

Audited results for the Full Year ended December 31, 2023

UBA grows PBT 277% YoY to N757.7bn, declares final dividend of N2.30k

Statement of Comprehensive Income	FY 2023 ₦' Million	FY 2022 ₦' Million	Change
Gross earnings	2,075,386	853,175	143.25%
Interest income	1,075,347	557,152	93.01%
Net-interest income	707,540	379,489	86.45%
Non-interest income	881,785	213,446	313.12%
Operating income	1,589,325	592,935	168.04%
Operating expenses	591,640	350,091	78.37%
Profit before tax	757,680	200,876	277.19%
Profit after tax	607,696	170,277	256.89%
Basic EPS	17.49	4.84	261.61%
Statement of Financial Position	FY 2023 ₦' Million	FY 2022 ₦' Million	Change
Total assets	20,653,197	10,857,572	90.22%
Net loans	5,549,581	3,440,128	61.32%
Customer deposits	14,891,277	7,824,892	90.31%
Shareholders' funds	2,030,195	922,104	120.17%
NPL Ratio	5.85%	2.95%	98.04%
Profitability Metrics	FY 2023	FY 2022	Change
1) Cost-to-income ratio (CIR)	37.23%	59.04%	-36.95%
2) Cost-of-risk (CoR)	3.09%	0.63%	392.76%
3) Cost-of-fund (CoF)	2.65%	2.18%	21.77%
4) Net interest margin (NIM)	6.83%	5.91%	15.44%
5) NPL Coverage Ratio*	72.19%	82.14%	-12.11%
6) Return on average equity (RoAE)*	41.17%	20.74%	98.45%
7) Return on average asset (RoA)*	3.86%	1.84%	110.11%

Commenting on the results, Oliver Alawuba, Group Managing Director said:

“United Bank for Africa had a strong year and I am delighted with the extremely satisfying results achieved by our Group in FY2023. The Group made a profit before tax of N758billion, a significant increase from N201 billion in the prior year. Our balance sheet grew to N20.7trillion, from N10.8trillion in 2022.

The Group’s shareholders’ funds reached N2trillion from N922bn in 2022, whilst total assets exceeded the N20 trillion mark (90.2% YoY growth). The Group is well positioned for further expansion in FY2024, having ended FY2023 with a capital adequacy ratio of 32.6%.

Our diversified business model, and the considerable investment in our Pan African and international businesses, contributed strongly to our results and resilience, and reinforces our resolve to expand further our market share of customers, funding, digital and transaction banking businesses across Africa and globally.

Also commenting on the results, the Executive Director, Finance & Risk Management, Ugo Nwaghodoh, said “FY2023 presented considerable challenges: global instability and a difficult macroeconomic climate in many of our markets, with high rates of inflation and currency volatility. I am delighted however at the strong growth in earnings and profitability recorded, which are testaments to the foresight of our diversification strategy and our prudent approach to risk management”.

The Group’s Return of Equity and Return on Assets both doubled to 41.17% and 3.86% respectively. Earnings Per Share rose 262% to N17.49, whilst our cost-to-income ratio moderated to 37.23%, from 59.04% in prior year.

The Group conservatively established significant impairment reserves against its overall risk asset portfolio, considering the ongoing impact of the macroeconomic headwinds on our credit portfolio. Consequently, cost of risk grew to 3.09% from 0.63% in the prior year.

United Bank for Africa remains committed to sustainable growth and maintaining its strong compliance and risk management practices culture, even as the Group identifies further opportunities to expand.

CONFERENCE CALL INVITATION - PRESENTATION OF 2023 FULL YEAR RESULTS

United Bank for Africa Plc’s audited 2023 full year results conference call is scheduled for Friday April 12, 2024, at 3:00pm Lagos time (3:00pm London / 09:00am New York / 4:00pm Johannesburg).

CONFERENCE CALL DETAILS

Conference Name	UBA Plc Audited 2023 Full Year Results Presentation
Chairperson's Name	Oliver Alawuba - Group Managing Director/CEO
Additional Speaker	Ugo Nwaghodoh – ED, Finance & Risk Management. Muyiwa Akinyemi (Group Deputy Managing Director) Alex Alozie (ED, GCOO) Sola Yomi-Ajayi (ED, International Banking) Abiola Bawuah (ED/CEO UBA Africa)
In attendance	Stephen Amangbo (Group Treasurer) Joel Owoade (Group Chief Credit Officer) Chukwukadibia Okoye (Group Financial Controller)

Call date	Friday April 12, 2024
Duration (hh:mm)	02:00
Platform	Online

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

[Click here](#) to download the 2023 Full Year Audited Financial Statement.

You can also scan the QR code using your Android or iOS phone camera.



For further information, please contact:

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About UBA

United Bank for Africa Plc is a leading Pan-African financial institution, offering banking services to more than thirty-five 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.

Editor's comment

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 2024 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.

STATEMENT TO THE NIGERIAN EXCHANGE LIMITED AND SHAREHOLDERS ON THE EXTRACT OF THE AUDITED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2023.


