an instrument returns to being measured as twelve month ECL. Some qualitative indicators of an increase in credit risk, such as delinquency or forbearance, may be indicative of an increased risk of default that persists after the indicator itself has ceased to exist. In these cases, the Bank determines a probation period during which the financial asset is required to demonstrate good behavior to provide evidence that its credit risk has declined sufficiently. When contractual terms of a loan have been modified, evidence that the criteria for recognizing lifetime ECL are no longer met includes a history of up-to-date payment performance against the modified contractual terms.

Generally, facilities with loss allowances being measured as life-time ECL not credit impaired (Stage 2) are monitored for a probationary period of ninety (90) days to confirm if the credit risk has decreased sufficiently before they can be migrated from Lifetime ECL not credit impaired (Stage 2) to twelve month ECL (Stage 1) while credit-impaired facilities (Stage 3) are monitored for a probationary period of 180 days before migration from Stage 3 to twelve month ECL (Stage 1). The decrease in risk of default is a critical input for the staging of financial assets.

The Bank monitors the effectiveness of the criteria used to identify significant increases in credit risk by regular reviews to confirm that:

- the criteria are capable of identifying significant increases in credit risk before an exposure is in default;
- the criteria do not align with the point in time when an asset becomes thirty (30) days past due; and
- there is no unwarranted volatility in loss allowance from transfers between twelve month PD (Stage 1) and lifetime PD (Stage 2).

### **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 of quantitative and qualitative indicators. There is a rebuttable presumption that the credit risk has increased significantly if contractual payments are more than thirty-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 assessment is generally performed at the instrument level and it is performed at least on a 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.

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.

### **Expected life**

For instruments in Stage 2 or Stage 3, loss allowances reflect expected credit losses over the expected remaining lifetime of the instruments. For most instruments, the expected life is limited to the remaining contractual life. An exemption is provided for certain instruments with the following characteristics:

- the instrument includes both a loan and undrawn commitment component;
- the Bank has the contractual ability to demand repayment and cancel the undrawn commitment; and
- the Bank'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 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.

### **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 and inflation rate.

The estimation of expected credit losses in Stage 1 and Stage 2 are discounted probability-weighted estimates 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 increase in credit risk is based on changes in probability-weighted forward-looking lifetime PD as at the reporting date and days past due, using the same macroeconomic scenarios as the calculation of expected credit losses.

### **Macroeconomic factors**

The Bank relies on a broad range of forward-looking information as economic inputs, such as:

Products in scope of this exemption include 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.

### **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 and inflation rate.

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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 increase in credit risk is based on changes in probability-weighted forward-looking lifetime PD as at the reporting date and days past due, using the same macroeconomic scenarios as the calculation of expected credit losses.

### **Macroeconomic factors**

The Bank relies on a broad range of forward-looking information as economic inputs, such as:

The most significant period end assumptions used for the ECL estimate as at 31 December 2024 are set out below:

| Scenario  | Weight | GDP Growth | Inflation | Exchange rate (LRD/USD) |
|-----------|--------|------------|-----------|-------------------------|
| Base Case | 50%    | 5.3%       | 6.20%     | 185.602                 |
| Upside    | 20%    | 5.8%       | 5.6%      | 167.041                 |
| Downside  | 30%    | 4.77%      | 6.82%     | 204.162                 |

Assumptions used for the ECL as at December 31, 2023

| Scenario  | Weight | GDP Growth | Inflation | Exchange rate (LRD/USD) |
|-----------|--------|------------|-----------|-------------------------|
| Base Case | 50%    | 4.3%       | 11.3%     | 188.842                 |
| Upside    | 20%    | 4.73%      | 10.17%    | 169.96                  |
| Downside  | 30%    | 3.87%      | 12.43%    | 207.7                   |

### Sensitivity to macroeconomic factors

The changes to the expected credit loss allowance at 31 December 2024 that would result from reasonably possible changes in these parameters from the actual assumptions used in the Bank's assumptions are set out below.

At December 31, 2024, an increase/decrease of 100 basis points on the estimated GDP growth rate would have resulted in a increase/decrease in post-tax profit of LRD 649,500 (2023: LRD 564,783).

At December 31, 2024, an increase/decrease of 100 basis points on the estimated inflation rate would have resulted in a decrease/increase in post-tax profit of LRD 97,635 (2023: LRD 83,449).

At December 31, 2024, an increase/decrease of 100 basis points on the estimated exchange rate would have resulted in a decrease/increase in post-tax profit of LRD 254,549 (2023: LRD 203,639).

### Definition of default

A default is considered to have occurred with regard to a particular obligor when either or all 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 realizing 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; and
- 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 unlikelihood 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; and
- The Bank has filed for the obligor's bankruptcy or a similar order in respect of the obligor's credit obligation to the Bank.
- *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 bureau 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.

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 recognized 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 amortized cost of the asset, which is the gross carrying amount less the related ACL.

### *Definition of default*

A default is considered to have occurred with regard to a particular obligor when either or all 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 realizing 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; and
- 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; and
- The Bank has filed for the obligor's bankruptcy or a similar order in respect of the obligor's credit obligation to the Bank.

### *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 bureau 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.

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 recognized 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 amortized cost of the asset, which is the gross carrying amount less the related ACL.

### *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-offs may occur earlier. Written-off loans are derecognized from the Bank's books. However, the Bank 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.

### **3.3.4 Credit risk exposures**

**The maximum exposure to credit risk before collateral held and other credit enhancements in respect of loans and advances to customers are:**

#### **(i) Credit risk exposures relating to On-Balance Sheet**

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

| <b>Maximum Exposure</b>                     | <b>Note</b> | <b>2024</b>       | <b>2023</b> |
|---------------------------------------------|-------------|-------------------|-------------|
| <b>Classification</b>                       |             |                   |             |
| Cash and bank balances:                     |             |                   |             |
| - Balances with the Central Bank of Liberia | 15          | <b>9,680,248</b>  | 5,457,834   |
| - Balances held with other banks            | 15          | <b>13,016,833</b> | 1,911,399   |
| Investment securities at amortized cost     | 17          | <b>21,620,329</b> | 16,320,509  |
| Loans and advances to customers             | 16          | <b>3,456,306</b>  | 5,247,348   |
| Other assets (less prepayments)             | 18          | <b>31,435,049</b> | 35,073,068  |
| <b>Total</b>                                |             | <b>79,208,765</b> | 64,010,158  |

**(ii) Credit risk exposures relating to Off-Balance Sheet**

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

| <b>Maximum exposure</b> | <b>2024</b>  | <b>2023</b> |
|-------------------------|--------------|-------------|
| Financial guarantees    | -            | 352,444     |
| Bid security            | <b>6,846</b> | 19,179      |
| Letters of credit       | -            | 188,841     |
|                         | <b>6,846</b> | 560,464     |

The credit quality of financial asset is managed by the Bank using internal credit ratings. The Bank's credit exposures were categorized under IFRS 9 as follows:

- Stage 1 – At initial recognition and no significant increase in credit risk after initial recognition
- Stage 2 – Significant increase in credit risk since initial recognition
- Stage 3 – Credit impaired

The tables below show the credit quality by class of financial assets subject to impairment and the allowance for impairment losses held by the Bank against those assets

| <b>December 31, 2024</b>        | <b>Stage 1</b>           | <b>Stage 2</b>        | <b>Stage 3</b>          | <b>Total</b>              |
|---------------------------------|--------------------------|-----------------------|-------------------------|---------------------------|
| Bank balances                   | 22,697,081               | -                     | -                       | <b>22,697,081</b>         |
| Loans and advances to customers | 1,599,322                | 115,758               | 1,912,918               | <b>3,456,306</b>          |
| Investment securities           | 21,620,329               | -                     | -                       | <b>21,620,329</b>         |
| Other assets (less prepayments) | 31,405,272               | -                     | 29,777                  | <b>31,435,049</b>         |
| <b>Gross balances</b>           | <b>76,991,747</b>        | <b>97,835</b>         | <b>2,119,183</b>        | <b>79,208,765</b>         |
| Expected credit loss provision  | <u>(413,390)</u>         | <u>(1,729)</u>        | <u>(761,246)</u>        | <b><u>(1,176,365)</u></b> |
| <b>Carrying amount</b>          | <b><u>76,578,357</u></b> | <b><u>96,106</u></b>  | <b><u>1,357,937</u></b> | <b><u>78,032,400</u></b>  |
| <b>December 31, 2023</b>        |                          |                       |                         |                           |
| Bank balances                   | 6,042,480                | -                     | -                       | 6,042,480                 |
| Loans and advances to customers | 2,386,124                | 1,018,044             | 1,843,180               | 5,247,348                 |
| Investment securities           | 16,320,509               | -                     | -                       | 16,320,509                |
| Other assets (less prepayments) | 35,046,478               | -                     | 26,590                  | 35,073,068                |
| Gross balances                  | 59,795,591               | 1,018,044             | 1,869,770               | 62,683,405                |
| Expected credit loss provision  | <u>(242,426)</u>         | <u>(86,257)</u>       | <u>(419,791)</u>        | <b><u>(748,474)</u></b>   |
| <b>Carrying amount</b>          | <b><u>59,553,165</u></b> | <b><u>931,787</u></b> | <b><u>1,449,979</u></b> | <b><u>61,934,931</u></b>  |

**Country analysis**

The following note incorporates the Banks' credit risk exposures per geographical concentrations of assets

**(i) Credit risk exposures relating to On-Balance Sheet**

| <b>December 31, 2024</b>        | <b>In Liberia</b> | <b>Outside Liberia</b> | <b>Total</b>      |
|---------------------------------|-------------------|------------------------|-------------------|
| <b>Assets</b>                   |                   |                        |                   |
| Cash and bank balances          | 11,845,975        | 12,915,424             | 24,761,399        |
| Loans and advances to customers | 5,247,348         | -                      | 5,247,348         |
| Investment securities           | 21,620,329        | -                      | 21,620,329        |
| Other assets (less prepayments) | 31,435,049        | -                      | 31,435,049        |
| <b>Gross balances</b>           | <b>70,148,701</b> | <b>12,915,424</b>      | <b>83,064,125</b> |
| Expected credit loss provision  | (1,176,365)       | -                      | (1,176,365)       |
|                                 | <b>68,972,336</b> | <b>12,915,424</b>      | <b>81,887,760</b> |

**(i) Credit risk exposures relating to On-Balance Sheet (continued)**

| <b>December 31, 2023</b>        | <b>In Liberia</b> | <b>Outside Liberia</b> | <b>Total</b>      |
|---------------------------------|-------------------|------------------------|-------------------|
| <b>Assets</b>                   |                   |                        |                   |
| Cash and bank balances          | 5,465,754         | 576,726                | 6,042,480         |
| Loans and advances to customers | 5,247,348         | -                      | 5,247,348         |
| Investment securities           | 16,320,509        | -                      | 16,320,509        |
| Other assets (less prepayments) | 35,073,068        | -                      | 35,073,068        |
| Gross balances                  | 62,106,679        | 576,726                | 62,683,405        |
| Expected credit loss provision  | (748,574)         | -                      | (748,574)         |
|                                 | <b>61,358,105</b> | <b>576,726</b>         | <b>61,934,831</b> |

