

## AUDITED REPORTS FOR THE YEAR ENDED DECEMBER 31, 2020

The Board of Directors of Coronation Merchant Bank is pleased to announce the Bank's audited results for the year ended December 31, 2020

CORONATION MERCHANT BANK LIMITED  
STATEMENT OF FINANCIAL POSITION

	BANK 31 Dec 2020 N'000	BANK 31 Dec 2019 N'000
<b>Assets</b>		
Cash and balances with banks Due from financial institutions Non pledged trading assets Derivative financial assets Investment securities	12,773,734 35,806,050 10,343,935 5,500,493 108,219,301	8,956,378 57,473,891 11,408,065 2,410,142 60,307,880
Pledged assets Loans and advances to customers Other assets Right of use assets Intangible assets Property and equipment Deferred tax assets Asset classified as held for sale	16,104,307 122,682,497 87,952,775 53,994 1,116,582 6,586,596 5,216,566 -	16,326,798 72,683,949 10,745,065 76,861 706,412 6,472,233 5,777,715 5,000
<b>Total assets</b>	<b>412,356,830</b>	<b>253,350,389</b>
<b>Liabilities</b>		
Due to financial institutions Due to customers Non pledged trading liabilities Commercial paper liabilities Subordinated liabilities Derivative financial liabilities Current tax liabilities Other liabilities Deferred tax liabilities	52,319,291 195,161,465 4,643 8,887,242 24,806,884 5,429,271 166,568 85,303,814 166,220	25,978,923 138,087,891 523,876 12,610,440 - 2,420,349 280,971 38,712,890 166,220
<b>Total liabilities</b>	<b>372,245,398</b>	<b>218,781,560</b>
<b>Equity</b>		
Share capital Share premium Statutory reserve Fair value reserve Regulatory risk reserve Retained earnings	5,050,546 3,655,348 8,364,841 3,051,029 3,577,093 16,412,575	5,050,546 3,655,348 7,608,741 870,146 2,460,504 14,923,544
<b>Total equity</b>	<b>40,111,432</b>	<b>34,568,829</b>
<b>Total equity and liabilities</b>	<b>412,356,830</b>	<b>253,350,389</b>

The financial statements were approved by the board of directors on 17 February 2021. Signed on behalf of the directors by:

Babatunde Folawiyo CHAIRMAN  
FRC/2014/NBA/0000006371

Banjo Adegbohunge Managing  
Director/CEO FRC/2019/  
CIBN/0000019814

Chukwukadibia Okoye  
CHIEF FINANCIAL OFFICER  
FRC/2016/ICAN/0000014293

Additional certification by:

CORONATION MERCHANT BANK LIMITED  
STATEMENT OF COMPREHENSIVE INCOME

	BANK 31 Dec 2020 N'000	BANK 31 Dec 2019 N'000
Interest income at amortised cost Interest income at FVTOCI Interest income at FVTPL Interest expense	14,025,393 5,249,814 675,315 (15,269,476)	16,496,901 7,117,057 1,479,057 (20,664,692)
<b>Net interest income</b>	<b>4,681,046</b>	<b>4,428,323</b>
Net impairment charge on financial assets	(228,240)	(90,521)
<b>Net Interest income after impairment charges</b> Fee and commission income Net gains on investment securities Net foreign exchange income Other operating income Personnel expenses Other operating expenses	<b>4,452,806</b> 1,884,587 4,748,985 386,249 387,183 (1,833,629) (4,241,759)	<b>4,337,802</b> 1,351,031 4,011,964 314,810 357,995 (1,404,905) (3,944,813)
<b>Profit before tax</b> Taxation	<b>5,784,422</b> (743,758)	<b>5,023,884</b> (257,172)
<b>Profit for the year from continuing operations</b>	<b>5,040,664</b>	<b>4,766,712</b>
<b>Discontinued operations:</b> Profit from discontinued operations	-	331,119
<b>Profit for the year</b>	<b>5,063,361</b>	<b>5,097,830</b>
<b>Other comprehensive income (OCI) net of income tax:</b>		
<b>Items that may be reclassified subsequently to profit or loss</b>		
<b>Items that will not be subsequently reclassified to the income statement:</b>		
- Fair value changes on equity investments during the year	2,260,841	1,239,893
Items that may be subsequently reclassified to the income statement:	-	-
- Fair value changes on debt investments during the year	(92,222)	175,520
<b>Other comprehensive profit / (loss), net of related tax effects</b>	<b>2,168,619</b>	<b>1,415,413</b>
<b>Total comprehensive income for the year</b>	<b>7,209,283</b>	<b>6,513,243</b>
<b>Earnings per share attributable to ordinary shareholders</b>		
-continuing operations Basic (kobo)	100	94
-discontinued operations Diluted (kobo)	0	7

