

UNITED CAPITAL PLC

UNAUDITED RESULTS FOR THE PERIOD ENDED SEPTEMBER 30, 2024

UNITED CAPITAL DELIVERS SOLID EARNINGS PERFORMANCE - RECORDS 93% GROWTH YOY IN PROFITABILITY

LAGOS, NIGERIA – October 15, 2024 - United Capital Plc, (NGX: UCAP, Bloomberg: UCAP:NL, Financial Times: UCAP: LAG) has announced its unaudited Financial Results for the period ended September 30, 2024. Gross earnings grew by 61% year-on-year to ₦28.17 billion, profit before tax rose by 93% year-on-year to ₦18.73 billion, profit after tax grew by 89% year-on-year to ₦15.98 billion, total assets increased by 36% year-to-date to ₦1.26 trillion while Shareholders' Funds grew by 27% year-to-date to ₦115.03 billion.

Earnings	September 2024	September 2023	Change
Gross Earnings (₦'bn)	28.17	17.51	↑61%
PBT (₦'bn)	18.73	9.72	↑93%
PAT (₦'bn)	15.98	8.47	↑89%
Financial Position	September 2024	December 2023	Change
Total Assets (₦'bn)	1,264.24	931.95	↑36%
Total Liabilities (₦'bn)	1,149.21	841.23	↑37%
Shareholders' Funds (₦'bn)	115.03	90.71	↑27%
Financial Ratios	September 2024	September 2023	Change
**EPS (kobo)	355	188	↑89%
Net Assets per share	19.17	10.20	↑88%

*UCAP share price at 30/09/2024

**Annualized

Commenting on the Group's performance, the Group Chief Executive Officer, Mr. Peter Ashade, had this to say:

“United Capital group recorded an impressive performance in Q3 2024 despite the challenging and uncertain business environment characterised by rising inflationary trend, volatile currency exchange rate amid the fast-changing macroeconomic landscape. Our performance is a testament to the resilience of our business model, strong risk management culture and effective execution of our well-crafted strategies.

The group delivered Gross Earnings of ₦28.17 billion with 61% year-on-year growth, Profit before Tax of ₦18.73 billion on the back of a strong year-on-year growth of 93%, Shareholders' value improved by 27% from ₦90.71 billion to ₦115.03 billion.

In September, we successfully led the historic issuance of Nigeria's first-ever Domestic FGN US Dollar Bond, raising over \$900 million and achieving an outstanding 180%

subscription rate. Through our focused business development initiative, we launched UCee Microfinance Bank making the business our seventh (7th) subsidiary.

As we proceed into the last quarter of the year, we are determined to sustain this performance with focus on delivering superior value to our shareholders. We remain committed to our vision of being the leading investment and finance hub across Africa, deploying innovation and technology to exceed client expectations.

Finally, I would like to sincerely appreciate our Board, shareholders, customers and staffs for their unwavering support and strong dedication."

This Earnings Press Release should be read in conjunction with the Unaudited Financial Statements for the period ended September 30th, 2024. The Earnings Press Release and the Unaudited Financial Statements for the period ended September 30th, 2024 are available on our website at <https://www.unitedcapitalplcgroup.com/investor-relations/>. This analysis is dated October 15th, 2024. 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, 2024. Additional information relating to the Group is available on the Group's website <http://www.unitedcapitalplcgroup.com/>.

KEY PERFORMANCE HIGHLIGHTS

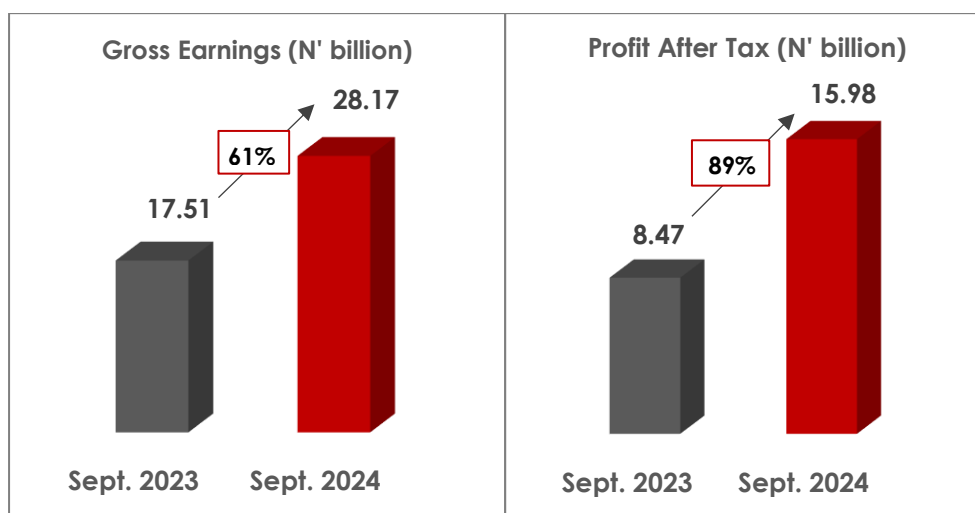
Income Statement:

- ❖ Gross Earnings: ₦28.17 billion in 9M 2024, compared to ₦17.51 billion in 9M 2023 (61% growth year-on-year)
- ❖ Operating expenses: ₦11.14 billion in 9M 2024, compared to ₦8.26 billion in 9M 2023 (35% growth year-on-year)
- ❖ Profit Before Tax: ₦18.73 billion in 9M 2024, compared to ₦9.72 billion in 9M 2023 (93% growth year-on-year)
- ❖ Profit After Tax: ₦15.98 billion in 9M 2024, compared to ₦8.47 billion in 9M 2023 (89% growth year-on-year)
- ❖ Annualized Earnings Per Share: 355 kobo in 9M 2024, compared to 188 kobo in 9M 2023 (89% growth year-on-year)