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

**(ii) Credit risk exposures relating to Off-Balance Sheet**

Credit risk exposure relating to off-balance sheet items are as follows:

| <b>At December 31 2024</b> | <b>Liberia</b> | <b>Outside Africa</b> | <b>Total</b> |
|----------------------------|----------------|-----------------------|--------------|
| Financial guarantees       | -              | -                     | -            |
| Bid security               | <b>6,846</b>   | -                     | <b>6,846</b> |
| Letters of credit          | -              | -                     | -            |
|                            | <b>6,846</b>   | <b>-</b>              | <b>6,846</b> |

| <b>At December 31 2023</b> | <b>Liberia</b> | <b>Outside Africa</b> | <b>Total</b>   |
|----------------------------|----------------|-----------------------|----------------|
| Financial guarantees       | 352,444        | -                     | 352,444        |
| Bid security               | 19,179         | -                     | 19,179         |
| Letters of credit          | 188,841        | -                     | 188,841        |
|                            | <b>560,464</b> | <b>-</b>              | <b>560,464</b> |

**3.3.5 Loans and advances to customers**

Loans and advances are summarized as follows:

| <b>Analysis per loan type</b>   | <b>2024</b>      | <b>2023</b> |
|---------------------------------|------------------|-------------|
| Term loans                      | <b>1,862,717</b> | 3,486,217   |
| Overdrafts                      | <b>1,593,589</b> | 1,761,131   |
| <b>Gross loans and advances</b> | <b>3,456,306</b> | 5,247,348   |
| Allowances for impairment       | <b>(864,012)</b> | (635,572)   |
|                                 | <b>2,592,294</b> | 4,611,776   |

### Summary of collaterals pledged against loans and advances

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

| <b>At December 31, 2024</b>        | <b>Gross Loans</b> | <b>Collateral</b> |
|------------------------------------|--------------------|-------------------|
| Against stage 1 loans and advances | 1,599,322          | 1,911,007         |
| Against stage 2 loans and advances | 115,758            | 740,091           |
| Against stage 3 loans and advances | 1,912,918          | 6,089,427         |
| <b>Total</b>                       | <b>3,456,306</b>   | <b>8,740,525</b>  |

| <b>At December 31, 2023</b>        | <b>Gross Loans</b> | <b>Collateral</b> |
|------------------------------------|--------------------|-------------------|
| Against stage 1 loans and advances | 2,386,123          | 5,444,678         |
| Against stage 2 loans and advances | 1,018,044          | 686,473           |
| Against stage 3 loans and advances | 1,843,181          | 6,174,440         |
| <b>Total</b>                       | <b>5,247,348</b>   | <b>12,305,591</b> |

The type of collaterals and other security enhancements held against the various loan classifications are analyzed in the table below:

| <b>At December 31, 2024</b>                | <b>Term Loans</b> | <b>Overdrafts</b> | <b>Total</b>     |
|--------------------------------------------|-------------------|-------------------|------------------|
| <b>Against Stage 1 Loans and advances:</b> |                   |                   |                  |
| Property                                   | 1,827,051         | 89,956            | 1,911,007        |
| Others                                     | -                 | -                 | -                |
| <b>Total</b>                               | <b>1,827,051</b>  | <b>89,956</b>     | <b>1,917,007</b> |
| <b>Against Stage 2 Loans and advances:</b> |                   |                   |                  |
| Property                                   | 29,286            | 710,805           | 740,091          |
| Others                                     | -                 | -                 | -                |
| <b>Total</b>                               | <b>29,286</b>     | <b>710,805</b>    | <b>740,091</b>   |
| <b>Against Stage 3 Loans and advances:</b> |                   |                   |                  |
| Property                                   | 1,266,187         | 4,823,240         | 6,089,427        |
| Others                                     | -                 | -                 | -                |
| <b>Total</b>                               | <b>1,266,187</b>  | <b>4,823,240</b>  | <b>6,089,427</b> |
| <b>Grand total</b>                         | <b>3,122,524</b>  | <b>5,624,001</b>  | <b>8,746,525</b> |

Others include lien on promissory notes, counter indemnity, cash collaterals.

Additional disclosures of loans and advances as per the Central Bank of Liberia prudential regulations are as follows:

**Gross loans and advances to customers:**

| <b>Analysis by:</b>      | <b>2024</b>      | <b>2023</b> |
|--------------------------|------------------|-------------|
| <b>TYPE</b>              |                  |             |
| Term loans               | <b>1,207,375</b> | 2,504,422   |
| Overdrafts               | <b>800,761</b>   | 1,613,048   |
| Past due loans           | <b>1,448,170</b> | 1,129,878   |
| <b>Total Gross Loans</b> | <b>3,456,306</b> | 5,247,348   |

**RISK GRADE**

|                          |                  |           |
|--------------------------|------------------|-----------|
| Current                  | <b>1,269,065</b> | 2,877,738 |
| OLEM                     | <b>97,835</b>    | 526,773   |
| Substandard              | <b>80,087</b>    | 283,768   |
| Doubtful                 | <b>561,149</b>   | 429,191   |
| Loss                     | <b>1,448,170</b> | 1,129,878 |
| <b>Total Gross Loans</b> | <b>3,456,306</b> | 5,247,348 |

Additional disclosures of loans and advances as per the Central Bank of Liberia prudential regulations are as follows:

|                                       | <b>2024</b>      | <b>2023</b> |
|---------------------------------------|------------------|-------------|
| <b>CUSTOMER</b>                       |                  |             |
| Individual                            | <b>833,642</b>   | 970,383     |
| Private Corporation & Business        | <b>1,227,843</b> | 3,295,403   |
| Central and other level of Government | <b>390,680</b>   | 981,562     |
| <b>Total Gross Loans</b>              | <b>3,456,306</b> | 5,247,348   |

**SECTOR**

|                                 |                  |           |
|---------------------------------|------------------|-----------|
| Agriculture, Fishery & Forestry | <b>172,989</b>   | 81        |
| Construction                    | -                | -         |
| Communication                   | -                | -         |
| Transportation                  | <b>11,834</b>    | 39,041    |
| Oil & Gas                       | <b>849,279</b>   | 58,379    |
| Government of Liberia           | <b>390,680</b>   | 491,272   |
| Others                          | <b>2,031,524</b> | 4,658,575 |
| <b>Total Gross Loans</b>        | <b>3,456,306</b> | 5,247,348 |

## Financials - Notes

| <b>December 31, 2024</b>        | <b>Stage 1</b>          | <b>Stage 2</b>       | <b>Stage 3</b>          | <b>Total</b>              |
|---------------------------------|-------------------------|----------------------|-------------------------|---------------------------|
| At January 1, 2024              | 2,386,123               | 1,018,044            | 1,843,181               | <b>5,247,348</b>          |
| Transfers to Stage 2            | (45,529)                | 45,529               | -                       | -                         |
| Transfer to Stage 3             | (881,451)               | -                    | 881,451                 | -                         |
| New financial assets originated | 1,523,014               | 52,324               | 329,785                 | <b>1,905,123</b>          |
| Maturities                      | <u>(1,713,110)</u>      | <u>(1,018,044)</u>   | <u>(965,011)</u>        | <b><u>(3,696,165)</u></b> |
| <b>At December 31, 2024</b>     | <b><u>1,269,047</u></b> | <b><u>97,853</u></b> | <b><u>2,089,406</u></b> | <b><u>3,456,306</u></b>   |
| <b>December 31, 2023</b>        | <b>Stage 1</b>          | <b>Stage 2</b>       | <b>Stage 3</b>          | <b>Total</b>              |
| At January 1, 2023              | 3,394,643               | 393,532              | 1,171,860               | 4,960,035                 |
| Transfers to Stage 2            | (1,018,044)             | 1,018,044            | -                       | -                         |
| Transfer to Stage 3             | (528,391)               | -                    | 528,391                 | -                         |
| New financial assets            | 1,806,542               | -                    | 671,321                 | 2,477,863                 |
| Maturities                      | <u>(1,268,627)</u>      | <u>(393,532)</u>     | <u>(528,391)</u>        | <u>(2,190,550)</u>        |
| At December 31, 2023            | <u>2,386,123</u>        | <u>1,018,044</u>     | <u>1,843,181</u>        | <u>5,247,348</u>          |

The following tables explain the changes in loss allowances between the beginning and end of the annual period for loans and advances due to these factors:

| <b>December 31, 2024</b>        | <b>Stage 1</b>        | <b>Stage 2</b>      | <b>Stage 3</b>        | <b>Total</b>          |
|---------------------------------|-----------------------|---------------------|-----------------------|-----------------------|
| At January 1, 2024              | <b>156,013</b>        | <b>86,257</b>       | <b>393,302</b>        | <b>635,572</b>        |
| Transfers to Stage 3            | (107,966)             | -                   | 107,966               | -                     |
| New financial assets originated | 64,270                | 60,916              | 53,668                | <b>178,854</b>        |
| Changes in PDs, LGDs and EADs   | <u>18,497</u>         | <u>(145,445)</u>    | <u>176,534</u>        | <b><u>49,586</u></b>  |
| <b>Carrying amount</b>          | <b><u>130,814</u></b> | <b><u>1,728</u></b> | <b><u>731,470</u></b> | <b><u>864,012</u></b> |
| <b>December 31, 2023</b>        | <b>Stage 1</b>        | <b>Stage 2</b>      | <b>Stage 3</b>        | <b>Total</b>          |
| At January 1, 2023              | 238,031               | 18,627              | 203,273               | 459,931               |
| Transfers to Stage 3            | (83,051)              | -                   | 83,051                | -                     |
| New financial assets originated | 111,033               | -                   | -                     | 111,033               |
| Changes in PDs, LGDs and EADs   | <u>(110,000)</u>      | <u>67,630</u>       | <u>106,978</u>        | <u>64,608</u>         |
| Carrying amount                 | <u>156,013</u>        | <u>86,257</u>       | <u>393,302</u>        | <u>635,572</u>        |

### 3.4 Liquidity risk

Liquidity risk is the risk that the Bank will encounter difficulty in meeting obligations associated with its financial liabilities settled by delivering cash or other financial assets.

#### Management of liquidity risk

The Bank's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk damage to the Bank's reputation. Cash Management Center (CMC) receives information from the various branches regarding the liquidity profile of their financial assets and liabilities and details of other projected cash flows arising from projected future business. CMC then maintains a portfolio of short-term liquid assets, largely made up of short-term liquid investment securities, loans and advances to banks and other inter-bank facilities, to ensure that sufficient liquidity is maintained within the Bank as a whole. The daily liquidity position is monitored and regular liquidity stress testing is conducted under a variety of scenarios covering both normal and severe market conditions. All liquidity policies and procedures are subjected to review and approval by Assets and Liabilities Committee. The Bank relies on deposits from customers and other banks, as its primary sources of funding.