The statement of financial position, statement of comprehensive income, report of the independent auditor and specific disclosures are published in compliance with the requirements of S.27 of the Banks and Other Financial Institutions Act. The information disclosed have been extracted from the full financial statements of the bank and cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the bank as the full financial statements. Copies of the full financial statements can be obtained from the Bank. In line with Central Bank of Nigeria (CBN) circular referenced FPR/DIR/CIR/GEN/01/020, the Bank received, processed and resolved one hundred and thirty-five (2019: forty-two) customer complaints during the year. The Bank paid N4,875,000 (2019: nil) penalty to CBN.

Report of the independent auditor on the summary financial statements  
To the members of Coronation Merchant Bank LimitedReport on the summary financial statements  
Opinion

The summary financial statements, which comprise the summary statement of financial position as at 31 December 2020 and the summary statement of comprehensive income for the year then ended are derived from the audited financial statements of Coronation Merchant Bank Limited ("the Bank") for the year ended 31 December 2020.

In our opinion, the accompanying summary financial statements are consistent in all material respects, with the audited financial statements, in accordance with the requirements of the Companies and Allied Matters Act, the Banks and Other Financial Institutions Act and the Financial Reporting Council of Nigeria Act.

## Summary financial statements

The summary financial statements do not contain all the disclosures required by the International Financial Reporting Standards, the Companies and Allied Matters Act, the Financial Reporting Council of Nigeria Act, the Banks and Other Financial Institution Act and other relevant Central Bank of Nigeria circulars applied in the preparation of the audited financial statements of the Bank. Therefore, reading the summary financial statements and the auditor's report thereon, is not a substitute for reading the audited financial statements and the auditor's report thereon.

## The audited financial statements and our report thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 22 February 2021. That report also includes the communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period.

## Directors' responsibility for the summary financial statements

The directors are responsible for the preparation of the summary financial statements in accordance with the requirements of the Companies and Allied Matters Act, the Banks and Other Financial Institutions Act and the Financial Reporting Council of Nigeria Act.

## Auditor's responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), 'Engagements to Report on Summary Financial Statements'.

## Report on other legal and regulatory requirements

In accordance with our full audit report, we confirm that:

- we did not report any exceptions under the sixth schedule of the Companies and Allied Matters Act;
- the Bank has disclosed the information required by the Central Bank of Nigeria circular on insider related credits;
- the Bank paid penalties in respect of contraventions of certain sections of the Banks and Other Financial Institutions Act and relevant circulars issued by the Central Bank of Nigeria during the year ended 31 December 2020

For: PricewaterhouseCoopers  
Chartered Accountants  
Lagos, Nigeria

Engagement Partner: Chidi Ojechi  
FRC/2017/ICAN/0000015955

## Directors

Mr Babatunde Folawiyo Chairman  
Mr Banjo Adegbohunge Managing Director  
Mrs Funke Feyisitan Ladimeji Executive Director/COO  
Mr Adamu Atta  
Mr Babatunde Dabiri  
Ms Evelyn Oputu

Mr Idaere Ogan  
Mr Larry Ettah  
Ms Olubunmi Fayokun  
Mrs Suzanne Iroche

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22 February 2021