

United Capital Equity Fund

Mutual Funds Factsheet | September 2025

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FUND OBJECTIVE

The United Capital Equity Fund invests in quoted equities that are traded on the Floor of the Nigerian Exchange ("NGX"). The objective of the Fund is to achieve high returns over a medium to long-term period. The Fund is suited for investors who have a long-term outlook and have funds that can be set aside for investments extending for a period of more than one year. The Fund is impacted by fluctuations in stock prices.

The Fund seeks to achieve long-term capital appreciation and income distribution through investment in fundamentally strong companies. As such, the Fund targets investors who seek significant capital appreciation in the long-term and can tolerate the volatility in the stock market.

MARKET REVIEW, OUTLOOK AND STRATEGY

In September 2025, the Nigerian equity market gained modestly, picking up momentum in the middle of the month. Investors gained approximately N1.81trillion compared to N0.35 trillion in August as market capitalisation appreciated.

Notably, standout performers which lifted the local bourse include BUAFOODS (+39.70% month-on-month – m/m), BUACEMENT (+8.20% m/m), GUINNESS (+53.90% m/m), and TRANSCOR (+2.90% m/m). As a result, the NGX-All Share Index (NGX-ASI) gained 1.72% m/m to close at 142,710.50 points. Consequently, year to date returns increased marginally to 38.65% from 36.31% recorded in July. Market capitalisation also closed at N90.58 trillion from N88.77 trillion recorded in August.

On a sectoral level, market activity was bullish, as Three(3) of the Five (5) sectors under our coverage closed in the green while two (2) closed in red. The Oil and Gas sector (+5.94% m/m) led the gainers mainly driven strong gains in ARADEL (+20.59% MoM). Aradel's price increase followed Capital Alliance Private Equity (CAPE) IV Limited's full divestment of its approximately 16.0% equity stake to a consortium of 6 investors. The Consumer Goods sector closed positive (+5.65% m/m) following share price appreciations in BUAFOOD (+6.73% m/m), and GUINNESS (+41.46% m/m). This was followed by the Industrial sector (+1.89% m/m) on account of gains in BUACEMENT.

However, the Banking and Insurance Sectors were the major losers, shedding 0.95% and 7.21% respectively mainly driven by losses in some large cap stocks and profit taking activities across major tickers in the industry.

In terms of corporate disclosures, we saw the release of more H1'25 earnings from some of our coverage companies. In the banking sector, Zenith bank declared an interim dividend of ₦1.25 following a 7.9% y/y decline in profit after tax to ₦532.18 billion from ₦578.00 billion. Earnings remained strong surging 19.7% y/y while the bank recorded ₦ 791.2 billion in loan impairment

charges following its compliance with the Central Bank of Nigeria's (CBN) directive to exit loan forbearance. UBA recorded a modest growth of 6.1% y/y in its PAT to N335.5 billion in its audited H1'25 results and declared an interim dividend of ₦0.25. This dividend reduction from the ₦2.00 paid in H1'24 was met by negative reaction from investors. GTCO declared an interim dividend of ₦1.00 following a 50.4% y/y decline in its PAT to ₦449.0 bn, largely on the back of a sharp decline in Non-Interest Revenue (NIR) while Stanbic IBTC declared ₦2.50 following a 49.1% y/y increase in its PAT to ₦173.4 bn on the back of growth in its interest income.

Also, in the banking sector, United Bank for Africa (UBA) extended the acceptance period for its ongoing Rights Issue by two weeks to September 19, 2025, following the approval from the Securities and Exchange Commission (SEC). The extension is to give shareholders more time to participate and fully exercise their rights.

In the telecommunications sector, Airtel Africa announced new arrangements with Barclays to support its ongoing \$55 million share buy-back programme during closed periods. So far, \$34.7 million has been spent to repurchase 14.2 million shares, with the remaining \$20.3 million expected to be completed by March 31, 2026. All repurchased shares will be cancelled to reduce the company's capital.

In the healthcare sector, Fidson Healthcare Plc deepened its strategic alliance with Japan's Ohara Pharmaceutical at TICAD9, with plans for capital support and technical collaboration to boost local production of specialised medicines. The move underscores both firms' long-term commitment to strengthening Africa's healthcare landscape and reducing dependence on imports.

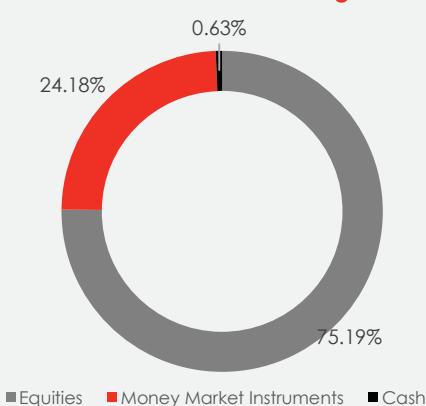
Looking ahead into October 2025, the Nigerian equity market is poised for a cautiously optimistic performance as expectations of improved Q3 results start to enter the market. The market should benefit from improved liquidity in the financial market on account of the recent CBN's monetary policy easing. The improving macroeconomic environment in Nigeria is expected to boost investors' confidence in the equity market leading to improved participation.