**Exposure to liquidity risk**

The key measure used by the Bank for managing liquidity risk is the ratio of net liquid assets to deposits from customers. For this purpose, liquid assets are considered as including cash and cash equivalents and investment securities for which there is an active and liquid market. Details of the percentage of net liquid assets to deposits from customers at the reporting date and during the reporting period were as follows:

|                        | <b>2024</b> | <b>2023</b> |
|------------------------|-------------|-------------|
|                        | <b>%</b>    | <b>%</b>    |
| At December 31         | 65          | 45          |
| Average for the period | 59          | 53          |
| Maximum for the period | 67          | 59          |
| Minimum for the period | 51          | 47          |

The following table shows the undiscounted cash flows on the Bank's financial assets and liabilities and on the basis of their earliest possible contractual maturity.

| December 31, 2024                                              | Note | Carrying amount   | Gross Nominal     | 0 to 3 Months       | 3 to 6 months  | 6 to 12 months   | Over 12 Months    |
|----------------------------------------------------------------|------|-------------------|-------------------|---------------------|----------------|------------------|-------------------|
| <i>Financial assets</i>                                        |      |                   |                   |                     |                |                  |                   |
| Cash and bank balances                                         | 15   | 24,761,399        | 24,761,399        | 24,761,399          | -              | -                | -                 |
| Loans and advances to customers                                | 16   | 2,592,294         | 3,456,306         | 1,366,900           | 80,087         | 561,149          | 1,448,170         |
| Investment securities                                          | 17   | 21,337,753        | 21,620,329        | 4,290,170           | 23,937         | 3,120,233        | 14,185,989        |
| Other assets (less prepayments)                                | 18   | 31,405,272        | 31,435,049        | 31,435,049          | -              | -                | -                 |
| <b>Total financial assets held for managing liquidity risk</b> |      | <b>80,096,718</b> | <b>81,273,083</b> | <b>61,853,518</b>   | <b>104,024</b> | <b>3,681,382</b> | <b>15,634,159</b> |
| <i>Financial liabilities</i>                                   |      |                   |                   |                     |                |                  |                   |
| Deposits from customers                                        | 22   | 71,224,284        | 71,224,284        | 70,720,739          | -              | -                | 503,545           |
| Deposits from banks                                            | 22   | 139,241           | 139,241           | 139,241             | -              | -                | -                 |
| Lease liabilities                                              | 21   | 208,032           | 208,032           | 57,467              | -              | -                | 150,565           |
| Other liabilities (less provision)                             | 23   | 1,768,822         | 1,768,822         | 1,768,822           | -              | -                | -                 |
| <b>Total financial liabilities</b>                             |      | <b>73,340,379</b> | <b>73,340,379</b> | <b>72,686,269</b>   | <b>-</b>       | <b>-</b>         | <b>654,110</b>    |
| <b>Gap (asset - liabilities)</b>                               |      | <b>6,756,339</b>  | <b>7,932,704</b>  | <b>(10,832,751)</b> | <b>104,024</b> | <b>3,681,382</b> | <b>14,980,049</b> |

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| December 31, 2023                                       | Note | Carrying amount | Gross Nominal | 0 to 3 Months | 3 to 6 months | 6 to 12 months | Over 12 Months |
|---------------------------------------------------------|------|-----------------|---------------|---------------|---------------|----------------|----------------|
| <i>Financial assets</i>                                 |      |                 |               |               |               |                |                |
| Cash and bank balances                                  | 15   | 9,615,600       | 9,615,600     | 9,615,600     | -             | -              | -              |
| Loans and advances to customers                         | 16   | 4,611,776       | 5,824,556     | 264,958       | 851,138       | 808,109        | 3,900,351      |
| Investment securities                                   | 17   | 16,234,097      | 18,115,765    | 1,428,976     | 1,797,285     | 2,183,595      | 12,705,909     |
| Other assets (less prepayments)                         | 18   | 35,046,478      | 35,073,068    | 290,891       | 767,971       | 34,014,206     | -              |
| Total financial assets held for managing liquidity risk |      | 65,507,951      | 68,628,989    | 11,600,425    | 3,416,394     | 37,005,910     | 16,606,260     |
|                                                         |      |                 |               |               |               |                |                |
| Deposits from customers                                 | 22   | 54,506,320      | 57,231,636    | 656,542       | -             | 44,405,130     | 12,169,963     |
| Deposits from banks                                     | 22   | 188,842         | 189,314       | 189,314       | -             | -              | -              |
| Lease liabilities                                       | 21   | 238,717         | 250,653       | 68,278        | 182,355       | -              | -              |
| Other liabilities                                       | 23   | 5,632,745       | 5,632,745     | 5,632,745     | -             | -              | -              |
| Total financial liabilities                             |      | 60,566,624      | 63,304,327    | 6,546,879     | 182,355       | 44,405,130     | 12,169,963     |
| Gap (asset - liabilities)                               |      | 4,941,327       | 5,324,662     | 5,053,546     | 3,234,039     | (7,399,220)    | 4,436,297      |

### 3.5 Market risk

Market risk is the risk that changes in market prices, such as interest rates, equity prices, foreign exchange rates and credit spreads (not relating to changes in the obligor's/ issuer's credit standing) will affect the Bank's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

#### Management of market risk

The Bank separates its exposure to market risk between trading and non-trading portfolios. Trading portfolios are mainly held by the Treasury Unit, and include positions arising from market making and proprietary position taking, together with financial assets and liabilities that are managed on a fair value basis. Accordingly, the foreign exchange position is treated as part of the Bank's trading portfolios for risk management purposes.

The Bank takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements and changes in the level of volatility of market rates or prices such as interest rates, credit spreads, foreign exchange rates and equity prices.

Overall responsibility for management of market risk rests with the Assets and Liability Committee (ALCO). The risk department is responsible for the development of detailed market risk management policies (subject to review and approval by ALCO) and for the day-to-day implementation of those policies. The Board Risk Management Committee has oversight responsibility for market risk management.

#### Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Bank takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on both its fair value and cash flow risks. Interest margins may increase as a result of such changes but may reduce losses in the event that unexpected movements arise. The Board sets limits on the level of mismatch of interest rate repricing and value at risk that may be undertaken, which is monitored daily by the Bank's Treasury.

Interest rates on advances to customers and other risk assets are based on the individual risk profile of the customer, taking into account the Bank's cost of fund.

The Asset and Liability Committee closely monitors the interest rate trends to minimize the potential adverse impact of interest rate changes.

The Bank is not exposed to cash flow and fair value interest rate risk.

## Financials - Notes

The table below summarizes the exposure to interest rate sensitivity gap. Included in the table are the Bank's assets and liabilities at carrying amounts, categorized by the earlier of contractual reprising or maturity dates.

| December 31, 2024                    | Note | Up to 3 months    | 3-6 months     | 6-12 months         | Over 1 year       | Non-interest bearing | Total             |
|--------------------------------------|------|-------------------|----------------|---------------------|-------------------|----------------------|-------------------|
| Cash and bank balances               | 15   | 24,761,399        | -              | -                   | -                 | -                    | 24,761,399        |
| Loans and advances                   | 16   | 487,395           | 262,042        | 484,921             | 1,357,936         | -                    | 2,592,294         |
| Investment securities                | 17   | 3,924,224         | 189,673        | 2,763,909           | 14,459,947        | -                    | 21,337,753        |
| Other assets (less prepayments)      | 18   | -                 | -              | -                   | -                 | 31,405,272           | 31,405,272        |
| <b>Total financial assets</b>        |      | <b>29,173,018</b> | <b>451,715</b> | <b>3,248,830</b>    | <b>15,817,883</b> | <b>31,405,272</b>    | <b>80,096,718</b> |
| Deposits from customers              | 22   | 2,301,785         | -              | 59,287,529          | 9,634,970         | -                    | 71,224,284        |
| Deposits from banks                  | 22   | 139,241           | -              | -                   | -                 | -                    | 139,241           |
| Lease liabilities                    | 21   | -                 | 62,410         | 145,622             | -                 | -                    | 208,032           |
| Other liabilities (less provision)   | 23   | -                 | -              | -                   | -                 | 1,745,998            | 1,745,998         |
| <b>Total financial liabilities</b>   |      | <b>2,441,026</b>  | <b>62,410</b>  | <b>59,433,151</b>   | <b>9,634,970</b>  | <b>1,745,998</b>     | <b>73,317,555</b> |
| <b>Interest rate sensitivity gap</b> |      | <b>26,731,992</b> | <b>389,305</b> | <b>(56,184,321)</b> | <b>6,182,913</b>  | <b>29,659,274</b>    | <b>6,779,163</b>  |

| December 31, 2023                    | Note | Up to 3 months    | 3-6 months     | 6-12 months         | Over 1 year       | Non-interest bearing | Total             |
|--------------------------------------|------|-------------------|----------------|---------------------|-------------------|----------------------|-------------------|
| Cash and bank balances               | 15   | 9,615,600         | -              | -                   | -                 | -                    | 9,615,600         |
| Loans and advances                   | 16   | 764,959           | 274,138        | 808,109             | 2,764,570         | -                    | 4,611,776         |
| Investment securities                | 17   | 1,428,976         | 2,029          | 2,183,595           | 12,619,497        | -                    | 16,234,097        |
| Other assets (less prepayments)      | 18   | -                 | -              | -                   | -                 | 35,046,478           | 35,046,478        |
| <b>Total financial assets</b>        |      | <b>11,809,535</b> | <b>276,167</b> | <b>2,991,704</b>    | <b>15,384,067</b> | <b>35,046,478</b>    | <b>65,507,951</b> |
| Deposits from customers              | 22   | 656,542           | -              | 44,405,130          | 9,444,648         | -                    | 54,506,320        |
| Deposits from banks                  | 22   | 188,842           | -              | -                   | -                 | -                    | 188,842           |
| Lease liabilities                    | 21   | -                 | 68,278         | 170,439             | -                 | -                    | 238,717           |
| Other liabilities                    | 23   | -                 | -              | -                   | -                 | 5,632,745            | 5,632,745         |
| <b>Total financial liabilities</b>   |      | <b>845,384</b>    | <b>68,278</b>  | <b>44,575,569</b>   | <b>9,444,648</b>  | <b>5,632,745</b>     | <b>60,566,624</b> |
| <b>Interest rate sensitivity gap</b> |      | <b>10,964,151</b> | <b>207,889</b> | <b>(41,583,865)</b> | <b>5,939,419</b>  | <b>29,413,733</b>    | <b>4,941,327</b>  |

Profit or loss is sensitive to higher/lower interest income and expense from the following assets and liabilities as a result of changes in interest rates:

**At December 31, 2024**

|                                      | <b>Interest amount</b> | <b><u>Sensitivity</u></b> |               |
|--------------------------------------|------------------------|---------------------------|---------------|
|                                      |                        | <b>&gt;2%</b>             | <b>&lt;2%</b> |
| <i>Financial assets</i>              |                        |                           |               |
| Cash and bank balances               | 724,223                | 14,484                    | -14,484       |
| Loans and advances to customers      | 389,290                | 7,786                     | -7,786        |
| Investment securities                | 4,100,909              | 82,018                    | -82,018       |
|                                      | 5,214,423              | 104,288                   | -104,288      |
| <i>Financial liabilities</i>         |                        |                           |               |
| Deposits from customers              | 1,104,034              | 22,081                    | -22,081       |
| Lease liabilities                    | 12,725                 | 255                       | -255          |
|                                      | 1,116,759              | 22,335                    | -22,335       |
| Impact on post tax profit and equity |                        | 126,624                   | -126,624      |

