



PRESS RELEASE

Regulated information

Financial Results for the Nine Months Ended 30 September 2019

Lagos, 8 November 2019 - UAC of Nigeria Plc (“UACN”, or “the Group”) announced its unaudited results for the nine months ended 30 September 2019. Results for UACN Property Development Company PLC (“UPDC”), which has been classified as a discontinued operation, are accounted for separately in UACN’s 9M financial statements (in accordance with the provisions of IFRS 5). All figures for 9M 2018 have been restated.

Group Highlights

In million ₦, unless otherwise stated	Q3 2019	Q3 2018 ¹	Δ	9M 2019	9M 2018 ¹	Δ
Revenue	20,435	17,948	13.9%	60,548	53,773	12.6%
Gross Profit	3,919	3,042	28.8%	12,221	10,530	16.1%
<i>Gross Profit Margin (%)</i>	<i>19.2%</i>	<i>17.0%</i>	<i>223bps</i>	<i>20.2%</i>	<i>19.6%</i>	<i>60bps</i>
Other Operating Income	1,000	310	222.7%	1,205	641	87.8%
Selling & Distribution Expenses	(1,550)	(1,240)	(25.0%)	(4,228)	(3,680)	(14.9%)
Administrative Expenses	(1,751)	(1,430)	(22.4%)	(4,563)	(4,319)	(5.7%)
Operating Expenses	(3,300)	(2,670)	(23.6%)	(8,791)	(7,999)	(9.9%)
<i>Operating Expenses (% of revenue)</i>	<i>16.2%</i>	<i>14.9%</i>	<i>127bps</i>	<i>14.5%</i>	<i>14.9%</i>	<i>(40bps)</i>
EBIT	1,618	682	137.5%	4,635	3,172	46.1%
<i>EBIT Margin (% of revenue)</i>	<i>7.9%</i>	<i>3.8%</i>	<i>410bps</i>	<i>7.7%</i>	<i>5.9%</i>	<i>175bps</i>
Finance Income	555	707	(21.4%)	2,209	2,033	8.7%
Finance Cost	(46)	(3)	(1,513.3%)	(292)	(192)	52.0%
Net Finance (Cost)/Income	510	704	(27.6%)	1,917	1,841	4.1%
Interest Cover Ratio	35.4	240.8	(85.3%)	15.9	16.5	(3.9%)
Profit/(Loss) Before Tax	2,128	1,386	53.6%	6,552	5,013	30.7%
<i>Profit Before Tax Margin (% of revenue)</i>	<i>10.4%</i>	<i>7.7%</i>	<i>270bps</i>	<i>10.8%</i>	<i>9.3%</i>	<i>150bps</i>
Tax Expense	(944)	(951)	0.7%	(1,852)	(1,404)	(31.9%)
<i>Effective Tax Rate (% of PBT)</i>	<i>44.4%</i>	<i>68.7%</i>	<i>(2,428 bps)</i>	<i>28.3%</i>	<i>28.0%</i>	<i>(30 bps)</i>
Profit/(Loss) After Tax From Continuing Operations	1,183	434	172.6%	4,700	3,609	30.2%
<i>Profit/(Loss) After Tax from Discontinued Operations</i>	<i>(17,416)</i>	<i>(2,775)</i>	<i>(527.5%)</i>	<i>(17,457)</i>	<i>(4,604)</i>	<i>(279.2%)</i>
Profit/(Loss) for the period	(16,232)	(2,341)	(593.3%)	(12,757)	(994)	(1,183.0%)
Basic Earnings Per Share From Continuing Operations (Kobo) ²	45	13	240.0%	124	78	59.1%
Annualised Return on Equity (ROE)	-	-	-	10.7%	6.5%	423bps
Annualised Return on Invested Capital (ROIC)	-	-	-	4.42%	3.41%	101 bps
Working capital/ LTM revenue	-	-	-	49.2%	33.0%	1,620bps
Net Debt / EBITDA	-	-	-	(2.54x)	(1.26x)	100.9%
Free Cash Flow	-	-	-	(7,015)	7,503	n/m