FUND FEATURES

Fund Manager	United Capital Asset Management Ltd
Investment Manager Rating	A+(IM)
Base Currency/Start Year	Naira/2006
Fund Size (₦)	5.9bn
NAV Per Share (₦)	1.8386
Minimum Entry (₦)	10,000
Additional Investment (₦)	5,000
Structure	Open Ended
Entry/Exit Charges	Nil
Management Fee	1.5%
Total Expense Ratio*	1.8%
Benchmark	NGX ASI
Risk Profile	Aggressive
Investment Style	Growth Oriented

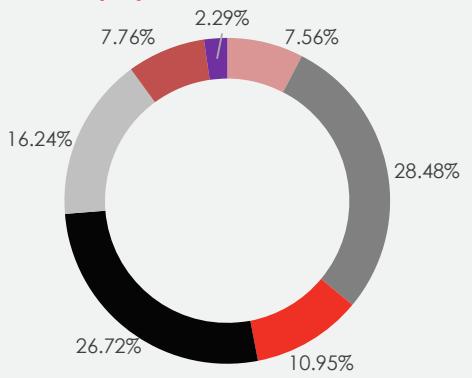
*Inclusive of management fee; Returns are net of all fees

Current Portfolio Holdings



■ Equities ■ Money Market Instruments ■ Cash

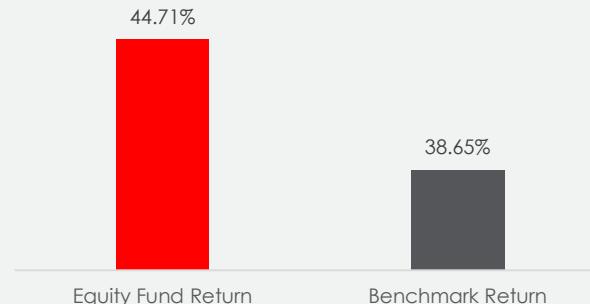
Equity Sectoral Allocation



Governance Asset Allocation Ranges:

Money Market(10%-30%); Equities: 70%-90%

Equity Fund Performance Vs Benchmark



Top ten equity exposures (million)

PRESCO	821.51
OKOMUOIL	376.38
NASCON	279.62
FIDELITYBK	277.39
STERLINGNG	275.23
FIRSTHOLDCO	271.99
DANGCEM	252.50
BUACEMENT	238.41
WAPCO	237.29
MTNN	230.54

RETURN HISTORY

	2020	2021	2022	2023	2024	2025 YTD
UCAP Equity Fund	22.91%	16.43%	7.55%	48.40%	35.60%	44.71%
Benchmark (ASI)	50.03%	6.07%	19.98%	45.90%	37.65%	38.65%

*Represents the Fund's Absolute Return vs the Benchmark's Absolute Return

PERFORMANCE REVIEW

The United Capital Equity Fund returned 1.37% for the month of September 2025 translating to a YTD return of 44.71%, relative to the return of 38.65% posted by the benchmark for the same period.

The local bourse continued its positive performance in September as the benchmark index gained 1.72% on a MoM basis translating to a YTD return of 38.65%. The Oil and Gas sector and the Consumer goods sector led the gainers while the Insurance sector led the laggards list on the back of profit taking activities following the gains in the prior month.

Looking ahead, we expect that market performance during the month will be shaped by the release of 9M earnings report. Also, given the dovish stance by the apex bank, we expect to see increased activities in the equities market as investors continue to seek for superior returns. The fund manager will continue to take position in tickers with good fundamentals as the opportunity presents and ensure a mix with money market instruments to take advantage of the attractive yield environment.

The fund manager will watch activities in the market and continue to take positions in stocks with low prices, solid valuations, and dividend performance in a bid to take advantage of potential market rally. We will maintain our allocation in line with the investment policy objectives and the Trust Deed.

WHY CHOOSE THE FUND?

- Diversification across sectors
- Seamless Entry and Exit
- Low entry threshold
- Professional management with robust risk framework
- Long term capital growth

INVESTMENT RISK

- Credit Risks
- Macroeconomic instability
- Interest Rate Risk

HOW TO PARTICIPATE

1. Log in to our online platform www.investnow.ng
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4. Fund your account online with a one-time payment or recurrent payments.



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