**At December 31, 2023**

|                                      | <b>Interest amount</b> | <b><u>Sensitivity</u></b> |               |
|--------------------------------------|------------------------|---------------------------|---------------|
|                                      |                        | <b>&gt;2%</b>             | <b>&lt;2%</b> |
| <i>Financial assets</i>              |                        |                           |               |
| Cash and bank balances               | 84,865                 | 1,697                     | (1,697)       |
| Loans and advances to customers      | 402,844                | 8,014                     | (8,014)       |
| Investment securities                | 2,545,934              | 50,919                    | (50,919)      |
|                                      | 3,031,492              | 60,630                    | (60,630)      |
| <i>Financial liabilities</i>         |                        |                           |               |
| Deposits from customers              | 696,508                | 13,930                    | (13,930)      |
| Lease liabilities                    | 12,903                 | 258                       | (258)         |
|                                      | 709,411                | 14,188                    | (14,188)      |
| Impact on post tax profit and equity |                        | 74,818                    | (74,818)      |

**Foreign exchange risk**

The Bank takes on exposure to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. The Board sets limits on the level of exposure by currency and in aggregate for both overnight and intra-day positions, which are monitored daily. The table below summarizes the Bank's exposure to foreign exchange risk as at December 31, 2022. Included in the table are the Bank's financial instruments at carrying amounts, categorized by currency

## Financials - Notes

### Financial instruments by currency

| At December 31, 2024            | Note | Carrying amount | EUR     | GBP | LRD        | NGN   | USD        |
|---------------------------------|------|-----------------|---------|-----|------------|-------|------------|
| Cash and bank balances          | 15   | 24,761,399      | 709,287 | 413 | 2,417,015  | 2,906 | 21,631,778 |
| Investment securities           | 17   | 21,337,753      | -       | -   | 4,582,223  | -     | 16,755,530 |
| Loans and advances to customers | 16   | 2,592,294       | -       | -   | 203,156    | -     | 2,389,138  |
| Other assets (less prepayments) | 18   | 31,405,272      | 49,477  | 413 | 3,669,832  | 2,906 | 27,682,644 |
| Total financial assets          |      | 80,096,718      | 758,763 | 826 | 10,872,226 | 5,813 | 68,459,090 |
| Deposits from customers         | 22   | 71,224,284      | 657,461 | -   | 7,503,079  | -     | 63,063,743 |
| Deposits from banks             | 22   | 139,241         | -       | -   | -          | -     | 139,241    |
| Lease liabilities               | 21   | 208,032         | -       | -   | 208,032    | -     | -          |
| Other liabilities               | 23   | 1,745,998       | 574     | -   | 952,346    | -     | 793,078    |
| Total financial liabilities     |      | 73,317,555      | 658,035 | 0   | 8,663,457  | 0     | 63,996,062 |
|                                 |      | 6,779,163       | 100,728 | 826 | 2,208,769  | 5,813 | 4,463,027  |

### Foreign exchange risk

#### Financial instruments by currency

| At December 31, 2023            | Note | Carrying amount | EUR    | GBP     | LRD        | NGN    | USD         |
|---------------------------------|------|-----------------|--------|---------|------------|--------|-------------|
| Cash and bank balances          | 15   | 9,615,600       | 29,333 | 401     | 1,973,002  | 1,971  | 7,610,893   |
| Investment securities           | 17   | 16,234,097      | -      | -       | 4,723,714  | -      | 11,510,383  |
| Loans and advances to customers | 16   | 4,611,776       | -      | 947     | 58,541     | -      | 4,552,288   |
| Other assets (less prepayments) | 18   | 35,046,478      | 46,967 | 422,165 | 14,646,231 | 11,550 | 19,919,565  |
| Total financial assets          |      | 65,507,951      | 76,300 | 423,513 | 21,401,488 | 13,521 | 43,593,129  |
| Deposits from customers         | 22   | 54,506,320      | 10     | -       | 5,851,991  | -      | 48,654,319  |
| Deposits from banks             | 22   | 188,842         | -      | -       | -          | -      | 188,842     |
| Lease liabilities               | 21   | 238,717         | -      | -       | 238,717    | -      | -           |
| Other liabilities               | 23   | 5,632,745       | 99     | -       | 4,898,796  | -      | 733,850     |
| Total financial liabilities     |      | 60,570,328      | 109    | -       | 10,993,208 | -      | 49,577,011  |
|                                 |      | 4,941,327       | 76,191 | 423,513 | 10,411,984 | 13,521 | (5,983,882) |

#### Sensitivity analysis

A 15% strengthening of the US dollar against foreign currencies at December 31, 2024 would have increased equity and profit/(loss) by LRD (2023: LRD 933,374).

A best case scenario 15% weakening of the US dollars against foreign currencies at 31 December 2024 would have had the equal but opposite effect on the amount shown above.

This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2023.

### Financial risk management (continued)

#### 3.6 Operational risks

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Bank's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behavior.

The Bank's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Bank's reputation with overall cost effectiveness and to avoid control procedures that restrict initiative and creativity.

The primary responsibility for the development and implementation of controls to address operational risk is assigned to senior management within the Bank. This responsibility is supported by the development of overall Bank standards for the management of operational risk in the following areas:

- requirements for appropriate segregation of duties, including the independent authorization of transactions; requirements for the reconciliation and monitoring of transactions;
- compliance with regulatory and other legal requirements;
- documentation of controls and procedures;
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified;
- requirements for the reporting of operational losses and proposed remedial action;
- development of contingency plans;
- training and professional development;
- ethical and business standards; and
- risk mitigation, including insurance where this is effective.

Compliance with Bank standards is supported by a program of periodic reviews undertaken by internal audit. The results of the internal audit reviews are discussed with the management of the Bank.

#### 3.7 Capital management

- 
- *Regulatory capital*
- 
- The Bank's regulator, Central Bank of Liberia (CBL) sets and monitors capital requirements for the Bank as a whole. In implementing current capital requirements, CBL requires the Bank to maintain a prescribed ratio of total capital to total risk-weighted assets. The Bank's regulatory capital is analyzed into two tiers
- 
- 
- **Tier 1 capital**, which includes ordinary share capital, share premium, retained earnings, statutory reserves and other distributable and legal reserve.
- **Tier 2 capital**, includes the fair value reserve relating to unrealized gains on equity instruments classified as available-for-sale.

Banking operations are categorized as either 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.

The Bank's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and sustain future development of the business. The impact of the level of capital on shareholders' return is also recognized. The Bank recognizes 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

The capital adequacy ratio is the quotient of the capital base of the Bank and the Bank's risk weighted asset base. In accordance with section 15 of the New Financial Institutions Act (FIA) 1999, the Bank must maintain a minimum ratio of 10%.

#### At December 31 2024

| ASSETS                                                       | Weight | AMOUNT     | VALUE        |
|--------------------------------------------------------------|--------|------------|--------------|
| Cash                                                         | 0%     | 2,064,318  | -            |
| Due from CBL                                                 | 0%     | 9,680,248  | -            |
| Performing GOL securities                                    | 0%     | 19,633,046 | -            |
| Fully secured claims                                         | 0%     | -          | -            |
| Eligible claims on public                                    | 20%    | 13,016,833 | 2,603,366.60 |
| Eligible claims on banks                                     | 20%    | 31,015,044 | 6,203,008.75 |
| Eligible claims on corporates                                | 20%    | 1,704,707  | 340,941.41   |
| Retail exposures                                             | 75%    | 925,296    | 693,972.27   |
| Eligible claims on corporates                                | 100%   | 1,666,997  | 1,666,997.33 |
| Eligible past due exposure                                   | 100%   | -          | -            |
| Other exposures                                              | 100%   | 463,592    | 463,592.28   |
| Fixed assets                                                 | 100%   | 455,435    | 455,434.71   |
|                                                              |        | 80,625,516 | 12,427,313   |
| <b>Off balance sheet exposures</b>                           |        |            |              |
| Performance bonds, bid bonds and warranties                  | 50%    | 6,846      | 3,423        |
| Documentary letters of credit                                | 20%    |            |              |
|                                                              |        | 6,846      | 3,423        |
| <b>TOTAL RISK WEIGHTED ASSETS</b>                            |        |            | 12,430,736   |
| <b>Core capital</b>                                          |        |            |              |
| Share capital                                                |        |            | 1,128,769    |
| Statutory reserves                                           |        |            | 573,848      |
| Retained earnings                                            |        |            | 1,549,470    |
| Other distributable and legal reserves                       |        |            | 2,703,821    |
| <b>Total core capital</b>                                    |        |            | 5,955,908    |
| <b>Deductions from Tier One (1) Capital:</b>                 |        |            |              |
| Intangible assets                                            |        |            | (14,232)     |
| <b>Total qualifying Tier one (1) Capital</b>                 |        |            | 5,941,675    |
| <b>Total Tier Two (2) Capital</b>                            |        |            | -            |
| <b>Total Qualifying Capital (Qualifying Tier 1 + Tier 2)</b> |        |            | 5,941,675    |
| <b>CAPITAL ADEQUACY RATIO</b>                                |        |            | 47.80%       |

**At December 31 2023**

| ASSETS                                                | Weight | AMOUNT     | VALUE      |
|-------------------------------------------------------|--------|------------|------------|
| Cash                                                  | 0%     | 2,246,367  |            |
| Due from CBL                                          | 0%     | 5,457,834  |            |
| Performing GOL securities                             | 0%     | 15,272,794 |            |
| Fully secured claims                                  | 0%     | -          |            |
| Eligible claims on public                             | 20%    | -          | -          |
| Eligible claims on banks                              | 20%    | 1,911,399  | 382,280    |
| Retail exposures                                      | 20%    | 34,680,243 | 6,936,049  |
| Eligible claims on corporates                         | 75%    | 941,451    | 706,088    |
| Eligible past due exposure                            | 100%   | 2,220,346  | 2,220,346  |
| Other exposures                                       | 100%   | 1,449,979  | 1,449,979  |
| Fixed assets                                          | 100%   | 387,551    | 387,551    |
|                                                       | 100%   | 540,203    | 540,203    |
| Off balance sheet exposures                           |        |            |            |
| Performance bonds, bid bonds and warranties           | 50%    | 371,623    | 185,812    |
| Documentary letters of credit                         | 20%    | 188,841    | 37,768     |
|                                                       |        | 560,464    | 223,580    |
| TOTAL RISK WEIGHTED ASSETS                            |        |            | 12,846,076 |
| Core capital                                          |        |            |            |
| Share capital                                         |        |            | 1,128,769  |
| Statutory reserves                                    |        |            | 948,446    |
| Retained earnings                                     |        |            | 1,672,751  |
| Other distributable and legal reserves                |        |            | 604,556    |
| Total core capital                                    |        |            | 4,354,522  |
| Deductions from Tier One (1) Capital:                 |        |            |            |
| Intangible assets                                     |        |            | (1,140)    |
| Total qualifying Tier one (1) Capital                 |        |            | 4,353,382  |
| Total Tier Two (2) Capital                            | -      |            | -          |
| Total Qualifying Capital (Qualifying Tier 1 + Tier 2) |        |            | 4,353,382  |
| CAPITAL ADEQUACY RATIO                                |        |            | 33.89%     |

**Financial risk management (continued)**
**3.7 Capital management (continued)**
*Capital adequacy ratio (continued)*

Although maximization of the return on risk-adjusted capital is the principal basis used in determining how capital is allocated within the Bank 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 Bank's longer term strategic objectives. The Bank's policies in respect of capital management and allocation are reviewed regularly by the Board of Directors.

