

AUDITED HALF-YEAR RESULTS FOR THE PERIOD ENDED JUNE 30, 2023

UBA RECORDS SIGNIFICANT GROWTH IN REVENUE, PROFIT AND KEY METRICS, WITH PBT OF N404BN.

This Earnings Press Release should be read in conjunction with the Half-Year 2023 Audited Interim Consolidated Financial Statements. The Earnings Press Release is also available on our website at www.ubagroup.com/investor-relations/. This analysis is dated September 12, 2023. Unless otherwise indicated, all amounts are expressed in Nigerian Naira, and have been primarily derived from the Bank's Consolidated Financial Statements, prepared in accordance with the International Financial Reporting Standards ("IFRS"). The accounting policies used in the preparation of these consolidated financial statements are consistent with those used in the Bank's Audited Half-Year 2023 Financial Statements. Additional information relating to the Bank is available on the Bank's website www.ubagroup.com.

Statement of Comprehensive Income	2023HY N' Million	2022HY N' Million	Change
Gross earnings	981,775	372,358	163.7%
Interest income	428,292	257,361	66.4%
Net-interest income	278,113	177,462	56.7%
Non-interest income ^[1]	505,845	78,207	546.8%
Operating Income ^[2]	783,958	255,669	206.6%
Operating expenses	226,367	161,900	39.8%
Profit before tax	403,647	85,750	370.7%
Profit after tax ^[3]	378,235	70,335	437.8%
Basic EPS ^[4]	10.95	1.98	455.9%
Statement of Financial Position	2023HY	2022FY	Change
Total assets	15,382,383	10,857,571	41.7%
Net Loans	4,682,659	3,440,128	36.1%
Customer deposits	11,139,900	7,824,892	42.4%
Shareholders' funds	1,712,363	922,104	85.7%
NPL ratio	3.3%	3.1%	-6.6%
NPL coverage ratio ^[5]	187.0%	115.6%	61.8%
Profitability Metrics	2023HY	2022HY	Change
Cost-to-income ratio (CIR) ^[6]	28.9%	63.2%	54.3%
Return on average equity (RoAE) ^[7]	57.7%	17.1%	236.6%
Return on average asset (RoA) ^[8]	5.8%	1.5%	282.1%
Cost-of-risk (CoR) ^[9]	3.4%	0.4%	-805.2%
Cost-of-fund (CoF) ^[10]	2.6%	2.0%	-35.0%
Net interest margin (NIM) ^[11]	6.0%	5.5%	8.4%

1. Non-interest income is net of fee and commission expenses.
2. Operating income defined as net interest income plus non-interest income.
3. Profit for the period includes discontinued operations.
4. Basic EPS computed as profit after tax divided by weighted average number of shares in issue.
5. NPL coverage computed as total allowance for impairment plus regulatory risk reserve divided by total stage 3 loans.
6. Cost to income ratio computed as operating expenses divided by operating income.
7. Post-tax return on average equity computed as annualised profit after tax attributable to shareholders divided by the average opening and closing balances attributable to equity holders.
8. Post-tax return on average assets computed as annualised profit after tax divided by the average opening and closing balances of its total assets.
9. Cost of risk computed as annualised credit impairment charges divided by the average opening and closing gross loans balances.
10. Cost of funds computed as annualised interest expense divided by average interest-bearing liabilities.
11. Net-interest margin computed as annualised net interest income divided by the average opening and closing balances of interest earning assets.

Commenting on the result, UBA's Group Managing Director/ Chief Executive Officer, Mr. Oliver Alawuba said:

I am delighted to report UBA's performance in the first half of 2023, achieving record growth in revenues and profit. Gross Earnings grew 164% in HY2023 to ₦981billion, from ₦372billion in HY2022. Profit before tax rose from ₦86billion in HY2022 to ₦404billion in HY2023, a significant growth of 371%.

Whilst the Group recorded strong double-digit growth in revenues and profits from its operations, the result also reflects the effect of sizeable revaluation gains, arising from the harmonization of currency exchange rates in Nigeria. Our reporting currency found a new exchange level at about N756 to 1US\$ as of 30 June 2023, compared to N465 at the beginning of the year. The results again demonstrate the benefits of our long-held diversification strategy across Africa and globally. UBA is a genuinely pan-African business. The growth of our international business, most recently in the UAE, only reinforces this earnings quality.

Our business is on a steady growth trajectory, as we further strengthen our risk management architecture and make technology investments to deliver premium service to our customers. We have also continued to finance landmark projects in critical sectors of the economies where we operate across Africa, facilitate intra-Africa trade with our valuable offerings and provide a versatile last-mile distribution network for Africa-bound donor and multilateral agency funds.

The three core geographical pillars of our business (Nigeria, Rest of Africa and Rest of the World) are making strong contributions to the Group profit, further justifying our global strategy and business positioning across Africa, UAE, France, UK and USA, and demonstrating the benefits of positioning UBA as the financial intermediary for Africa and the rest of the world.

Our Board has approved an **interim dividend of 50k per share**, which represents an over 150% increase over prior year. As we approach the last quarter of the year, the Group remains strategically positioned to sustain the strong performance, consolidating on H1 2023 results, to deliver superior returns to our esteemed shareholders.

