

UNITED CAPITAL PLC

UNAUDITED RESULTS FOR THE PERIOD ENDED SEPTEMBER 30, 2023

UNITED CAPITAL PLC RECORDS 20% YoY GROSS EARNINGS GROWTH

LAGOS, NIGERIA – October 17, 2023 - United Capital Plc, (NGX: UCAP, Bloomberg: UCAP:NL, Financial Times: UCAP: LAG) has announced its Unaudited Financial Results for the period ended September 30, 2023. Gross Earnings rose by 20% year-on-year to ₦17.51billion, PBT increased by 7% year-on-year to ₦9.72billion, PAT grew by 10% year-on-year to ₦8.47billion and total assets grew by 22% year-to-date to ₦732.50billion.

Earnings	September 2023	September 2022
Gross Earnings (₦'bn)	17.51	14.55
PBT (₦'bn)	9.72	9.12
PAT (₦'bn)	8.47	7.72
Financial Position	September 2023	December 2022
Total Assets (₦'bn)	732.50	601.92
Total Liabilities (₦'bn)	671.29	568.93
Shareholders' Funds (₦'bn)	61.21	32.99
Financial Ratios	September 2023	September 2022
**Return on Asset	1.54%	1.73%
Price*-Earnings Ratio	8.53	6.56
**EPS (kobo)	188	171

*UCAP share price at 30/09/2023

**Annualized

Commenting on the unaudited financial results, the Group Chief Executive Officer, Mr. Peter Ashade, had this to say:

United Capital's third quarter performance reflects our strong ability to deliver sustainable earnings despite the challenging operating business environment. This is on the back of a reinforced risk management system and solid execution capabilities.

While we are focused on our strategic objective of improving our services and financial offerings to our clients, we remain committed to our promise of delivering superior value to our shareholders. This is evident in our performance as we grew gross earnings by 20% year-on-year to N17.51billion, total assets by 22% year-to-date to N732.50billion and Shareholders' funds by 86% year-to-date to N61.21billion during the period.

As we proceed into the fourth quarter of the year, we are positive about the emerging opportunities in our operating environment and we are confident that all our businesses are well positioned to optimise their capabilities in the current dispensation.

LAGOS, NIGERIA – October 17, 2023

*This Earnings Press Release should be read in conjunction with the Unaudited Financial Statements for the period ended September 30th, 2023. The Earnings Press Release and the Unaudited Financial Statements for the period ended September 30th, 2023 are available on our website at <https://www.unitedcapitalplcgroup.com/investor-relations/>. This analysis is dated **October 17th, 2023**. Unless otherwise indicated, all amounts are expressed in the Nigerian Naira, and have been primarily derived from the Group's Financial Statements, prepared in accordance with the International Financial Reporting Standards ("IFRS"). The accounting policies used in the preparation of these financial statements are consistent with those used in the Group's Unaudited Financial Statements for the period ended September 30th, 2023. Additional information relating to the Group is available on the Group's website.*