**3.8 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 Bank 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.

**(a) Valuation models**

The Bank 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.
- 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.
- 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 and other valuation models. Assumptions and inputs used in valuation techniques include risk free and benchmark interest rates, credit spreads and other premium used in estimating discount rates and foreign currency exchange rates 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 Bank 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.

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.

**(b) Financial instruments measured at fair value – fair value hierarchy**

At the reporting date, there were no financial assets measured at fair value.

**(c) Financial instruments not measured at fair value**

The table below sets out the fair values of financial instruments not measured at fair value and analyses them by the level in the fair value hierarchy into which each fair value measurement is categorised.

| <b>Assets</b>                   | <b>Note</b> | <b>Level 2<br/>2024</b> | <b>Level 3<br/>2024</b> | <b>Level 2<br/>2023</b> | <b>Level 3<br/>2023</b> |
|---------------------------------|-------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Cash and bank balances          | 15          | <b>24,761,399</b>       | -                       | 9,615,600               | -                       |
| Loans and advances to customers | 16          | <b>2,592,294</b>        | -                       | 4,611,776               | -                       |
| Investment securities           | 17          | <b>21,337,753</b>       | -                       | 16,234,097              | -                       |
| Other assets (less prepayments) | 18          | <b>31,435,049</b>       | -                       | 35,046,478              | -                       |
|                                 |             | <b>80,126,495</b>       | -                       | 65,507,951              | -                       |
| <b>Liabilities</b>              |             |                         |                         |                         |                         |
| Deposits from customers         | 22          | <b>71,224,284</b>       | -                       | 54,506,320              | -                       |
| Deposits from banks             | 22          | <b>139,241</b>          | -                       | 188,842                 | -                       |
| Lease liabilities               | 21          | <b>208,032</b>          | -                       | 238,717                 | -                       |
| Other liabilities               | 23          | <b>1,745,998</b>        | -                       | 5,636,449               | -                       |
|                                 |             | <b>73,317,555</b>       | -                       | 60,570,328              | -                       |

### Critical accounting estimates and judgments

The Bank makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are evaluated on a continuous basis, and are based on past experience and other factors, including expectations with regard to future events. Accounting policies and directors' judgments for certain items are especially critical for the Bank's results and financial situation due to their materiality.

#### (i) Expected credit loss measurement

The measurement of the expected credit loss allowance for financial assets measured at amortized cost is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behavior (e.g. the likelihood of customers defaulting and the resulting losses).

A number of significant judgments 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 and the associated ECL.

Refer to Note 3.3.2 for further details on these estimates and judgments.

### Critical accounting estimates and judgments (continued)

#### (ii) Hold to collect financial assets

The Bank classifies some non-derivative financial assets with fixed or determinable payments and fixed maturity as hold to collect. This classification requires significant judgment about a portfolio of financial assets where management holds the assets collect the contractual cash flows. In making this judgment, the Bank uses the Business model and Solely for Payment of Principal and Interest (SPPI) model to assess that the purpose for holding these assets was to collect the contractual cash flows associated with the assets. If the Bank were to fail to keep these investments to maturity other than for the specific circumstances – for example, selling an insignificant amount close to maturity – the Bank is required to reclassify the entire category as hold to collect and sell. Accordingly, the investments would be measured at fair value instead of amortized cost.

#### (iii) Income tax

The Bank is subject to income taxes. Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Bank recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current tax and deferred tax provisions.

#### (iv) Lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Bank is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Bank is typically reasonably certain to extend (or not terminate).

Otherwise, the Bank considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Bank becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

|                                                                                                               | 2024             | 2023             |
|---------------------------------------------------------------------------------------------------------------|------------------|------------------|
| <b>5. Interest income</b>                                                                                     |                  |                  |
| Cash and bank balances                                                                                        | 19,161           | 84,865           |
| Loans and advances to customers                                                                               | 1,094,353        | 402,412          |
| Investment securities                                                                                         | 4,100,909        | 2,545,934        |
|                                                                                                               | <b>5,214,423</b> | <b>3,033,211</b> |
| <b>Interest expense</b>                                                                                       |                  |                  |
| Deposits from customers and banks                                                                             | 1,091,309        | 696,508          |
| Lease liabilities                                                                                             | 12,725           | 12,093           |
|                                                                                                               | <b>1,104,034</b> | <b>708,601</b>   |
| <b>Net interest income</b>                                                                                    | <b>4,110,389</b> | <b>2,324,610</b> |
| <b>6. Fee and commission income</b>                                                                           |                  |                  |
| Trade finance and other fees                                                                                  | 547,750          | 41,707           |
| Account service fees                                                                                          | 854,083          | 1,065,474        |
| Loan related fees                                                                                             | 39,758           | 48,949           |
|                                                                                                               | <b>1,441,590</b> | <b>1,156,130</b> |
| Loan related fees are earned over time. Trade finance and account service fees are earned at a point in time. |                  |                  |
| <b>7. Fee and commission expense</b>                                                                          |                  |                  |
| Processing charges                                                                                            | 423,175          | 251,258          |
| <b>8. Net trading income</b>                                                                                  |                  |                  |
| Foreign exchange gain                                                                                         | 15,760           | 82,457           |
| <b>9. Other operating income</b>                                                                              |                  |                  |
| Interest on nostro accounts held with foreign banks                                                           | 101,052          | 71,666           |
| Commission on foreign transfers                                                                               | 970              | 408              |
| Loan recoveries                                                                                               | -                | 95               |
| Unrealised exchange (loss)/gain                                                                               | -                | -                |
| Gain on disposal of property and equipment                                                                    | -                | 9                |
|                                                                                                               | <b>102,022</b>   | <b>72,178</b>    |
| <b>10. Net impairment charge on financial assets</b>                                                          |                  |                  |
| Loans and advances to customers                                                                               | 228,440          | 175,641          |
| Other assets (fees receivable)                                                                                | 29,777           | 26,590           |
| Off-balance sheet exposures                                                                                   | (18,891)         | 5,272            |
| Investment securities                                                                                         | 196,164          | 68,874           |
|                                                                                                               | <b>(435,490)</b> | <b>276,377</b>   |

|                                               | 2024           | 2023           |
|-----------------------------------------------|----------------|----------------|
| <b>11. Personnel expenses</b>                 |                |                |
| Basic salaries                                | 593,305        | 518,641        |
| Pension scheme                                | 37,748         | 29,138         |
| Allowances                                    | 120,537        | 61,825         |
| Staff training                                | 717            | 4,628          |
|                                               | <b>752,307</b> | <b>614,232</b> |
| <b>12. Depreciation and amortization</b>      |                |                |
| Property and equipment (Note 19)              | 55,219         | 59,803         |
| Intangible assets (Note 20)                   | 2,529          | 646            |
| Right-of-use assets (Note 21)                 | 72,144         | 44,111         |
|                                               | <b>129,892</b> | <b>104,560</b> |
| <b>13. Other operating expenses</b>           |                |                |
| Business travels                              | 18,071         | 17,075         |
| Audit fees                                    | 14,922         | 13,774         |
| Occupancy and premises maintenance cost       | -              | 18,056         |
| Business promotion, advertising and marketing | 11,420         | 15,377         |
| Computer consumables                          | 67,086         | 48,133         |
| Communications                                | 6,235          | 5,230          |
| Printing and stationery                       | 13,532         | 6,890          |
| Subscriptions                                 | 59,000         | 24,052         |
| Security, cash and handling expenses          | -              | -              |
| Directors' expenses                           | 49,931         | 39,184         |
| Insurance                                     | 28,355         | 26,598         |
| Bank charges                                  | 155,612        | 75,423         |
| Fuel, repairs and maintenance                 | 89,195         | 88,273         |
| Sundry expenses                               | 249,459        | 272,680        |
|                                               | <b>762,818</b> | <b>650,745</b> |

Sundry expenses include office supplies, entertainment, telephone, security services, janitory service and administrative expenses.

|                            |                |                |
|----------------------------|----------------|----------------|
| <b>14. Income taxes</b>    | 2024           | 2023           |
| <i>Income tax expense</i>  |                |                |
| Current income tax charge  | 801,961        | 418,714        |
| Deferred income tax charge | (39,976)       | 40,981         |
|                            | <b>761,985</b> | <b>459,695</b> |

In line with the Liberia Revenue Code 2000 (as amended), tax is assessed at the higher of 2% of revenues and 25% of taxable profit. The tax on the Bank's profit before income tax differs from the theoretical amount that would arise using the statutory income tax rate as follows:

**Reconciliation of effective tax rate**

|                                                                    | 2024      | 2023      |
|--------------------------------------------------------------------|-----------|-----------|
| Profit before income tax                                           | 3,166,079 | 1,738,203 |
| Tax calculated at the statutory income tax rate of 25% (2022: 25%) | 791,520   | 434,551   |
| Tax effects of:<br>(Expenses)/Income not subject to tax            | 10,441    | 31,019    |
| Tax incentives                                                     | (39,976)  | (5,875)   |
| Total income tax expense                                           | 761,985   | 459,695   |

*Current tax liabilities*

| <b><u>Year ended December 31, 2024</u></b> | <b>At January 1</b> | <b>Charge for the year</b> | <b>Payments during the year</b> | <b>At December 31</b> |
|--------------------------------------------|---------------------|----------------------------|---------------------------------|-----------------------|
| Year of assessment<br>Up to 2023           | 608,106             |                            |                                 | 608,106               |
| 2024                                       | -                   | 801,961                    | (105,265)                       | 696,695               |
| <b>Balance at December 31</b>              | <b>608,106</b>      | <b>801,961</b>             | <b>(105,265)</b>                | <b>1,304,801</b>      |

Year ended December 31, 2023

|                                  |                |                |                  |                |
|----------------------------------|----------------|----------------|------------------|----------------|
| Year of assessment<br>Up to 2022 | 312,435        | -              | -                | 312,435        |
| 2023                             | -              | 418,714        | (123,043)        | 295,671        |
| <b>Balance at December 31</b>    | <b>312,435</b> | <b>418,714</b> | <b>(123,043)</b> | <b>608,106</b> |

*Deferred tax liabilities*

|                               | 2024          | 2023          |
|-------------------------------|---------------|---------------|
| Balance at January 1          | 78,635        | 37,654        |
| Credited to profit or loss    | (39,976)      | 40,981        |
| <b>Balance at December 31</b> | <b>38,660</b> | <b>78,635</b> |