Also speaking on the performance, Executive Director Finance & Risk Management, Ugo Nwaghodoh said:

"Our HY2023 financial numbers reflect excellent performance across key metrics, as we diligently execute our priorities for the year. Annualized return on average equity at 57.7% was bolstered by improved operating income and revaluation gains.

We continue to defensively position and intensify monitoring of our loan portfolio, in view of the potential weakening that may arise in subsequent quarters, from prevailing economic challenges. We have also prudently made adequate provision for potential defaults, translating to an increased cost of risk of 3.4% (HY2022: 0.4%). NPL grew marginally to 3.3% from 3.1% at beginning of the year.

The Group maintains robust capital buffers to support business growth and loss absorbency. The Group's shareholders' funds stood at N1.7trillion, with a capital adequacy ratio of 36.4%.

We remain committed to delivering sustainable value to our stakeholders.

STATEMENT TO THE NIGERIAN EXCHANGE LIMITED AND SHAREHOLDERS ON THE EXTRACT OF THE AUDITED HALF-YEAR RESULTS FOR THE PERIOD ENDED 30 JUNE

**Consolidated and Separate Statements of Comprehensive Income for
the 6 months period ended 30 June 2023**

In millions of Nigerian Naira	GROUP		BANK	
	June 2023	June 2022	June 2023	June 2023
Gross earnings	981,775	372,358	748,470	224,229
Interest income	428,292	257,361	260,000	154,179
Interest income on amortized cost and FVOCI securities	427,689	276,725	259,397	158,845
Interest income on FVTPL securities	603	600	603	334
Interest expense	(150,179)	(79,899)	(103,770)	(49,705)
Net interest income	278,113	177,462	156,230	104,474
Impairment charge for credit losses on Loans	(143,932)	(11765)	(123,736)	(3,922)
Net impairment Write back / (charge) on other financial assets	(10,012)	3,435	(6,344)	2,911
Net interest income after impairment charge on financial instruments assets	124,169	169,132	26,150	103,463
Fees and commission income	125,934	96,395	58,198	52,139
Fees and commission expense	(47,638)	(36,479)	(30,601)	(25,428)
Net fee and commission income	78,296	59,916	27,597	26,711
Net trading and foreign exchange income/(loss) Other operating income	9,271	9,146	29,049	18,557
Employee benefit expenses	(69,389)	(52,297)	(31,521)	(25,995)
Depreciation and amortization	(16,117)	(13,035)	(10,705)	(9,213)
Other operating expenses	(140,861)	(96,568)	(97,608)	(70,054)
Share of profit of equity - accounted investee	-	311	-	-
Profit before income tax	403,647	85,750	344,185	42,823
Income tax expense	(25,412)	(15,415)	(6,803)	(1,393)
Profit for the year	378,235	70,335	337,382	41,430
Other comprehensive income				
Items that will be reclassified to Profit or loss:				
Exchange differences on translation of foreign operations	282,943	(35,469)	-	-
Fair value changes on investments in debt securities at FVOCI:				
Net change in fair value for the year	8,633	(16,915)	8,180	(16,661)
Net amount transferred to profit or loss	2,771	(551)	2,771	(551)
Items that will not be reclassified to Profit or loss:				
Fair value changes on equity investments designated at FVOCI	148,457	(8,510)	142,896	(8,392)
Other comprehensive loss for the year, net of tax	442,804	(61,445)	153,846	(25,604)
Total comprehensive income for the year	821,039	8,890	491,228	15,826
Profit for the year attributable to:				
Owners of Parent	374,365	67,687	337,382	41,430
Non-controlling interests	3,870	2,648	-	-
Profit for the year	378,235	70,335	337,382	41,430
Total comprehensive income attributable to:				
Owners of Parent	801,263	9,235	491,228	15,826
Non-controlling interests	19,776	(345)	-	-
Total comprehensive income for the year	821,039	8,890	491,228	15,826
Earnings per share attributable to owners of the parent				
Basic and diluted earnings per share (Naira)	10.95	1.98	9.87	1.21