	Sept-2019	Dec-2018	Δ
Quick Ratio	2.4x	0.9x	+1.5x
Current Ratio	3.3x	1.5x	+1.8x
Gearing	8.4%	32.6%	(2,422 bps)
Total Assets / Equity	1.9x	1.8x	+0.1x

n/m: not meaningful

Figures in this release are subject to rounding differences

1) Q3 2018 and 9M 2018 restated with UPDC classified as a discontinued operation

2) Basic Earnings Per Share attributable to equity holders of the parent during the period.



Commenting on the performance, Group Managing Director, Mr. Folasope Aiyesimoju, stated: *“We recorded encouraging performance for the 9 Months to September 2019 period, which reflect our ongoing efforts to drive sustainable growth and profitability. Revenue growth was largely on account of positive results from our Animal Feeds & Other Edibles and Packaged Food & Beverages segments. Efforts at driving production and supply chain efficiencies resulted in margin improvements. In addition, we benefited from profits on the sale of non-core real estate. We continue to focus on executing our strategy of strengthening people and governance, simplifying our corporate structure and driving earnings growth via improved efficiencies and value creating growth initiatives. Notable events over the course of the year include the appointment by Grand Cereals Limited of Mr. Alexander Goma as Managing Director, the appointment by CAP Plc of Mr. David Wright as Managing Director and the approval by the respective boards of directors of UACN and UPDC of a plan to strengthen UPDC’s capital structure. We will continue to implement initiatives in line with our strategy”.*

UPDC Corporate Action

Consistent with UACN management’s commitment to present a plan for UPDC, specifically to improve its capital structure, the Boards of Directors of UACN and UPDC jointly announced recapitalisation plans for UPDC on 2 September 2019. The announced plans are subject to the review and approval of the Securities and Exchange Commission (“SEC”), The Nigerian Stock Exchange (“The NSE”) and the shareholders of UACN and UPDC.

The proposed initiatives include a ₦15.96 billion equity capital raise for UPDC by way of a rights issue (“Rights Issue”), proceeds of which will be used to repay UPDC’s short-term debt. Post Rights Issue, only ₦4.3 billion of interest-bearing liabilities will be outstanding on UPDC’s balance sheet, considerably improving the company’s capital structure.

Following the recapitalisation, UPDC will unbundle its 61.5% interest in the UPDC Real Estate Investment Trust (“UPDC REIT”) to its shareholders. In addition, UACN will unbundle its 64.2% interest in UPDC to UACN’s shareholders ³.

The proposed initiatives will provide shareholders greater investing flexibility, lead to increased free float and potentially improved liquidity in the UPDC REIT units and position UPDC as a standalone entity targeting appropriately structured capital to pursue growth initiatives.

Significant Accounting Changes

Following the corporate actions announced on 2 September 2019, **UPDC has been re-classified as “held for distribution to owners”** in UACN’s Statement of Financial Position (“SOFP”) and as **“a discontinued operation”** by the Group in the Statement of Profit or Loss (“PorL”) in accordance with IFRS 5. Consequently, the assets and liabilities of UPDC have been derecognised from the Group accounts and reported separately under “assets of the group held for sale/distribution” in the SOFP, whilst UPDC’s after tax net result are reported under “discontinued operations” in the Group consolidated PorL.

Group Performance and Financial Review

Revenue grew 12.6% YoY to ₦60.5 billion in 9M 2019, driven by improved performance in the Animal Feeds & Other Edibles segment (+19.6% YoY) following continued recovery of market share for poultry and fish feeds, and increased demand for concentrates. Revenue growth in Packaged Food & Beverages (+6.0%), Paints (+4.1%) and Quick Service Restaurants (+18.8%) also contributed to the YoY increase in Group revenue, whilst revenue from Logistics was down 5.0% YoY.