Deferred tax assets and liabilities are attributable to the following:

| <b><u>Year ended December 31, 2024</u></b> | <b>At January 1</b> | <b>Charge/(credit)</b> | <b>At December 31</b> |
|--------------------------------------------|---------------------|------------------------|-----------------------|
| Accelerated capital allowance              | 42,619              | 901                    | 43,520                |
| Unrealized exchange losses                 | 29,975              | (26,048)               | 3,926                 |
| Leases                                     | 6,041               | (14,828)               | (8,786)               |
|                                            | <b>78,635</b>       | <b>(39,975)</b>        | <b>38,660</b>         |

## Financials - Notes

| <u>Year ended December 31, 2023</u> | At<br>January 1 | Charge/(credit) | At<br>December 31 |
|-------------------------------------|-----------------|-----------------|-------------------|
| Accelerated capital allowance       | 25,204          | 17,415          | 42,619            |
| Unrealized exchange losses          | 30,422          | (447)           | 29,975            |
| Leases                              | (17,972)        | 24,013          | 6,041             |
|                                     | <u>37,654</u>   | <u>40,981</u>   | <u>78,635</u>     |

Deferred tax assets have been recognized to the extent that there are future taxable profits against which they will be utilized. The Bank expects to generate sufficient taxable profits to utilize the deferred tax asset based on historical profitability trends and future business prospects.

|                                     | <b>2024</b> | 2023          |
|-------------------------------------|-------------|---------------|
| Deferred tax asset to be recovered: |             |               |
| Within 12 months                    |             | 37,654        |
| After more than 12 months           |             | <u>40,981</u> |
|                                     |             | <u>78,635</u> |

### Cash and bank balances

|                                           |                          |                  |
|-------------------------------------------|--------------------------|------------------|
| Cash in hand                              | <b>2,064,318</b>         | 2,246,367        |
| Balances with the Central Bank of Liberia | <b>9,680,248</b>         | 5,457,834        |
| Balances with other banks                 | <b>13,016,833</b>        | 1,911,399        |
|                                           | <b><u>24,761,399</u></b> | <u>9,615,600</u> |

The above balances are available for use by the Bank as there are no withdrawal restrictions on such monies.

For the purpose of the statement of cash flows, cash and cash equivalents comprise;

|                                                                  | <b>2024</b>              | 2023              |
|------------------------------------------------------------------|--------------------------|-------------------|
| Cash and bank balances                                           | <b>24,761,399</b>        | 9,615,600         |
| Treasury bills maturing within 3 months of acquisition (Note 17) | <b>4,290,170</b>         | 1,806,500         |
|                                                                  | <b><u>29,051,569</u></b> | <u>11,422,100</u> |

### Loans and advances to customers

|                              |                         |                  |
|------------------------------|-------------------------|------------------|
| Individual and private loans | <b>684,748</b>          | 925,789          |
| Staff loans                  | <b>148,850</b>          | 142,976          |
| Public enterprises           | <b>2,622,708</b>        | 4,178,583        |
| Gross loans and advances     | <b>3,456,306</b>        | 5,247,348        |
| Allowances for impairment    | <b>(864,012)</b>        | (635,572)        |
| Net loans and advances       | <b><u>2,592,294</u></b> | <u>4,611,776</u> |
| Current                      | <b>1,950,646</b>        | 2,621,789        |
| Non-current                  | <b>641,648</b>          | 1,989,987        |
|                              | <b><u>2,592,294</u></b> | <u>4,611,776</u> |

2024 2023

**Allowance for impairment**

The movement in impairment allowance is as follows:

|                                  |         |         |
|----------------------------------|---------|---------|
| At January, 1                    | 635,572 | 459,931 |
| Impairment charge for the year   | 228,440 | 175,641 |
| At December, 31                  | 864,012 | 635,572 |
| 12 months ECL                    | 130,814 | 121,405 |
| Lifetime ECL not credit impaired | 1,728   | 12      |
| Lifetime ECL credit impaired     | 731,470 | 514,155 |
|                                  | 864,012 | 635,572 |

**Investment securities at amortized cost**

|                      |            |            |
|----------------------|------------|------------|
| Gross amount         | 21,620,329 | 16,320,509 |
| Impairment allowance | (282,576)  | (86,412)   |
| Carrying amount      | 21,337,753 | 16,234,097 |

Movement in impairment allowance is as follows:

|                                         |                |               |
|-----------------------------------------|----------------|---------------|
| At January 1                            | 86,412         | 17,538        |
| Charge/(release) for the year (Note 10) | 196,164        | 68,874        |
| <b>At December 31</b>                   | <b>282,576</b> | <b>86,412</b> |

Investment securities comprise of:

|                                        |            |            |
|----------------------------------------|------------|------------|
| Treasury bills maturing within 91 days | 4,290,170  | 1,806,500  |
| Securities maturing above 91 days      | 17,047,583 | 14,427,597 |
|                                        | 21,337,753 | 16,234,097 |
| Current                                | 7,151,764  | 4,976,337  |
| Non-current                            | 14,185,989 | 11,257,760 |
|                                        | 21,337,753 | 16,234,097 |

Treasury bills are debt securities issued by the Government of Liberia through the Central Bank of Liberia.

**Other assets**

|                            | 2024              | 2023              |
|----------------------------|-------------------|-------------------|
| Prepaid expenses           | 73,363            | 21,316            |
| Sundry receivable          | 195,683           | 767,971           |
| Other receivable           | 31,239,366        | 34,305,097        |
| <b>Gross amount</b>        | <b>31,508,412</b> | <b>35,094,384</b> |
| Impairment allowance       | (29,777)          | (26,590)          |
| <b>Net carrying amount</b> | <b>31,478,635</b> | <b>35,067,794</b> |
|                            |                   |                   |
| Current                    | 31,478,636        | 35,067,794        |
| Non-current                | -                 | -                 |
|                            | <b>31,478,636</b> | <b>35,050,039</b> |

Sundry receivables include ATM overages, bank clearing adjustment for bank cheques in transit and currency trading positional accounts balances

Included in other receivable is an amount of LRD31,161,117 (2023: LRD28,268,522) due from telecommunication providers in respect of mobile money services rendered to their subscribers.

Movement in impairment allowance is as follows:

|                               | 2024                 | 2023                 |
|-------------------------------|----------------------|----------------------|
| At January 1                  | 26,590               | 331,498              |
| Write off                     | (26,590)             | (331,408)            |
| Charge for the year (Note 10) | <u>29,777</u>        | <u>26,590</u>        |
| <b>At December 31</b>         | <b><u>29,777</u></b> | <b><u>26,590</u></b> |

**19. Property and equipment**

Year ended December 31 2024

|                                 | Leasehold<br>Improvement | Motor<br>vehicles | Equipment<br>and<br>furniture | Work in<br>progress | Total            |
|---------------------------------|--------------------------|-------------------|-------------------------------|---------------------|------------------|
| <b>Cost:</b>                    |                          |                   |                               |                     |                  |
| <b>At start of year</b>         | <b>318,036</b>           | <b>133,741</b>    | <b>496,528</b>                | <b>26,640</b>       | <b>974,945</b>   |
| Additions                       | 3,083                    | -                 | 41,086                        | -                   | <b>44,169</b>    |
| Transfers                       | -                        | -                 | 6,403                         | (6,403)             | -                |
| Exchange rate effect            | (5,549)                  | (2,295)           | (9,614)                       | (266)               | <b>(17,724)</b>  |
| <b>At end of year</b>           | <b>315,570</b>           | <b>131,446</b>    | <b>534,403</b>                | <b>19,971</b>       | <b>1,001,390</b> |
| <b>Accumulated depreciation</b> |                          |                   |                               |                     |                  |
| At start of year                | <b>163,334</b>           | <b>113,938</b>    | <b>402,216</b>                | -                   | <b>679,488</b>   |
| Charge for the year             | 13,691                   | 9,215             | 32,322                        | -                   | <b>55,228</b>    |
| Exchange rate effect            | (3,211)                  | (2,230)           | (7,874)                       | -                   | <b>(13,315)</b>  |
| <b>At end of year</b>           | <b>173,814</b>           | <b>120,923</b>    | <b>426,664</b>                | -                   | <b>721,401</b>   |
| <b>Net book amount</b>          | <b>141,756</b>           | <b>10,523</b>     | <b>107,739</b>                | <b>19,971</b>       | <b>279,989</b>   |

**19. Property and equipment (continued)**

Year ended December 31 2023

|                                 | Leasehold<br>Improvement | Motor<br>vehicles | Equipment<br>and<br>furniture | Work in<br>progress | Total          |
|---------------------------------|--------------------------|-------------------|-------------------------------|---------------------|----------------|
| <b>Cost:</b>                    |                          |                   |                               |                     |                |
| At start of year                | 258,532                  | 109,414           | 370,828                       | 23,052              | 761,826        |
| Additions                       | 1,887                    | -                 | 40,702                        | -                   | 42,589         |
| Exchange rate effect            | 57,617                   | 24,327            | 84,998                        | 3,588               | 170,530        |
| At end of year                  | 318,036                  | 133,741           | 496,528                       | 26,640              | 974,945        |
| <b>Accumulated depreciation</b> |                          |                   |                               |                     |                |
| At start of year                | 121,810                  | 85,768            | 295,900                       | -                   | 503,478        |
| Charge for the year             | 13,482                   | 8,491             | 37,830                        | -                   | 59,803         |
| Exchange rate effect            | 28,042                   | 19,679            | 68,486                        | -                   | 116,207        |
| At end of year                  | 163,334                  | 113,938           | 402,216                       | -                   | 679,488        |
|                                 | 154,702                  | 19,803            | 94,312                        | 26,640              | 295,457        |
| <b>Net book amount</b>          | <b>258,532</b>           | <b>109,414</b>    | <b>370,828</b>                | <b>23,052</b>       | <b>761,826</b> |

## Financials - Notes

### Intangible assets

| Computer software      | 2024                 | 2023                 |
|------------------------|----------------------|----------------------|
| <b>Cost</b>            |                      |                      |
| At start of year       | 44,787               | 36,568               |
| Additions              | 15,565               | 302                  |
| Exchange rate effect   | (768)                | 7,917                |
| <b>At end of year</b>  | <b><u>59,584</u></b> | <b><u>44,787</u></b> |
| <b>Amortization</b>    |                      |                      |
| At start of year       | 43,647               | 35,334               |
| Charge for the year    | 2,068                | 646                  |
| Exchange rate effect   | (364)                | 7,667                |
| <b>At end of year</b>  | <b><u>45,351</u></b> | <b><u>43,647</u></b> |
| <b>Net book amount</b> | <b><u>14,232</u></b> | <b><u>1,140</u></b>  |

### (i) Amounts recognized in the balance sheet

The statement of financial position shows the following amounts relation to leases;

| <b>Right-of-use assets</b> | 2024                  | 2023                  |
|----------------------------|-----------------------|-----------------------|
| Buildings                  | <u>175,446</u>        | <u>244,747</u>        |
| <b>Lease liabilities</b>   |                       |                       |
| Current                    | 62,410                | 68,278                |
| Non-current                | <u>145,622</u>        | <u>170,439</u>        |
|                            | <b><u>208,032</u></b> | <b><u>238,717</u></b> |

