

AUDITED RESULTS FOR THE HALF YEAR ENDED JUNE 30, 2022

UBA RECORDS STRONG DOUBLE DIGIT GROWTH IN TOP AND BOTTOM LINES, DECLARES N0.20k INTERIM DIVIDEND

Income Statement (₦'M)	H1'22	H1'21	Change
Gross earnings	372,358	316,036	17.8%
Interest income	257,361	222,631	15.6%
Net-interest income	177,462	148,068	19.9%
Non-interest income [1]	114,997	93,405	23.1%
Operating Income [2]	255,980	213,156	20.1%
Operating expenses	161,901	132,833	21.9%
Profit before tax	85,749	76,186	12.6%
Profit after tax [3]	70,334	60,581	16.1%
Basic EPS (naira) [4]	1.98	1.69	28.9%
Balance Sheet (₦'M)	H1'22	FY'21	Change
Total assets	8,998,954	8,541,318	5.2%
Net Loans	2,950,557	2,834,564	4.1%
Customer deposits	6,729,923	6,369,189	5.7%
Shareholders' funds	788,480	804,807	-1.8%
Non-performing loans (NPL) ratio	3.3%	3.6%	-30bps
NPL coverage ratio [10]	159.0%	138.8%	+2020bps
Capital adequacy ratio	25.1%	21.7%	+340bps
Profitability Metrics	H1'22	H1'21	Change
Cost-to-income ratio (CIR) [9]	63.2%	62.3%	+90bps
Return on average equity (RoAE) [5]	17.7%	16.4%	+130bps
Return on average asset (RoA) [6]	1.6%	1.5%	+10bps
Cost-of-risk (CoR) [11]	0.8%	0.2%	+56bps
Cost-of-fund (CoF) [8]	2.1%	2.1%	0
Net interest margin (NIM) [7]	5.5%	5.2%	+30bps

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. 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
6. Post-tax return on average assets computed as annualised profit after tax divided by the average opening and closing balances of its total assets
7. Net-interest margin computed as annualised net interest income divided by the average opening and closing balances of interest earning assets.
8. Cost of funds computed as annualised interest expense divided by average interest-bearing liabilities
9. Cost to income ratio computed as operating expenses divided by operating income
10. NPL coverage computed as total allowance for impairment plus regulatory risk reserve divided by total stage 3 loans
11. Cost of risk computed as annualised credit impairment charges divided by the average opening and closing gross loans balances.

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

Our performance in the first half of year 2022 is in line with our expectations as the Group grew gross earnings by 17.8%, largely from double digit growth in both net interest and non-interest income. We have continued to leverage our Customer -1st philosophy to pursue the mission of providing superior value to our stakeholders. This is evident in the increase in low-cost customer deposits, and strong growth of our payments and transaction banking.

The financial year 2022 showed initial signs of recovery of economies across the globe, despite continued COVID-induced supply-chain disruptions. However, geopolitical challenges including the Russia and Ukraine conflict, resulted in escalation of global commodity prices, particularly those of grains and crude oil, which have taken a toll on several economies. Notwithstanding these developments, our half-year numbers came out stronger than the prior year, with top and bottom-line reaching new record highs.

The Group's profitability increased by 12.6% to ₦85.7 billion, with double-digit growth recorded across our key income line. We recorded a decent 20% growth in our net interest income as we continued to moderate our cost of funds whilst improving yield on assets, thereby contributing to the strong 20% growth in operating income. Our investments in state-of-the-art technology continue to yield expected results, evident in the huge boost of our digital banking income, which grew 22.7% year-on-year to ₦36.3 billion. These gains have enabled us to optimize net earnings amid the accelerating inflationary pressure, the currency devaluation, and increased regulatory induced cost.

I am particularly delighted at the strides we are making in growing our market share across Africa. Our retail business has continued to grow, as we ride on our agency banking network, trusted brand, competitive product offerings and quality service delivery to deepen our retail penetration.