Gross profit was up 16.1% YoY to ₦12.2 billion in 9M 2019, with gross margin improving 60 basis points to 20.2% on account of efforts to improve production efficiency and supply chain management.

3) UPDC is held 64.2% by UACN whilst the remaining 35.8% is held by public shareholders. UPDC REIT is 61.5% held by UPDC whilst the remaining 38.5% is held by public shareholders.

EBIT increased 46.1% to ₦4.6 billion in 9M 2019, with EBIT margin increasing 175 basis points YoY. Key contributors to EBIT margin improvement included efforts to control selling, distribution and administrative expenses in H1 2019 with success in Animal Feeds & Other Edibles, Packaged Food & Beverages, as well as, in Quick Service Restaurants (QSR). In Q3 2019, Paints and QSR increased SG&A spend YoY, whilst Logistics was impacted by higher haulage and distribution costs. Q3 2019 EBIT was also driven by ₦1.0 billion of Other Income primarily related to profits on sale of non-core real estate.

Profit Before Tax grew 30.7% YoY to ₦6.6 billion in 9M 2019; driven by improved revenue and EBIT performance and a 4.1% increase in net finance income. This led to a 150 basis points increase in the **Profit Before Tax Margin** YoY to 10.8%.

The 4.1% YoY increase in net finance income was driven by the repayment of short-term loans, lower average interest rates on borrowings and higher amounts of cash available for investment.

In line with the Profit Before Tax growth, the 9M 2019 **tax expense** was up 31.9% YoY to ₦1.8 billion, resulting in an effective tax rate of 28.3%, 26 basis points higher YoY. Consequently, **the Profit after Tax from continuing operations** rose to ₦4.7 billion, up 30.2% YoY against ₦3.6 billion in 9M 2018.

A ₦17.5 billion **loss from discontinued operations** was recognised in the 9M 2019 income statement, primarily due to fair value impairment of UPDC's investment in UPDC REIT (₦12.5 billion) and UACN's investment in UPDC (₦3 billion) in line with IFRS 5. As a result, UACN's **Total loss for the period** was ₦12.8 billion in 9M 2019 against a ₦994.3 million loss in 9M 2018. Earnings per share from continuing operations was 124 kobo in 9M 2019, up 58.3% from 78 kobo in 9M 2018.

Free Cash Flow was a negative ₦7.0 billion in 9M 2019, against a positive ₦7.5 billion in 9M 2018 on account of ₦5.4 billion net cash outflow from operations, driven primarily by the ₦16 billion bridge finance facility extended by UAC to UPDC. Excluding the bridge finance, the rest of the Group increased operating cash flow by ₦2.7 billion in 9M 2019 driven primarily by increased sales and improved working capital position in the Animal Feeds & Other Edibles and Packaged Food & Beverages segments. Free Cash Flow was also impacted by higher net CAPEX YoY (28.0% increase to ₦1.6 billion in 9M 2019) from capital investments in the Packaged Food & Beverages as well as Animal Feeds & Other Edibles segments.

Previously, UPDC accounted for a substantial portion of the Group's debt. Following its reclassification as a disposal group, gearing improved to 8.4% as at 30 September 2019, down significantly from 32.6% as at 31 December 2018.

Annualised **Return on Equity (ROE) from continuing operations** at the end of September 2019 was 10.7%, up 423 basis points from 6.4% as at the same period last year. Annualised **Return on Invested Capital (ROIC)** increased 101 basis points to 4.4% (3.4% in 9M 2018).