### Movement on right-of-use assets

|                       |                       |                       |                       |
|-----------------------|-----------------------|-----------------------|-----------------------|
| At January 1          | 244,747               | 222,069               | 187,529               |
| Additions             | 1,243                 | 32,896                | 5,532                 |
| Lease remeasurements  | 1,600                 | 33,893                | 78,367                |
| Depreciation charge   | (72,144)              | (44,111)              | (38,537)              |
| Lease terminations    | -                     | -                     | (10,822)              |
| <b>At December 31</b> | <b><u>175,446</u></b> | <b><u>244,747</u></b> | <b><u>222,069</u></b> |

### Leases

**Movement on lease liabilities**

|                                | 2024                  | 2023                  |
|--------------------------------|-----------------------|-----------------------|
| At January 1                   | 238,717               | 175,132               |
| Additions                      | 1,243                 | 32,896                |
| Lease remeasurements           | 1,600                 | 33,893                |
| Interest expense               | 12,725                | 12,094                |
| Exchange loss                  | 11,214                | 38,194                |
| Lease terminations             | -                     | -                     |
| Lease payments during the year | (57,467)              | (53,492)              |
| <b>At December 31</b>          | <b><u>208,032</u></b> | <b><u>238,717</u></b> |

**Deposits from customers**

|                  |                   |                   |
|------------------|-------------------|-------------------|
| Demand deposits  | 60,064,186        | 44,405,131        |
| Savings deposits | 10,656,553        | 9,444,647         |
| Term deposits    | 503,545           | 656,542           |
|                  | <b>71,224,284</b> | <b>54,506,320</b> |
| Current          | 70,720,739        | 53,849,778        |
| Non-current      | 503,545           | 656,542           |
|                  | <b>71,224,284</b> | <b>54,506,320</b> |

**Deposits from banks**

|                                  |                |                |
|----------------------------------|----------------|----------------|
| Due from related party (Note 28) | -              | -              |
| Other banks                      | 139,241        | 188,842        |
|                                  | <b>139,241</b> | <b>188,842</b> |

**Other liabilities**

|                      |                  |                  |
|----------------------|------------------|------------------|
| Account payables     | 83,117           | 43,019           |
| Managers' checks     | 355,080          | 279,939          |
| Due to related party | 16,653           | 52,101           |
| Accrued liabilities  | 191,911          | 22,824           |
| Sundry liabilities   | 1,122,061        | 5,257,686        |
|                      | <b>1,768,822</b> | <b>5,655,569</b> |

Sundry liabilities include unclaimed balances with respect of deactivated customer accounts and amounts due to payment card network processors.

The other liabilities are all current in nature. The carrying amounts represent their fair values.

**Capital and reserves**

|                                 | Share capital |           |               |           |
|---------------------------------|---------------|-----------|---------------|-----------|
|                                 | 2024          |           | 2023          |           |
|                                 | No. of shares | Proceeds  | No. of shares | Proceeds  |
| <b>Authorized share capital</b> |               |           |               |           |
| 20,000,000 of US\$ 1 each       | 20,000,000    | -         | 20,000,000    | -         |
| <b>Balance at December 31</b>   | 20,000,000    | -         | 20,000,000    | -         |
| <b>Issued share capital</b>     |               |           |               |           |
| Ordinary shares of US\$1 each   |               |           |               |           |
| Paid up share capital           | 1,128,769     | 1,128,769 | 1,128,769     | 1,128,769 |

**Cumulative translation reserve**

Translation reserve is a result of translating balances from the functional currency (US Dollars) to the reporting currency (Liberian Dollars) at different rates i.e. statement of financial position items and statement of comprehensive income items.

**Statutory reserves**

Liberian banking regulations require the Bank to make an annual appropriation from profit for the year to a statutory reserve as stipulated by Section 15 (1) (a) of the Financial Institution Act of 1999. The Bank transferred twenty five percent of the current year's profit after tax to statutory reserves at the end of the financial year.

**Retained earnings**

Retained earnings are the carried forward recognized income net of expenses plus current period profit attributable to shareholders.

**Earnings per share**
**Basic**

Basic earnings per share are calculated by dividing the net profit attributable to equity holders of the Bank by the weighted average number of shares in issue at the end of the year

|                                                       | 2024      | 2023      |
|-------------------------------------------------------|-----------|-----------|
| Profit attributable to equity holders of the Bank     | 2,404,094 | 1,278,508 |
| Weighted average number of ordinary shares in issue   | 1,128,769 | 1,128,769 |
| Basic earnings per share (expressed in L\$ per share) | 2.13      | 1.13      |

**Diluted earnings per share**

Diluted earnings per share are calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

The Bank had no category of dilutive potential ordinary shares as at December 31, 2024 (2023: Nil).

**Regulatory disclosure**

(i) Impairment as per regulatory prudential guidelines

**At December 31, 2024**

| <b>Category</b>                  | <b>Gross amount</b> | <b>%</b>    | <b>%</b> | <b>Provision</b> |
|----------------------------------|---------------------|-------------|----------|------------------|
| Performing-Current               | <b>1,269,065</b>    | 37%         | 1%       | <b>12,691</b>    |
| OLEM                             | <b>97,835</b>       | 3%          | 5%       | <b>4,892</b>     |
| <b>Total performing</b>          | <b>1,366,900</b>    | 40%         |          | <b>17,582</b>    |
| Substandard                      | <b>80,087</b>       | 2%          | 20%      | <b>16,017</b>    |
| Doubtful                         | <b>561,149</b>      | 16%         | 50%      | <b>280,575</b>   |
| Loss                             | <b>1,448,170</b>    | 42%         | 10%      | <b>1,448,170</b> |
| <b>Total non- performing</b>     | <b>2,089,406</b>    | <b>60%</b>  |          | <b>1,744,762</b> |
| <b>TOTAL</b>                     | <b>3,456,306</b>    | <b>100%</b> |          | <b>1,762,344</b> |
| <b>Non-performing loan ratio</b> |                     |             |          | <b>60%</b>       |

At December 31, 2023

| Category                  | Gross amount | %       | %    | Provision |
|---------------------------|--------------|---------|------|-----------|
| Performing-Current        | 2,386,465    | 45.48%  | 1%   | 23,865    |
| OLEM                      | 1,018,044    | 19.40%  | 5%   | 50,902    |
| Total performing          | 3,404,509    | 64.88%  |      | 74,767    |
| Substandard               | 238,768      | 4.55%   | 20%  | 47,754    |
| Doubtful                  | 429,191      | 8.18%   | 50%  | 214,596   |
| Loss                      | 1,174,880    | 22.39%  | 100% | 1,174,880 |
| Total non- performing     | 1,842,839    | 35.12%  |      | 1,437,229 |
| TOTAL                     | 5,247,348    | 100.00% |      | 1,511,996 |
| Non-performing loan ratio |              |         |      | 35%       |

*Comparison between IFRS and regulatory provisions*

In accordance with sections 8.02 and 8.03 of the Guidelines Concerning Accounting and Financial Reporting for banks (2016) issued by the Central Bank of Liberia (CBL), if the amount of the allowance for impairment losses on financial assets exceeds the total amount of provision calculated in accordance with the Regulation CBL/RSD/005/2014, no complementary action must be taken. The Bank should only disclose that impairment losses under IFRS exceed provisions calculated in accordance with the Regulation. Similarly, when the total amount of provision calculated in accordance with Regulation CBL/RSD/005/2014 exceeds the amount of the allowance for impairment losses on financial assets, the Bank must disclose the difference and its impact on the Bank's profit and capital for the period.

Given the above, the practice of using the credit risk reserve as a prudential filter to house the difference between IFRS impairment and provisions calculated using Regulation CBL/RSD/005/2014 is no longer required.

**Regulatory disclosure**

*Impact of difference between the provisions based on CBL guidelines and impairment as per IFRS on profit and equity*

|                                                             | 2024             | 2023             |
|-------------------------------------------------------------|------------------|------------------|
| IFRS impairment                                             | 864,012          | 635,572          |
| Regulatory provision                                        | 1,762,344        | 1,511,996        |
| <b>Excess of regulatory provisions over IFRS impairment</b> | <b>(898,332)</b> | <b>(876,424)</b> |
| <b>Profit before tax</b>                                    | <b>3,166,079</b> | <b>1,738,203</b> |
| <b>Profit before tax after regulatory provisions</b>        | <b>2,267,747</b> | <b>861,779</b>   |
|                                                             |                  |                  |
| Total equity                                                | 5,955,908        | 4,819,566        |
| Impact of regulatory provision on equity                    | (898,332)        | (876,424)        |
| <b>Total equity after regulatory provisions</b>             | <b>5,057,576</b> | <b>3,943,142</b> |

**Contingent liabilities and commitments**
*Legal proceedings*

There are legal proceedings against the Bank. There are no contingent liabilities as at December 31, 2024 associated with legal actions as professional advice indicates that it is unlikely that any significant loss will arise (2023: Nil).

*Capital commitments*

At December 31 2024, the Bank had no capital commitments in respect of authorised and contracted projects (2023: Nil).

**28. Related parties**

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 Bank is subsidiary and 100% owned by UBA Bank for Africa Plc. A number of business transactions are entered into with the Group. These include the maintenance of the various accounts on which interests are earned and the payment of certain operating and capital expenditure on behalf of the Bank.

**Due to related parties**

|                                                                             | 2024             | 2023             |
|-----------------------------------------------------------------------------|------------------|------------------|
| Technical assistance fees payable (United Bank for Africa Plc)<br>(Note 23) | <u>16,653</u>    | <u>52,101</u>    |
| Deposit from banks (UBA Uganda Limited)                                     | -                | -                |
| Deposit from banks (UBA Africa Plc)                                         | -                | -                |
| <b>95  </b>                                                                 | <b>7,609,666</b> | <b>1,135,690</b> |
| Placement with (UBA Africa PLC)                                             |                  |                  |

## Financials - Notes

### Transactions with related party

|                                                           | 2024          | 2023           |
|-----------------------------------------------------------|---------------|----------------|
| Technical assistance fees - United Bank for Africa Plc    | <u>88,001</u> | <u>136,359</u> |
| Interest expense on deposits - United Bank for Africa Plc | <u>-</u>      | <u>6,464</u>   |
| Interest expense on deposits - UBA Uganda Limited         | <u>-</u>      | <u>-</u>       |

### Executive Directors and key management personnel

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of United Bank of Africa Liberia Limited (directly or indirectly) and comprise the Directors and Senior Management of the Bank.