Ugo A. Nwaghodoh
ED, Finance and Risk Mgt.
FRC/2012/CAN/00000000272



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



Tony O. Elumelu, CFR
Chairman, Board of Directors
FRC/2013/CIBN/00000002590

**Consolidated and Separate Statements of Financial Position
As at 30 June 2023**

	GROUP		BANK	
	June 2023	Dec 2022	June 2023	Dec 2022
ASSETS				
Cash and bank balances	3,434,094	2,553,629	2,783,467	2,154,971
Financial assets at fair value through profit or loss	9,413	14,963	9,413	14,963
Assets under management	13,400	12,923	13,400	12,923
Derivative assets	390,548	39,830	390,548	39,830
Loans and advances to banks	181,442	303,249	140,688	231,753
Loans and advances to customers	4,501,217	3,136,879	2,848,567	2,123,097
Investment securities:				
- At fair value through other comprehensive income	2,706,383	2,193,253	2,549,798	2,071,689
- At amortised cost	3,498,496	1,987,438	125,828	115,376
Other assets	340,130	254,704	206,472	156,535
Investment in subsidiaries	-	-	162,756	145,993
Property and equipment	228,621	208,039	165,014	163,841
Intangible assets	36,322	33,468	11,386	12,618
Deferred tax assets	28,942	23,603	21,862	21,862
	15,369,008	10,761,978	9,429,199	7,265,451
Non-Current Assets Held for Sale	13,375	95,909	13,375	95,593
TOTAL ASSETS	15,382,383	10,857,571	9,442,574	7,361,044
LIABILITIES				
Deposits from banks	1,463,268	1,170,238	702,111	863,795
Deposits from customers	11,139,900	7,824,892	6,608,995	5,046,514
Derivative liabilities	2363	79	2365	79
Other liabilities	450,966	383,283	482,142	326,690
Current income tax payable	17,117	20,281	8,175	8,327
Borrowings	595,840	535,735	593,145	530,446
Deferred tax liability	566	959	-	-
TOTAL LIABILITIES	13,670,020	9,935,467	8,396,931	6,775,851
EQUITY				
Share capital	17,100	17,100	17,100	17,100
Share premium	98,715	98,715	98,715	98,715
Retained earnings	683,020	429,533	409,414	191,418
Other reserves	862,857	341,949	520,701	277,960
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	1,661,405	887,297	1,045,643	585,193
Non-controlling interests	50,958	34,807	-	-
TOTAL EQUITY	1,712,363	922,104	1,045,643	585,193
TOTAL LIABILITIES AND EQUITY	15,382,383	10,857,571	9,442,574	7,361,044

The consolidated and separate financial statements were approved by the Board of Directors on July 31, 2023 and signed on its behalf by:

The statement of financial position, statement of comprehensive income, statement of changes in equity, 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 here has been extracted from the full financial statements of the bank and the group and cannot be expected to provide a full understanding of the financial performance, financial position and financing and investing activities of the bank and the group as the full financial statements. Copy of the full financial statements can be obtained from the Bank's website: www.ubagroup.com/ir.



CONFERENCE CALL INVITATION - PRESENTATION OF HALF-YEAR 2023 INTERIM RESULTS

UBA Plc's audited half-year 2023 results conference call is scheduled for Thursday September 28, 2023, at 3:00pm Lagos time (3:00pm London / 09:00am New York / 4:00pm Johannesburg).

CONFERENCE CALL DETAILS

Conference Name	UBA Plc Audited Half-Year 2023 Interim Results Presentation
Chairperson's Name	Oliver Alawuba - Group Managing Director/CEO
Additional Speaker	Ugo Nwaghodoh – ED, Finance & Risk Management.
In attendance	Muyiwa Akinyemi (Group Deputy Managing Director) Alex Alozie (ED, GCOO) Sola Yomi-Ajayi (ED, International Banking) Emem Usoro (ED, Nigeria North) Abiola Bawuah (ED/CEO, UBA Africa) Adeleke Adeyemi (Group Treasurer) Alero Ladipo (Group Head, Corporate Communications) Joel Owoade (Group Chief Credit Officer) Olakunle Abiola (Group Financial Controller)
Call date	Thursday September 28, 2023
Duration (hh:mm)	02:00
Platform	Online

To participate in the call, kindly [click here](#) to register.

[Click here](#) to download the half-year 2023 interim report. You can also scan the QR code below using your Android or iOS phone camera.



For further information, please contact:

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Editor's comment

United Bank for Africa Plc is a leading Pan-African financial institution, offering banking services to more than thirty (30) million customers, across 1,000 business offices and customer touch points in 20 African countries. With presence in New York, London, Paris and Dubai, UBA is connecting people and businesses across Africa through retail, commercial and corporate banking, innovative cross-border payments and remittances, trade finance and ancillary banking services.

Caution regarding forward-looking statements

From time to time, the Bank makes written and/or oral forward-looking statements in press releases and other communications. In addition, representatives of the Bank may make forward-looking statements 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 Bank's objectives and priorities for 2023 and beyond as well as strategies to achieve them, and the Bank's anticipated financial performance. Forward looking statements are typically identified by words such as "will", "should", "believe", "expect", "anticipate", "intend", "estimate", "may" and "could".

By their very nature, these statements require the Bank to make assumptions and are subject to inherent risks and uncertainties, general and specific. Especially in light of the uncertainty related to the financial, economic and regulatory environments, such risks and uncertainties – many of which are beyond the Bank's control and the effects of which are difficult to predict – may cause actual results to differ materially from the expectations expressed in the forward-looking statements. Risk factors that could cause such differences include credit, market (including equity, commodity, foreign exchange, and interest rate), liquidity, operational, reputational, insurance, strategic, regulatory, legal, environmental, and other risks. All such factors should be considered carefully, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements, when making decisions with respect to the Bank and we caution readers not to place undue reliance on the Bank's forward-looking statements.

Any forward-looking statements contained in this press release represent the views of management, only as of the date hereof and are presented for the purpose of assisting the Bank's investors and analysts in understanding the Bank'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 Bank 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.