As the Group consolidates its Pan-African leadership in facilitating intra-Africa and international trade, cross-border payments and remittances, we are now a preferred partner for last-mile distribution of donor flows. Our newly launched operation in the United Arab Emirate (UAE) will no doubt contribute immensely to these objectives.

The Group Board of Directors recently appointed me as Group Managing Director/Chief Executive Officer as well as five other Group Executive Directors. Together, with our highly motivated workforce, we are poised to usher the business into a new era of growth that will deliver superior values to all stakeholders.

CONFERENCE CALL INVITATION - PRESENTATION OF 2022 HALF YEAR RESULTS

UBA Plc's audited 2022 half year results conference call is scheduled for Tuesday September 13, 2022 at 3:00pm Lagos time (3:00pm London / 09:00am New York / 4:00pm Johannesburg).

CONFERENCE CALL DETAILS

Conference Name	UBA Plc Audited 2022 Half Year Results Presentation
Chairperson's Name	Oliver Alawuba - Group Managing Director/CEO
Additional Speaker	Ugo Nwaghodoh – ED, Finance & Risk Mgt.
In attendance	Muyiwa Akinyemi (Group Deputy Managing Director) Alex Alozie (ED, GCOO) Sola Yomi-Ajayi (ED, Treasury & International Banking) Emem Usoro (ED, Nigeria North) Sampson Aneke (GGM, Retail, Digital & Transaction Banking) Stephen Amangbo (Treasurer) Bola Atta (Group Head, Corporate Communications) Joel Owoade (Group Head, Credit Risk Management) Olakunle Abiola (Group Financial Controller)
Call Date	Tuesday September 13, 2022
Duration (hh:mm)	02:00
Platform	Online

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

[Click here](#) to download the 2022 half year financial results.

For further information, please contact:

UBA Investor Relations Team
+234-1-280-8760
investorrelations@ubagroup.com

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



STATEMENT TO THE NIGERIAN EXCHANGE LIMITED AND SHAREHOLDERS ON THE EXTRACT OF THE AUDITED RESULTS FOR THE HALF YEAR ENDED 30 JUNE 2022

Consolidated and Separate Statements of Comprehensive Income For the 6 months period ended 30 June 2022

	GROUP		BANK	
	2022	2021	2022	2021
In millions of Nigerian Naira				
Gross earnings	372,358	316,036	224,229	175,406
Interest income	257,361	222,631	154,179	132,976
Interest income on amortised cost and FVOCI securities	256,761	220,322	153,845	132,821
Interest income on FVTPL securities	600	2,309	334	155
Interest expense	(79,899)	(74,563)	(49,705)	(47,237)
Net interest income	177,462	148,068	104,474	85,739
Impairment charge for credit losses on Loans	(11,765)	(3,280)	(3,922)	(1,981)
Net impairment Write back / (charge) on other financial assets	3,435	(857)	2,911	(164)
Net interest income after impairment charge on financial assets.	169,132	143,931	103,463	83,594
Fees and commission income	96,395	74,085	52,139	34,657
Fees and commission expense	(36,479)	(28,317)	(25,428)	(19,969)
Net fee and commission income	59,916	45,768	26,711	14,688
Net trading and foreign exchange income/(loss)	9,145	9,102	(646)	(1,234)
Other operating income	9,146	9,508	18,557	9,007
Employee benefit expenses	(52,297)	(42,623)	(25,995)	(20,303)
Depreciation and amortisation	(13,035)	(11,457)	(9,213)	(8,153)
Other operating expenses	(96,569)	(78,753)	(70,054)	(52,692)
Share of profit of equity-accounted investee	311	710	-	-
Profit before income tax	85,749	76,186	42,823	24,907
Income tax expense	(15,415)	(15,605)	(1,393)	(770)
Profit for the period	70,334	60,581	41,430	24,137
Other comprehensive income / (loss)				
Items that will be reclassified to Profit or loss:				
Exchange differences on translation of foreign operations	(35,469)	5,708	-	-
Fair value changes on investments in debt securities at fair value through other comprehensive income (FVOCI)	(16,915)	(23,806)	(16,661)	(23,918)
Net change in fair value during the period	(551)	(1,247)	(551)	(1,247)
Net amount transferred to profit or loss	(52,935)	(19,345)	(17,212)	(25,165)
Items that will not be reclassified to Profit or loss:				
Fair value changes on equity investments designated at FVOCI	(8,510)	(904)	(8,392)	(904)
Other comprehensive loss for the period, net of tax	(61,445)	(20,249)	(25,604)	(26,069)
Total comprehensive income/(loss) for the period	8,889	40,332	15,826	(1,932)
Profit for the year attributable to:				
Owners of Parent	67,686	57,767	41,430	24,137
Non-controlling interest	2,648	2,814	-	-
Profit for the period	70,334	60,581	41,430	24,137
Total comprehensive income attributable to:				
Owners of Parent	9,234	38,085	15,826	(1,932)
Non-controlling interest	(345)	2,247	-	-
Total comprehensive income for the period	8,889	40,332	15,826	(1,932)
Earnings per share attributable to owners of the parent				
Basic and diluted earnings per share (Naira)	1.98	1.69	1.21	0.71