Remuneration and benefits of Executive Directors and key management personnel are as follows:

|                                       | 2024           | 2023           |
|---------------------------------------|----------------|----------------|
| Short-term employee benefits          | <u>173,885</u> | <u>110,018</u> |
| Interest income on loans and advances | <u>1,774</u>   | <u>2,007</u>   |

### Directors and key management personnel balances

|                    |               |               |
|--------------------|---------------|---------------|
| Deposits           | <u>5,085</u>  | <u>1,336</u>  |
| Loans and advances | <u>35,472</u> | <u>40,133</u> |

# SHAREHOLDER INFORMATION

AGM Notice



**MINUTES OF THE SIXTH ANNUAL GENERAL MEETING OF THE MEMBERS OF UNITED BANK FOR AFRICA LIBERIA LIMITED HELD ON WEDNESDAY, 11TH DAY OF JUNE 2024 AT 3.13 P.M. AT THE UBA LIBERIA HEAD OFFICE ON BROAD & NELSON STREETS, MONROVIA, LIBERIA**

**Present Directors:**

Mr. Ebele Edwin Ogbue – Acting Chairman  
Mr. Ayokunle Olajubu - Managing Director/CEO  
Mr. Axel M. Addy – Chairman, Audit Committee  
Mr. Wil Bako Freeman – Chairman, Audit, Governance & Nomination Committee  
Cllr. Angelique Weeks – Chairperson, Assets, Strategy & Finance Committee  
Mrs. Abiola Bawuah - Chairperson, Credit Committee & Proxy Representative

**Invitees:**

Mr. Korvah Dorbor - CFO  
Secretary:  
Cllr. Eduardo Blamo Nyantee – Country Head of Legal & Company Secretary  
Members:

One proxy, Mrs. Abiola Bawuah, CEO Africa represented the sole shareholder UBA Plc holding 20,000,000 shares as per the attendance register. In terms of provisions of the Articles of Association of the Company and the Board Governance Charter, Mr. Ebele Edwin Ogbue, Acting Chairman of the Board presided over the meeting and called the meeting to order as the requisite quorum was present. The Acting Chairman further thanked all Board Member for participating in the IFRS training session conducted by the Group on the day of the Board of Directors' meeting (June 11, 2024).

The Chairman welcomed the members to the meeting and introduced the proxy shareholder representative, Mrs. Abiola Bawuah. Thereafter, he made a brief presentation on the financial and operational performance of the Company and the Subsidiary.

The Chairman informed the members that the date and place of signing of the Directors' Report was June 11, 2024 and Monrovia respectively which was circulated in the printed annual report. Notice convening the meeting and the Directors' Report were taken as read with the permission of the members. Mr. Korvah Dorbor - CFO read the Auditors Report. Thereafter, the following agenda as per notice dated June 11, 2024 convening the sixth Annual General Meeting was taken up for consideration.

**ORDINARY BUSINESS:**

**1. ADOPTION OF ANNUAL ACCOUNTS**

The Chairman took up the first item relating to adoption of annual accounts. Some members complimented the Board and management on the operations, performance and profits and expressed their support for long term growth of the Company and the Subsidiary.

Cllr. Angelique Weeks proposed the following resolution as an ORDINARY RESOLUTION, which was seconded by Mr. Wil Bako Freeman: "Resolved that the audited Balance Sheet as at December 31, 2023, the Profit and Loss Account, the Cash Flow Statement for the year ended on that date and the reports of the Board of Directors and Auditors therein be and are hereby received, considered and adopted." The above resolution upon being put to vote by show of hands was carried unanimously.

**2. DECLARATION OF DIVIDEND ON EQUITY SHARES**

The Chairman took up the second item relating to declaration of dividend.

Mr. Axel M. Addy proposed the following resolution as an ORDINARY RESOLUTION, which was seconded by Cllr. Angelique Weeks: "Resolved that an interim dividend of US\$1,500,000.00 for the financial year 2023 as recommended by the Board of directors be and is hereby declared and approved". The above resolution upon being put to vote by show of hands was carried unanimously.

**3. RE-APPOINTMENT OF MR. EBELE OGBUE AS A DIRECTOR**

The Chairman took up the third item relating to re-appointment of Mr. Ebele Ogbue, rescued himself and this session was presided over by Cllr. Angelique Weeks being the most senior member of the Board. Mr. Wil Bako Freeman proposed the following resolution as an ORDINARY RESOLUTION, which was seconded by Mr. Axel Addy: "Resolved that Mr. Ebele Ogbue, who is in his final year be re-appointment as his retirement now would result into more regulatory beach and same being and is hereby re-appointed for two years as a Director of the Company and retired upon the appointment of additional members." The above resolution upon being put to vote by show of hands was carried unanimously.

**4. APPOINTMENT OF PRICE-WATERHOUSE-COOPER, CHARTERED ACCOUNTANTS AS STATUTORY AUDITORS**

The Chairman took up the fourth item relating to re-appointment of Price-Waterhouse-Cooper, Chartered Accountants as statutory auditors.

Mrs. Abiola Bawuah proposed the following resolution as an ORDINARY RESOLUTION, which was seconded by Mr. Wil Bako Freeman: "Resolved that Price-Waterhouse-Cooper, Chartered Accountants be and are hereby appointed as statutory auditors of the Company to hold office from the conclusion of this sixth Annual General Meeting of the Company until the conclusion of next Annual General Meeting at such remuneration as may be determined by the Board of Directors/ Audit Committee." The above resolution on being put to vote by show of hands was carried unanimously.

**SPECIAL BUSINESS:**

There was no special business other than the acceptance of the above stated resolutions by the Group proxy, Madam Abiola Bawuah, who took the occasion to thank the Board of Directors, Management and staff of the Subsidiary for the splendid performance in 2023 which she attributed to the willingness of people to work tirelessly to accomplish a given task.

**5. VOTE OF THANKS**

Mr. Ebele Ogbue invited queries from the proxy shareholder, who responded with no query but proposed the vote of thanks to the Chairman, Members and Management and hard work, which was seconded by Mr. Axel Addy.

The meeting concluded with a unanimous vote of thanks to the Chair.

**6. NEXT MEETING**

The next meeting of members will be held within five months after the end of the corporation's next financial year, or sooner if a purpose arises that requires a general meeting to be held. The directors' will determine the time, date and location closer to the date and issue a notice.

**7. MEETING CLOSE**

The meeting was declared closed at 3:36 p.m.

Confirmation of the minutes

These minutes are a true and accurate record of the meeting.

Signed by:



.....  
Ebele Edwin Ogbue  
Acting Chairman

# CORPORATE INFORMATION

Branch Network

Products & Services

ATM Director



## Corporate Information - Branch Network

| BRANCHES / CASH CENTERS WITH CONTACT DETAILS |                                                                                    |                                                      |
|----------------------------------------------|------------------------------------------------------------------------------------|------------------------------------------------------|
| Name of Branches/Cash Office                 | Location                                                                           | Contacts                                             |
| <b>Broad Street</b>                          | Broad & Nelson Streets, Monrovia, Liberia, Liberia                                 | Mobile: +231-777-909-246<br>Mobile: +231-884-280-210 |
| <b>Bushrod Branch</b>                        | Freeport, Bushrod Island, Monrovia, Liberia                                        | Mobile: +231-886-956-194                             |
| <b>Paynesville Branch</b>                    | Red light, Paynesville, Monrovia,, Liberia                                         | Mobile: +231-886-300-323                             |
| <b>Congo Town</b>                            | Tubman Boulevard, Congo Town, Liberia.                                             | Mobile: +231-886-102-314                             |
| <b>ELWA Branch</b>                           | ELWA Junction, Paynesville, Monrovia, Liberia                                      | Mobile: +231-770-395-023                             |
| <b>SINKOR Branch</b>                         | Sinkor, 5th Street, Monrovia, Liberia                                              | Mobile: +231-777-909-246                             |
| <b>Ganta</b>                                 | Ganta City, Nimba County, Monrovia, Liberia, Liberia.                              | Mobile: +231-886-492-476                             |
| <b>UNMIL/PAP</b>                             | United Nations Mission in Liberia<br>Pine African Plaza, Sinkor, Monrovia, Liberia | Mobile: +231-886-422-463                             |
| <b>Fendell Campus</b>                        | University of Liberia Fendell Campus, Liberia                                      | Mobile: +231-886-270-165                             |
| <b>CUC Cash Office</b>                       | Cuttington University Main Campus, Gbarnga, Bong County, Liberia                   | Mobile: +231-886-102-314                             |
| <b>RIA Cash Office</b>                       | Robert International Air Port, Margibi County, Liberia                             | Mobile: +231-777-909-246                             |

## Savings Accounts

### 1. UBA Kiddies Account

This is a product that is designed to help parents/guardians support their child's education in primary school and it targets parents/guardians with children within the ages of 0-12years. The parent/guardian becomes the administrator of the account until the child is of age. The minimum account opening balance is USD 25.

### 2. UBA Teens Account

This is a special account made for teenagers between the ages of 13 – 17 years to help them save and manage their finance. Parents or guardians will administer the account on behalf of the child. The minimum account opening balance is USD 25.

### 3. UBA NextGen Account

The UBA NextGen Accounts caters for and gives saves opportunity to students of senior secondary school, Tertiary Institution or National Youth Service Corps members within the age bracket of 18-25 Years. The minimal account opening balance is USD 25.

### 4. UBA (General) Savings Account

UBA general savings account is an account that enables customers to save money regularly and allows them to withdraw instant cash without notice or charges.

## Current Accounts

### 1. Individual Current Account

This is an account that enables customers to use cheque book on their account. COT charge is applied to individual current account.

### 2. Joint Account

This account gives two (2) or more people the access to open and operate one account.

### 3. Corporate current

Account This is an account that enables customers to use cheque book on their account.

## Loans and Services

### Retail

1. Asset Finance Loan
2. Consumer/Salary/No Wahala loan
3. D. A.M.E (Debit against under effect)
4. Top temporary overdraft (two weeks to 30days)
5. Small Medium Enterprise Loan
6. Short Term Loan
7. Revolving Over Draft

### CORPORATE

#### Direct Financing:

1. Long term loan
2. Medium term loan
3. Overdraft
4. Invoice Discounting Facility
5. Contract Financing Facility

#### Contingent Financing

1. Documentary Credit/Import Financing Facility
2. Letter of Credit
3. Standby letter of Credit
4. Cash Against Delivery
5. Documenting Collection
6. Documentary Delivery

#### Bonds and Guarantees

1. Bid Bond
2. Performance Bond
3. Advanced payment Guarantee
4. Retention Guarantee
5. Payment Guarantee



| ATM LOCATIONS |                                                                               |
|---------------|-------------------------------------------------------------------------------|
| S/N           | ADDRESSES                                                                     |
| 1             | UBA Paynesville Branch - Red light, Paynesville, Monrovia, Liberia            |
| 2             | US Embassy, Benson Street, Monrovia, Liberia                                  |
| 3             | UBA Congo Town branch - Tubman Boulevard, Congo Town, Liberia                 |
| 4             | Royal Hotel - Royal Hotel, 15 <sup>th</sup> Street, Sinkor, Monrovia, Liberia |
| 6             | Monrovia Brewage, Bushrod Island, Liberia                                     |
| 7             | Forkyklon Church, Paynesville, Liberia                                        |
| 8             | UBA Broad Street branch - Broad & Nelson Streets, Monrovia, Liberia, Liberia  |
| 9             | UBA Bushrod branch – Free port, Bushrod Island, Monrovia, Liberia             |
| 10            | UN PAP, Sinkor, Monrovia, Liberia                                             |
| 11            | D 'Calabash, Congo Town Back Road, Monrovia, Liberia                          |
| 12            | UBA Ganta branch - Ganta City, Nimba County, Monrovia, Liberia, Liberia       |
| 13            | UBA CUC – Cuttington University Main Campus, Gbarnga, Bong County, Liberia    |
| 14            | Orange Office, Capitol By-Pass, Monrovia, Liberia                             |



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