Consolidated and Separate Statements of Comprehensive Income for the year ended 31 December 2023

Consolidated and Separate Statements of Financial Position As of 31 December 2023


	GROUP		BANK	
	2023	2022	2023	2022
<i>In millions of Nigerian Naira,</i>				
Gross earnings	2,075,386	853,175	1,460,592	564,555
Interest income	1,075,347	557,152	577,380	344,490
Interest income on amortised cost and FVOCI securities	1,073,246	556,737	576,409	344,075
Interest income on FVTPL securities	2,101	415	971	415
Interest expense	(367,807)	(177,663)	(250,792)	(127,185)
Net interest income	707,540	379,489	326,588	217,305
Impairment charge for credit losses on Loans	(144,049)	(19,671)	(121,128)	(5,669)
Net impairment (charges)/write back on other financial assets	(63,152)	(22,297)	(16,248)	(4,896)
Net interest income after impairment on financial instruments	500,339	337,521	189,212	206,740
Fees and commission income	307,313	210,522	124,346	113,939
Fees and commission expense	(118,254)	(82,577)	(68,017)	(54,627)
Net fee and commission income	189,059	127,945	56,329	59,312
Net trading and foreign exchange gain	659,257	72,150	596,933	53,193
Other operating income	33,469	13,040	161,933	52,933
Net monetary loss on hyperinflation	(32,804)	-	-	-
Employee benefit expenses	(182,812)	(113,988)	(68,662)	(60,451)
Depreciation and amortisation	(36,596)	(26,218)	(21,117)	(18,316)
Other operating expenses	(372,232)	(209,885)	(241,617)	(152,095)
Share of profit of equity-accounted investee	-	311	-	-
Profit before income tax	757,680	200,876	673,011	141,316
Income tax expense	(149,984)	(30,599)	(86,385)	(7,621)
Profit for the year	607,696	170,277	586,626	133,695
Other comprehensive income/(loss)				
Items that will be reclassified to Profit or loss:				
Exchange differences on translation of foreign operations	435,862	(1,950)	-	-
Fair value changes on investments in debt securities at FVOCI				
Net change in fair value for the year	(46,384)	(28,468)	(46,887)	(25,143)
ECL on debt instruments classified as FVOCI	8,640	2,424	7,625	1,984
Tax relating to net change in fair value for the year	4,638	2,847	4,689	2,514
Net amount transferred to profit or loss	(1,006)	(1,299)	(1,006)	(1,300)
Items that will not be reclassified to Profit or loss:				
Fair value changes on equity investments designated at FVOCI	162,804	7,399	162,804	6,710
Tax relating to net change in fair value on equity investments designated at FVOCI	(16,280)	(740)	(16,280)	(671)
Initial application of IAS 29 - Hyperinflationary Accounting	(77,941)	-	-	-
Other comprehensive profit/(loss) for the year, net of tax	470,332	(19,787)	110,945	(15,905)
Total comprehensive income for the year	1,078,028	150,490	697,571	117,790
Profit for the year attributable to:				
Owners of Parent	598,285	165,451	586,626	133,695
Non-controlling interests	9,411	4,826	-	-
Profit for the year	607,696	170,277	586,626	133,695
Total comprehensive income attributable to:				
Owners of Parent	1,041,567	145,038	697,571	117,790
Non-controlling interests	36,461	5,452	-	-
Total comprehensive income for the year	1,078,028	150,490	697,571	117,790
Earnings per share attributable to owners of the parent				
Basic and diluted earnings per share (Naira)	17.49	4.84	17.15	3.91

	GROUP		BANK	
	2023	2022	2023	2022
<i>In millions of Nigerian Naira</i>				
ASSETS				
Cash and bank balances	6,069,496	2,553,629	5,036,380	2,154,971
Financial assets at fair value through profit or loss	33,849	14,963	534	14,963
Assets under management	14,026	12,923	14,026	12,923
Derivative assets	498,824	39,830	498,824	39,830
Loans and advances to banks	320,732	303,249	147,547	231,753
Loans and advances to customers	5,228,849	3,136,879	3,320,373	2,123,097
Investment securities:				
- At fair value through other comprehensive income	3,093,037	2,177,746	2,710,346	2,056,181
- At amortised cost	4,314,957	1,987,438	174,707	115,376
Other assets	758,683	270,211	607,251	172,042
Investment in subsidiaries	-	-	184,290	145,993
Property and equipment	267,148	208,039	172,733	163,841
Intangible assets	43,855	33,468	10,763	12,618
Deferred tax assets	9,741	23,603	-	21,862
	20,653,197	10,761,978	12,877,773	7,265,451
Non-Current Assets Held for Sale	-	95,593	-	95,593
TOTAL ASSETS	20,653,197	10,857,571	12,877,773	7,361,044
LIABILITIES				
Deposits from banks	2,464,444	1,170,238	1,598,524	863,795
Deposits from customers	14,891,277	7,824,891	8,760,630	5,046,516
Derivative liabilities	1,885	-	1,885	-
Other liabilities	313,181	383,283	358,654	326,689
Current income tax payable	42,671	20,281	17,781	8,327
Borrowings	858,739	535,736	856,329	530,446
Deferred tax liability	50,805	959	49,087	-
TOTAL LIABILITIES	18,623,002	9,935,467	11,642,890	6,775,852
EQUITY				
Share capital	17,100	17,100	17,100	17,100
Share premium	98,715	98,715	98,715	98,715
Retained earnings	919,872	429,533	532,088	191,417
Other reserves	926,475	341,949	586,980	277,960
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	1,962,162	887,297	1,234,883	585,192
Non-controlling interests	68,033	34,807	-	-
TOTAL EQUITY	2,030,195	922,104	1,234,883	585,192
TOTAL LIABILITIES AND EQUITY	20,653,197	10,857,571	12,877,773	7,361,044

The consolidated and separate financial statements were approved by the Board of Directors on Jan 25, 2024, and signed on its behalf by:


Ugo A. Nwagbodo
 ED, Finance and Risk
 FRC/2012/ICAN/00000000272


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


Tony O. Elumelu, CFR
 Chairman, Board of Directors
 FRC/2013/PRO/DIR/003/000000

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 have 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 Group's website: www.ubagroup.com/ir.