Consolidated and Separate Statements of Financial Position as at 30 June 2022

	GROUP		BANK	
	Jun. 2022	Dec. 2021	Jun. 2022	Dec. 2021
In millions of Nigerian Naira				
As at				
ASSETS				
Cash and bank balances	1,982,022	1,818,784	1,713,350	1,446,906
Financial assets at fair value through profit or loss	18,916	13,096	14,698	7,984
Derivative assets	10,937	33,340	10,937	33,340
Loans and advances to banks	198,116	153,897	121,967	120,124
Loans and advances to customers	2,752,441	2,680,667	1,894,166	1,848,102
Investment securities				
- At fair value through other comprehensive income	1,632,204	993,791	1,536,073	840,249
- At amortised cost	1,892,956	2,341,839	229,001	806,217
Other assets	160,584	149,154	88,322	88,649
Investment in equity-accounted investee	-	8,945	-	2,715
Investment in subsidiaries	-	-	123,430	103,275
Property and equipment	183,583	178,117	149,475	141,581
Intangible assets	35,732	30,450	15,170	18,063
Deferred tax asset	36,113	43,329	22,709	21,862
	8,903,604	8,445,409	5,919,298	5,479,067
Non-Current Assets Held for Sale	95,350	95,909	95,350	95,909
TOTAL ASSETS	8,998,954	8,541,318	6,014,648	5,574,976
LIABILITIES				
Derivative liabilities	306	98	306	98
Deposits from banks	846,166	654,211	690,981	483,110
Deposits from customers	6,729,923	6,369,189	4,296,919	4,004,306
Other liabilities	200,440	216,209	126,621	127,338
Current income tax payable	14,402	21,415	2,945	2,751
Borrowings	406,809	455,772	406,809	455,772
Deferred tax liability	12,428	19,617	-	-
TOTAL LIABILITIES	8,210,474	7,736,511	5,524,581	5,073,375
EQUITY				
Share capital	17,100	17,100	17,100	17,100
Share premium	98,715	98,715	98,715	98,715
Retained earnings	367,513	335,843	130,128	124,536
Other reserves	273,891	324,516	244,124	261,250
Equity Attributable to Owners of the Parent	757,219	776,174	490,067	501,601
Non-controlling interests	31,261	28,633	-	-
TOTAL EQUITY	788,480	804,807	490,067	501,601
TOTAL LIABILITIES AND EQUITY	8,998,954	8,541,318	6,014,648	5,574,976

The consolidated and separate financial statements were approved by the Board of Directors on 19 August 2022 and signed on its behalf by:



Ugo A. Nwaghodoh
ED, Finance and Risk Mgt.
FRC/2012/ICAN/0000000272


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



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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF UNITED BANK FOR AFRICA PLC ON THE SUMMARY OF CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

TO THE MEMBERS OF UNITED BANK FOR AFRICA PLC

Report on the summary interim consolidated and separate financial statements.