Operating Segment Performance

Revenue (% and ₦m)	Q3 2019	Q3 2018	Δ %	9M 2019	9M 2018	Δ %
Animal Feeds & Other Edibles (57.7%)	11,679	10,272	13.7%	34,963	29,233	19.6%
Paints (12.7%)	2,473	2,146	15.3%	7,709	7,408	4.1%
Packaged Food & Beverages (21.3%)	4,569	3,812	19.9%	12,892	12,157	6.0%
Quick Service Restaurants (1.8%)	377	307	23.0%	1,090	918	18.8%
Logistics (6.2%)	1,282	1,365	(6.1%)	3,728	3,922	(5.0%)
Others (0.3%)	56	47	18.5%	166	137	21.2%
Total	20,435	17,948	13.9%	60,548	53,773	12.6%
Earnings /(Loss) Before Interest & Tax - EBIT (₦m)	Q3 2019	Q3 2018	Δ %	9M 2019	9M 2018	Δ %
Animal Feeds & Other Edibles	121	(77)	n/m	929	575	61.7%
Paints	486	469	(1.4%)	1,613	1,778	(9.3%)
Packaged Food & Beverages	223	156	41.4%	1,111	759	46.4%
Quick Service Restaurants	(34)	5	n/m	(30)	9	n/m
Logistics	183	235	(22.1%)	620	766	(19.1%)
Others	640	(107)	n/m	392	(714)	n/m
Total	1,618	682	137.5%	4,635	3,172	46.1%
Profit/ (Loss) Before Tax – PBT (₦m)	Q3 2019	Q3 2018	Δ %	9M 2019	9M 2018	Δ %
Animal Feeds & Other Edibles	(75)	(228)	(67.2%)	47	(301)	(115.5%)
Paints	576	508	13.4%	1,946	1,987	(2.0%)
Packaged Food & Beverages	326	271	20.2%	1,499	1,122	33.6%
Quick Service Restaurants	(44)	7	n/m	(56)	14	n/m
Logistics	157	262	(40.0%)	596	837	(28.9%)
Others	1,187	564	110.5%	2,521	1,354	86.2%
Total	2,128	1,386	53.6%	6,552	5,013	30.7%

n/a: not applicable

n/m: not meaningful

"Others" corresponds to the corporate head office and is considered a non-operational segment

Animal Feeds & Other Edibles

The Animal Feeds & Other Edibles segment comprises Grand Cereals Ltd ("GCL") and Livestock Feeds Plc ("LSF"). UACN owns 71.4%⁴ of GCL and 73.0% of LSF.

Revenue from the Animal Feeds & Other Edibles segment (57.7% of 9M 2019 Group Revenue) increased by 19.6% YoY to ₦35.0 billion in 9M 2019. Revenue growth was driven by market share recovery and improved direct engagement with farmers.

EBIT was up 61.7% to ₦928.9 million in 9M 2019 (9M 2018: ₦574.6 million), with EBIT margin increasing 70 basis points YoY to 2.7%. The segment posted a ₦46.5 million Profit Before Tax in 9M 2019 versus loss of ₦300.6 million in 9M 2018, despite higher finance costs resulting from the implementation of IFRS 16 (₦97.4 million impact).

Mr. Alexander Goma was appointed Managing Director of GCL in October 2019. Mr. Goma was recently Managing Director (Consumer SBU) at PZ Cussons Nigeria Plc, after spending most of his career in various roles at Procter & Gamble, British American Tobacco and Guinness Nigeria Plc. Mr Kenneth Ndubisi has been appointed Supply Chain Director of GCL. Mr. Ndubisi was recently Manufacturing and Engineering Director at Perfetti Van Melle, after several years working in the Middle East with Nestle.

Management remains focused on its objectives of improving quality and maintaining product consistency, raw material procurement efficiency and deepening route-to-market.

⁴) Updated from 9M 2019 Interim Financial Statement

Paints

The Paints segment comprises Chemical and Allied Products Plc (“CAP”) and Portland Paints and Products Nigeria Plc (“PPPN”). UACN owns 51.6% of CAP and 85.5% of PPPN.

9M 2019 revenue from the Paints segment (12.7% of 9M 2019 Group Revenue) increased by 4.1% YoY to ₦7.7 billion. Revenue improvement was driven by a 15.3% YoY improvement in Q3 2019 but was limited by slow growth in the high-end decorative segment and low activity in the marine, oil and gas segment.