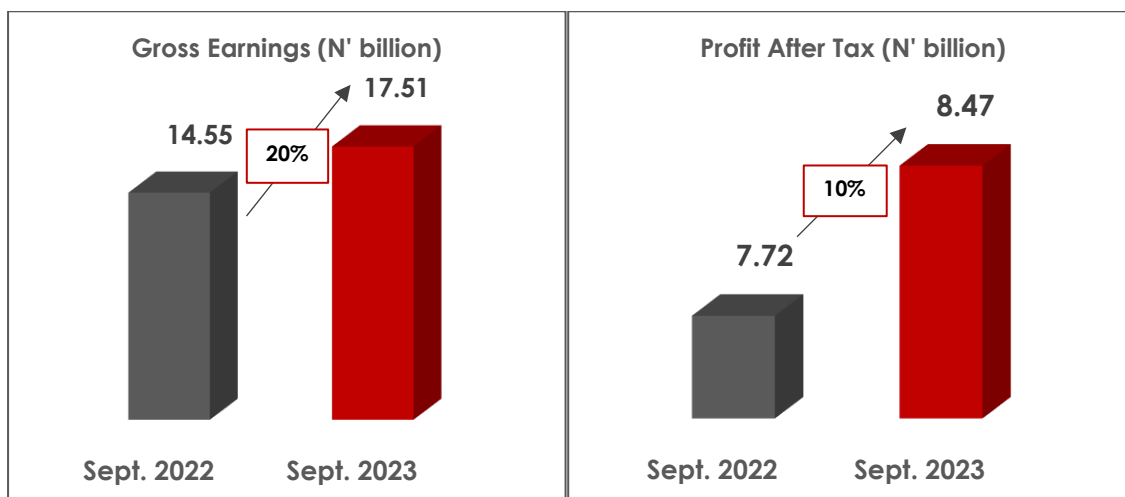
<http://www.unitedcapitalplcgroup.com/>

KEY PERFORMANCE HIGHLIGHTS**Income Statement**

- ❖ Gross Earnings: ₦17.51billion in 9M 2023, compared to ₦14.55billion in 9M 2022 (20% growth year-on-year)
- ❖ Net Operating Income: ₦15.01billion in 9M 2023, compared to ₦13.49billion in 9M 2022 (11% growth year-on-year)
- ❖ Operating expenses: ₦8.26billion in 9M 2023, compared to ₦5.74billion in 9M 2022 (44% growth year-on-year)
- ❖ Profit Before Tax: ₦9.72billion in 9M 2023, compared to N ₦9.12billion in 9M 2022 (7% growth year-on-year)
- ❖ Profit After Tax: ₦8.47billion in 9M 2023, compared to ₦7.72billion in 9M 2022 (10% growth year-on-year)
- ❖ Annualized Earnings Per Share: 188 kobo. (9M 2022: 171 kobo)

Statement of Financial Position:

- ❖ Total Assets: ₦732.50billion, compared to ₦601.92billion as at December 2022 (22% year-to-date growth)
- ❖ Total Liabilities: ₦671.29billion, compared to ₦568.93billion as at December 2022 (18% year-to-date growth)
- ❖ Shareholders Fund: ₦61.21billion, compared to ₦32.99billion as at December 2022 (86% year-to-date growth)



Comparing 9M 2023 with 9M 2022, the following are worthy of note:

- **Gross Earnings:** During the period under review, United Capital's gross earnings rose by 20% year-on-year to ₦17.51billion in September 2023 compared to ₦14.55billion in September 2022 largely driven by growth in Investment Income (+35% year-on-year)
- **PBT and PAT:** PBT grew by 7% year-on-year to ₦9.72billion while PAT grew by 10% year-on-year to ₦8.47billion driven by 20% growth in gross earnings during the period under review.
- **Total Assets:** The company's total assets grew by 22% year-to-date to ₦732.50billion in September 2023 compared to ₦601.92billion in December 2022 majorly attributable to 62% growth in cash and cash equivalents and 8% growth in investment securities.
- **Total Liabilities:** United Capital's total liabilities grew by 18% year-to-date to ₦671.29billion in September 2023 compared to ₦568.93billion in December 2022 driven by 9% year-to-date growth in managed funds and 56% year-to-date growth in other liabilities.
- **Shareholders' Fund:** United Capital Shareholders' funds rose by 86% year-to-date to ₦61.21billion in September 2023 compared to ₦32.99billion in December 2022 attributable to increase in fair value reserve during the period under review.

COMPANY UPDATE:

Following the release of our 9M 2023 result, we shall be hosting an Investors and Analysts conference call in due course to discuss our performance and overall outlook for the rest of 2023. The date and further details with respect to the conference call would be circulated in due course.