Opinion

The summary consolidated and separate financial statements, which comprise the summary consolidated and separate statements of financial position as at 30 June 2022 and the summary consolidated and separate statements of comprehensive income are derived from the audited consolidated and separate financial statements (the "audited financial statements") of United Bank for Africa Plc ("the Bank") and its subsidiary companies (together the "Group") for the period ended 30 June 2022.

In our opinion, the accompanying summary consolidated and separate financial statements are consistent, in all material respects, with the audited consolidated and separate financial statements in accordance with International Financial Reporting Standards as issued by IASB and the relevant provisions of the Companies and Allied matters Act, 2020, the Banks and Other Financial Institutions Act, 2020, the Financial Reporting Council of Nigeria Act, 2020, the Financial Reporting Council of Nigeria Act No. 6, 2011 and the Central Bank of Nigeria circulars.

Summary financial statements
The summary consolidated and separate statements of financial position and summary consolidated and separate statements of comprehensive income do not contain all the disclosures required by the International Financial Reporting Standards as issued by IASB and the relevant provisions of the Companies and Allied matters Act, 2020, the Banks and Other Financial Institutions Act, 2020, the Financial Reporting Council of Nigeria Act, 2020, the Financial Reporting Council of Nigeria Act No. 6, 2011 and the Central Bank of Nigeria circulars, applied in the preparation of the audited consolidated and separate financial statements of the Group and the Bank. Reading the summary consolidated and separate financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated and separate financial statements and the auditor's report thereon.

The audited financial statements and our report thereon
We expressed an unqualified opinion on the audited consolidated and separate financial statements and our report thereon dated 8 September 2022. That report also includes the communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period.

Directors' responsibility for the summary financial statements
The Directors are responsible for the preparation of the summary consolidated and separate financial statements in accordance with the International Financial Reporting Standards and the relevant provisions of the Companies and Allied matters Act, 2020, the Banks and Other Financial Institutions Act, 2020, the Financial Reporting Council of Nigeria Act No. 6, 2011 and the Central Bank of Nigeria circulars.

Auditor's responsibility
Our responsibility is to express an opinion on whether the summary consolidated and separate financial statements are consistent, in all material respects, with the audited consolidated and separate financial statements based on our procedures, which are conducted in accordance with the International Standards on Auditing (ISA) 810 (Revised) Engagements to Report on Summary Financial Statements.

Report on other legal and regulatory requirements

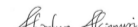
In accordance with the requirement of Fifth Schedule of the Companies and Allied Matters Act 2020, we confirm that: requirements

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- In our opinion, proper books of account have been kept by the Group and the Bank, in so far as it appears from our examination of those books;

iii. The Group's and the Bank's consolidated and separate statements of financial position and consolidated and separate statements of comprehensive income are in agreement with the books of account.

In compliance with the Banks and Other Financial Institutions Act, 2020 and circulars issued by Central Bank of Nigeria:
Insider related credits are disclosed in the consolidated and separate financial statements in compliance with the Central Bank of Nigeria circular BSD/1/2004.

As disclosed in the consolidated and separate financial statements, the Bank did not contravene any circulars of the Central Bank of Nigeria.



Abiodun Akinnusi
FRC/2021/004/00000023386
For: Ernst & Young
Lagos, Nigeria
8 September 2022



Customer complaints for the period ended 30 June 2022	Number	Amount claimed (N' million)	Amount refunded (N' million)
	2022	2022	2022
Pending Complaints B/F	3,370	921	-
Complaints received	475,121	4,393	-
Complaints resolved	468,197	1,214	3,755
Unresolved Complaints Escalated from CBN for Intervention	24	181	-
Unresolved Pending with the Bank C/F	6,948	789	-

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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 Bank's website: www.ubagroup.com/ir.



Editor's comment

United Bank for Africa Plc is a leading Pan-African financial institution, offering banking services to more than twenty-five (25) million customers, across 1,000 business offices and customer touch points in 20 African countries. With presence in New York, London, Paris and the UAE, 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 2022 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.