Higher SG&A expenses at CAP resulted in a 9.3% YoY decline in 9M 2019 EBIT to ₦1.6 billion (₦1.8 billion in 9M 2018). The decline was partially offset by higher net finance income, leading to a 2.0% decline in Profit Before Tax to ₦1.9 billion in 9M 2019, and a corresponding 25.2% PBT margin for the period.

Efforts made to strengthen governance and management at CAP include the appointment of Mr. David Wright as Managing Director of CAP Plc in August 2019, Mrs. Awuneba Ajumogbobia as Chairperson as well as Mrs. Udo Okonjo and Mrs. Bolarin Okunowo as Non-Executive Directors. Mr. Wright was recently Managing Director and Country Head for Kansai UAE and Regional Director for the Middle East at Hempel. In addition, Ms Ayomipo Wey and Mr. Jethro Iruobe have been appointed as Company Secretary and Head of Human Resources, respectively.

Packaged Food & Beverages – UAC Foods Limited (51.0% ownership)

The Packaged Food & Beverages segment (21.3% of 9M 2019 Group Revenue) delivered a 6.0% YoY increase in revenue to ₦12.9 billion in 9M 2019.

The segment’s EBIT grew 46.4% YoY to ₦1.1 billion, with corresponding margin of 8.6% which was up 238 basis points YoY. The EBIT margin improvement reflects management’s efforts to drive production and operational efficiency. Combined with higher interest income YoY, Profit Before Tax improved by 33.6% to ₦1.5 billion in the period whilst the corresponding margin was up 240 basis points to 11.6%.

Following the appointments of Mr. Peter Mombaur as Chairman and Mr. David Anazia as Finance Director of UAC Foods Limited in H1 2019, Mr. Chris Towoju joined the Company as General Manager, Sales.

We expect significant investment in branding, selling and distribution in Q4 2019.

Quick Service Restaurants – UAC Restaurants Limited (51.0% ownership)

Revenue from the Quick Service Restaurants segment (1.8% of 9M 2019 Group Revenue) was up 18.8% YoY to ₦1.1 billion in 9M 2019, from ₦0.9 billion in 9M 2018, on account of volume growth from the launch of a new corporate-owned store and higher average prices.

The segment recorded a ₦30.3 million operating loss in 9M 2019, against an ₦8.6 million profit in 9M 2018, on account of higher raw material, distribution and conversion costs in Q3 2019. UAC Restaurants also recorded a ₦56.1 million Loss Before Tax in 9M 2019, against a ₦13.8 million profit in 9M 2018, due to EBIT underperformance and higher finance costs from the implementation of IFRS 16 (₦76 million impact).

Logistics - MDS Logistics Limited (51.0% ownership)

Revenue from the Logistics segment (6.2% of 9M 2019 Group Revenue) declined by 5.0% YoY to ₦3.7 billion in 9M 2019, primarily on the back of lower volumes of warehoused and transported goods.

EBIT declined by 19.1% YoY to ₦620 million on account of lower revenue and higher operational costs which, combined with higher finance costs from the implementation of IFRS 16 (₦114 million impact), also resulted in a 28.9% YoY decline in Profit Before Tax to ₦596 million.

In August 2019, UACN entered into a share sale agreement with Imperial Logistics Limited (“Imperial Logistics”) under which Imperial Logistics proposed to increase its shareholding in MDS Logistics Limited (“MDS”) from 49.0% to 57.0% by acquiring an additional 8.0% shareholding from UACN (the Transaction). Under the terms of the Transaction, Imperial Logistics will transfer selected profitable contracts to MDS and pay US\$2.4 million in cash to UACN, representing a US\$40 million total equity value for MDS. The transaction, which is subject to relevant regulatory approvals, is an important milestone for the company and one that is consistent with UACN’s strategy of working closely with partners in empowering best-in-class management teams.