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD
ENDED 30 SEPTEMBER 2023**

	30 September 23	30 September 22
	=N=' 000	=N=' 000
Gross Earnings	17,505,977	14,546,254
Investment income	8,945,858	6,611,493
Fee and commission income	5,744,883	6,268,598
Net trading income	315,241	611,916
Net operating income	15,005,983	13,492,007
Other income	1,972,302	1,128,310
Net gain/(loss) on financial assets at fair value through profit or loss	527,692	(74,062)
Total Revenue	17,505,977	14,546,254
Personnel expenses	(2,152,405)	(1,743,631)
Other operating expenses	(4,866,583)	(2,772,528)
Depreciation of properties and equipment	(145,217)	(144,453)
Amortisation of intangible & right of use assets	(98,311)	(79,232)
Impairment for credit losses	(1,000,096)	(999,890)
Total Expenses	(8,262,612)	(5,739,733)
Operating profit before income tax	9,243,365	8,806,521
Share of accumulated (loss)/profit of associates	474,662	317,786
Profit before income tax	9,718,027	9,124,306
Taxation	(1,249,515)	(1,409,044)
Profit for the period	8,468,513	7,715,263
Other comprehensive income, net of income tax		
Items that will not be reclassified subsequently to profit or loss		
Fair value (loss)/gain on investments in equity instruments measured at FVTOCI (net of tax)	27,581,912	81,567
Items that may be reclassified subsequently to profit or loss		
Fair value (loss)/gain on investments in debt instruments measured at FVTOCI (net of tax)	1,174,940	276,837
Share of other comprehensive income of associates	-	-
Other comprehensive income/(loss) for the period, net of taxes	28,756,853	358,404
Total comprehensive income for the period	37,225,365	8,073,667
Profit for the period attributable to:		
Equity holders of the Company	8,468,513	7,715,263
Total comprehensive income attributable to:		
Equity holders of the Company	37,225,365	8,073,667
Earnings per share-basic (kobo)	188	171

STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023

	30 September 2023	31 December 2022
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ASSETS		
Cash and cash equivalents	243,179,839	149,867,038
Investment securities	418,574,054	386,544,094
Trade and other receivables	63,759,258	58,943,091
Right of use assets	89,516	141,944
Intangible assets	163,199	179,302
Investments in associates	5,089,356	4,614,694
Property and equipment	404,153	386,555
Deferred tax assets	1,238,493	1,238,493
TOTAL ASSETS	732,497,868	601,915,211
LIABILITIES		
Managed funds	450,961,802	413,698,697
Borrowed funds	139,893,659	100,454,344
Other liabilities	75,846,041	48,649,198
Current tax liabilities	3,750,676	5,292,648
Deferred tax liabilities	833,034	833,034
TOTAL LIABILITIES	671,285,212	568,927,921
SHAREHOLDERS FUND		
Share capital	3,000,000	3,000,000
Share premium	683,611	683,611
Retained earnings	28,782,075	29,313,563
Fair value reserves	28,746,969	(9,884)
TOTAL SHAREHOLDERS FUND	61,212,656	32,987,290
TOTAL LIABILITIES AND SHAREHOLDERS FUND	732,497,868	601,915,211

EDITOR'S COMMENT

United Capital Plc is a leading Pan-African financial and investment services group, with a mission to provide bespoke and innovative value-added services to its client. The group aims to transform the African continent by providing innovative and creative investment banking solutions to governments, companies, and individuals.

The company which was listed on the Nigerian Stock Exchange on the 17th of January 2013 is setting the pace to becoming the financial and investment role model across Africa, by deploying innovation, technology, and specialist skills to exceed client expectations, while creating more value for all stakeholders.

As a pacesetter, United Capital is the first Investment Bank to be listed on the Nigerian Stock Exchange. It maintains a holding company structure with subsidiaries in the Consumer Lending, Trusteeship, Securities Trading and Asset Management business.

More information can be found at: <http://www.unitedcapitalplcgroup.com/>

For further enquiries:

Shedrack Onakpoma

Group Chief Financial Officer

shedrack.onakpoma@unitedcapitalplcgroup.com

CAUTION REGARDING FORWARD LOOKING STATEMENTS

From time to time, the Group makes written and/or oral forward-looking statements, including in this press release and in other communications. In addition, representatives of the Group may make forward-looking statements orally to analysts, investors, the media, and others. All such statements are intended to be forward looking statements. Forward looking statements include, but are not limited to, statements regarding the Group's objectives and strategies to achieve them, and the Group's anticipated financial performance. Forward looking statements are typically identified by words such as "will", "should", "believe", "expect", "anticipate", "intend", "estimate", "may" and "could".

Any forward-looking statements contained in this presentation represent the views of management only as of the date hereof and are presented for the purpose of assisting the Group's investors and analysts in understanding the Group's financial position, objectives and priorities and anticipated financial performance as at and for the periods ended on the dates presented and may not be appropriate for other purposes. The Group does not undertake to update any forward-looking statements, whether written or oral, that may be made from time to time by or on its behalf, except as required under applicable securities legislation

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