Statement of Financial Position:

- ❖ Total Assets: ₦1.26 trillion, compared to ₦931.95 billion as at December 31, 2023 (36% year-to-date growth)

- ❖ Total Liabilities: ₦1.15 trillion, compared to ₦841.23 billion as at December 31, 2023 (37% year-to-date growth)
- ❖ Shareholders Fund: ₦115.03 billion, compared to ₦90.71 billion as at December 31, 2023 (27% year-to-date growth)



Comparing 9M 2024 with 9M 2023, the following are worthy of note:

- **Gross Earnings:** United Capital's gross earnings grew by 61% year-on-year to ₦28.17 billion in September 2024 compared to ₦17.51 billion in September 2023 largely driven by growth in Fee and Commission income (+83% year-on-year), Net trading income (+154% year-on-year) and other income (+564% year-on-year).
- **PBT and PAT:** During the period under review, profit before tax grew by 93% year-on-year to ₦18.73 billion while profit after tax increased by 89% year-on-year to ₦15.98 billion driven by 61% growth in gross earnings against 35% growth in total expenses.
- **Total Assets:** United Capital's total assets rose by 36% year-to-date to ₦1.26 trillion in September 2024 compared to ₦931.95 billion in December 2023 majorly driven 199% growth in cash and cash equivalents during the period.
- **Total Liabilities:** The company's total liabilities increased by 37% year-to-date to ₦1.15 trillion in September 2024 compared to ₦841.23 billion in December 2023 largely attributable to 28% year-to-date growth in managed funds and 59% year-to-date growth in borrowed funds.

- **Shareholders' Fund:** United Capital Shareholders' funds grew by 27% year-to-date to ₦115.03 billion in September 2024 compared to ₦90.71 billion in December 2023 majorly driven by 44% year-to-date growth in fair value reserve.

COMPANY UPDATE:

Following the release of our 9M 2024 result, we shall be hosting an Investors and Analysts conference call in due course to discuss our performance and overall outlook for the next quarter of 2024. 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 2024**

	30 September	30 September
	2024	2023
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Gross Earnings	28,165,367	17,507,977
Investment income	8,416,338	8,947,859
Fee and commission income	10,509,309	5,744,883
Net trading income	3,414,109	1,345,971
Net operating income	22,339,756	16,038,713
Other income	6,256,422	941,571
Net gain/(loss) on financial assets at fair value through profit or loss	(430,811)	527,692
Total Revenue	28,165,367	17,507,977
Personnel expenses	(3,642,078)	(2,152,405)
Other operating expenses	(7,734,703)	(4,866,583)
Depreciation of property and equipment	(143,665)	(145,217)
Amortisation of intangible & right of use assets	(191,980)	(98,312)
Impairment for credit losses	569,172	(1,000,096)
Total Expenses	(11,143,255)	(8,262,613)
Operating profit before income tax	17,022,112	9,245,364
Share of accumulated profit of associates	1,708,996	474,662
Profit before income tax	18,731,108	9,720,026
Income tax expense	(2,746,228)	(1,249,775)
Profit for the period	15,984,881	8,470,251
Other comprehensive income, net of income tax		
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Fair value gain on investments in equity instruments measured at FVTOCI (net of tax)	19,904,190	27,581,912
<i>Items that may be reclassified subsequently to profit or loss</i>		
Fair value gain on investments in debt instruments measured at FVTOCI (net of tax)	(902,010)	1,174,940
Other comprehensive income for the period, net of taxes	19,002,180	28,756,853

Total comprehensive income for the period	34,987,061	37,227,104
Profit for the period attributable to:		
Equity holders of the Company	15,984,881	8,470,251
Total comprehensive income attributable to:		
Equity holders of the Company	34,987,061	37,227,104
Earnings per share-basic (kobo)	355	188
Earnings per share-diluted (kobo)	355	188

STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024

	30 September	31 December
	2024	2023
	=N=' 000	=N=' 000
ASSETS		
Cash and cash equivalents	434,828,394	145,255,523
Investment securities	623,479,065	693,984,483
Trade and other receivables	195,876,900	85,463,551
Right of use assets	326,386	94,692
Intangible assets	829,315	188,615
Investments in associates	7,014,784	5,305,788
Property and equipment	1,484,527	1,253,484
Deferred tax assets	402,044	402,044
TOTAL ASSETS	1,264,241,416	931,948,180
LIABILITIES		
Managed funds	768,050,377	600,106,217
Borrowed funds	320,207,878	200,822,968
Other liabilities	49,037,988	27,782,946
Defined benefit obligations	378,388	365,768
Current tax liabilities	2,330,161	2,950,806
Deferred tax liabilities	9,206,051	9,206,051
TOTAL LIABILITIES	1,149,210,844	841,234,755
SHAREHOLDERS FUND		
Share capital	3,000,000	3,000,000
Share premium	665,011	683,611
Retained earnings	31,518,196	31,733,315
Fair value reserves	79,847,365	55,296,499
TOTAL SHAREHOLDERS FUND	115,030,572	90,713,425
TOTAL LIABILITIES AND SHAREHOLDERS FUND	1,264,241,416	931,948,180

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/>

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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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