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Q3 & 9M 2019 Income statement

In million ₦, unless otherwise stated	Q3 2019	Q3 2018	Var %	9M 2019	9M 2018	Var %
Continuing operations						
Revenue	20,435	17,948	13.9%	60,548	53,773	12.6%
Cost of sales	(16,517)	(14,906)	(10.8%)	(48,327)	(43,244)	(11.8%)
Gross profit	3,919	3,042	28.8%	12,221	10,530	16.1%
Other operating income	1,000	310	222.7%	1,205	641	87.8%
Selling and distribution expenses	(1,550)	(1,240)	(25.0%)	(4,228)	(3,680)	(14.9%)
Administrative expenses	(1,751)	(1,430)	(22.4%)	(4,563)	(4,319)	(5.7%)
Other operating losses	-	-	-	-	-	-
EBIT	1,618	682	137.5%	4,635	3,172	46.1%
Finance income	555	707	(21.4%)	2,209	2,033	8.7%
Finance cost	(46)	(3)	(1,513.3%)	(292)	(192)	(52.0%)
Net finance (cost) / income	510	704	(27.6%)	1,917	1,841	4.1%
Profit before tax	2,128	1,386	53.6%	6,552	5,013	30.7%
Income Tax Expense	(944)	(951)	0.7%	(1,852)	(1,404)	(31.9%)
Profit after tax for the year from continuing operations	1,183	434	172.6%	4,700	3,609	30.2%
Discontinued operations						
Profit/(Loss) after tax for the year from discontinued operations	(17,416)	(2,775)	(527.5%)	(17,457)	(4,604)	(279.2%)
Profit/(Loss) for the year	(16,232)	(2,341)	(593.3%)	(12,757)	(994)	(1,183.0%)
Profit/(Loss) attributable to:						
Equity holders of the parent	(10,421)	(1,450)	(618.5%)	(8,625)	(715)	(1,106.7%)
Non-controlling interests	(5,811)	(891)	(552.4%)	(4,132)	(280)	(1,378.2%)
Basic /Diluted Earnings Per Share (Kobo)						
From continuing operations	45	13	240.0%	124	78	59.1%
From discontinued operations	(407)	(64)	(539.6%)	(424)	(103)	(311.3%)
From Profit/(Loss) for the year	(362)	(50)	(618.5%)	(299)	(25)	(1,106.7%)

n/m: Not meaningful

Balance sheet as at end September 2019

In million ₦, unless otherwise stated	30 Sept 2019	31 Dec 2018
Property, plant and equipment	21,757	21,824
Intangible assets and goodwill	1,493	1,526
Investment property	2,619	7,197
Investments in associates and joint ventures	-	20,091
Right of use assets	2,768	-
Equity instrument at fair value through other comprehensive income	30	40
Investment in subsidiaries	-	-
Prepayment	15	9
Deferred tax asset	90	90
Non-current assets	28,772	50,777
Inventories	16,034	30,526
Trade and other receivables	22,169	10,234
Cash and Cash equivalents	20,512	30,275
Right of return assets	7	8
Current assets	58,722	71,042
<i>Assets of disposal group classified as held for sale/distribution to owners⁵</i>	<i>25,370</i>	<i>9,274</i>
Total assets	112,865	131,093
Ordinary share capital	1,441	1,441
Share premium	18,509	18,509
Contingency reserve	29	29
Fair Value/Available-for-sale reserve	15	15
Retained earnings	27,667	38,136
Equity attributable to equity holders of the Company	47,660	58,129
Non-controlling interests	10,804	16,079
Total equity	58,464	74,208
Borrowings	2,130	4,501
Deferred tax liabilities	4,627	4,707
Lease liability	1,506	-
Deferred revenue	-	2
Provisions	11	11
Non-current liabilities	8,275	9,220
Trade and other payables	5,441	15,438
Contract liabilities	17	55
Current income tax liabilities	4,760	6,337
Bank overdrafts and current portion of borrowings	2,752	19,672
Dividend payable	4,616	4,900
Deferred revenue	89	212
Provisions	93	93
Lease liabilities	19	-
Refund liabilities	9	9
Current liabilities	17,795	46,715
<i>Liabilities of disposal group classified as held for sale/distribution to owners</i>	<i>28,331</i>	<i>949</i>
Total liabilities	54,401	56,885
Total equity and liabilities	112,865	131,093

⁵ Assets of disposal group classified as held for sale/distribution to owners represent assets of UPDC and UNICO as of 30 September 2019, and UHL (UPDC Hotel), UNICO and Warm Spring Waters Nigeria Ltd as of 31 December 2018

Definition of terms

Gross Profit refers to Revenue minus Cost of sales.

Gross Profit Margin corresponds to Gross Profit as a % of Revenue.

Operating Expenses correspond to Selling and distribution expenses, Administrative expenses and Other operating expenses.

EBITDA refers to Earnings before Interest, Tax, Depreciation and Amortisation

EBITDA margin corresponds to EBITDA as a % of Revenue.

EBIT refers to Gross Profit minus Operating Expenses plus Other operating income.

EBIT Margin corresponds to EBIT as a % of Revenue.

Profit before Tax corresponds to EBIT **plus** Net finance (cost)/income plus share of profit of associates and joint venture using the equity method.

Profit before Tax Margin corresponds to Profit before Tax as a % of Revenue.

Return on Equity (annualised) corresponds to Net Profit reported to average Total Equity.

Earnings Per Share (annualised) is Profit After Tax from Continuing operations reported to Weighted average number of Shares.

Working capital is defined as Current Assets minus Current Liabilities.

Quick Ratio is defined as Current Assets minus Inventories reported to Current liabilities.

Current Ratio is defined as Current Assets reported to Current liabilities.

Free Cash Flow corresponds to Net cash flow generated from/ (used in) operating activities minus Purchase of property, plant and equipment plus Proceeds from sale of property, plant and equipment.

Gearing is defined as Total borrowings reported to Total Equity.

Total Assets / Equity is defined as Total Assets reported to Total Equity.

Net Interest cover ratio is defined as EBIT reported to net finance costs.

Gross Interest cover ratio is defined as EBIT reported to finance costs.

Return on Invested Capital (annualised) is defined as NOPAT margin multiplied by Invested Capital Turnover

About UACN

UAC of Nigeria PLC (UACN), a holding company, has for over a century played a prominent role in the development of Nigeria. UACN is focused on building a limited set of subsidiaries into undisputed leaders in their chosen segments.

UACN operates through the following subsidiaries:

- Grand Cereals Limited manufactures and markets Grand Soya Oil, Vital Poultry/Fish Feeds, Bingo Dog Food, Grand Maize Meals and Grand Cornflakes.
- Livestock Feeds Plc is an animal feeds operation with mills in Lagos and Aba.
- UAC Foods Limited, a joint venture business with Tiger Brands Limited, offers the award-winning Gala Sausage Roll, Funtime Coconut Chips, Supreme Ice Cream & Swan Bottled Spring Water.
- UAC Restaurants Limited, a joint venture with Famous Brands Limited, manages the network of Quick Service Restaurants across Nigeria under the market leading Mr Biggs' brand, Debonairs Pizza & Steers.
- MDS Logistics Limited, a joint venture with Imperial Logistics, is the leading integrated supply chain solutions provider in Nigeria with distribution centres across Nigeria.
- UACN Property Development Company Plc is a foremost property development and management company quoted on the Nigerian Stock Exchange.
- CAP Plc, the AkzoNobel technical licensee of Dulux, is the leading decorative paint producer in Nigeria.
- Portland Paints and Products Nigeria Plc is a leading paint manufacturer in Nigeria offering Sandtex and Hempel range of decorative and protective coatings

For more information visit www.uacnplc.com

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