

AFRICA PRUDENTIAL PLC

UNAUDITED RESULTS FOR THE PERIOD ENDED 30 SEPTEMBER, 2018

AFRICA PRUDENTIAL PLC SUSTAINS GROWTH IN Q3 2018, SHOWS 14%YOY RISE IN REVENUE

This Earnings Press Release should be read in conjunction with the Unaudited Financial Statements for the period ended September 30, 2018. The Earnings Press Release and the Unaudited Financial Statements for the period ended September 30, 2018 are available on our website at <https://africaprudential.com/investors/>. This analysis is dated October 23, 2018. Unless otherwise indicated, all amounts are expressed in Nigerian Naira, and have been primarily derived from the Company'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 Company's Unaudited Financial Statements for the period ended 30 September 2018. Additional information relating to the Company is available on the Company's website.

HIGHLIGHTS OF THE RESULT:

Income Statement:

- Fee Income: ₦0.94billion, compared to ₦0.66billion in Q3 2017 (43% YoY growth);
- Total Revenue: ₦2.58billion, compared to ₦2.27billion in Q3 2017 (14% YoY growth);
- Other Income: ₦0.08billion, compared to ₦0.04billion in Q3 2017 (125% YoY growth);
- Profit Before Tax: ₦1.62billion, compared to ₦1.45billion in Q3 2017 (11% YoY growth);
- Profit After Tax: ₦1.35billion, compared to ₦1.31billion in Q3 2017 (3% YoY growth);
- Earnings Per Share: 67Kobo

Balance Sheet:

- Total Assets: ₦18.81billion, compared to ₦21.93billion as at FY 2017 (14% YTD decline);
- Total Liabilities: ₦11.37billion, compared to ₦14.99billion as at FY 2017 (24% YTD decline);
- Shareholders' Funds: ₦7.43billion, higher by 7% YTD.

Q3 2018 (ITEMS OF NOTE)

Comparing Q3 2018 with Q3 2017, there are a few points to note such as:

- Investment Income: This inched up by 2% to ₦1.64billion, majorly due to fall in Treasury bills rate and fixed deposit rates.

- Operating Expenses - This grew by 29% YoY to c. ₦0.968billion due to increased personnel expenses.

Financial Metric (N' Billion)	Q3 2018	Q3 2017	Change
Turnover	2.58	2.27	14%
Operating Expenses	(0.96)	(0.75)	29%
Profit Before Taxation	1.62	1.45	11%
Profit After Taxation	1.35	1.31	3%
EPS	67	65	3%
Total Assets	18.81	21.93	-14%
Total Liabilities	11.37	14.99	-24%
Total Equity	7.43	6.94	7%

Key Ratios	Q3 2018	Q3 2017
ROaA	9.7%	10.3%
ROaE	25%	35%
Profit Margin	52%	58%
Rev/Working Capital	0.35	0.42
NAPS	3.7	2.7
PE	7.9	8.2

Lagos, Nigeria – 23 October, 2018 – Africa Prudential Plc, (**NSE:** AFRIPRUD, **Bloomberg:** AFRIPRUD NL, **Financial Times:** AFRIPRUD LAG) announced its Unaudited Financial Statements for the period ended September 30, 2018, showing a Turnover of ₦2.58billion and Profit Before Tax of ₦1.62billion. The Company delivered an Earnings Per Share of 67 Kobo.

Commenting on the financial results, Mr. Obong Idiong, the Managing Director/CEO of Africa Prudential Plc, said that, "The Q3 2018 results have revealed sustained growth momentum, with the Company surpassing its Q3 2017 results. The Company recorded a Turnover of ₦2.58billion; a growth of 14% over the previous financial period and a Profit Before Tax of ₦1.62billion, which represents an increase of 11% over the previous period."

He said, "Our Company recently partnered with the International Co-operative Alliance-Africa to deploy technology solutions for a more efficient administration of co-operatives and thrift societies across Africa. Africa Prudential Plc has sustained its performance so far in 2018 through innovative, technology-driven and proactive responses to market dynamics, bolstered by a determination to maintain industry leadership. Borne out of our Company culture, we remain dedicated to excellence in customer service delivery, and are consistently driven to deliver optimum value to all our stakeholders."

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED
30 SEPTEMBER 2018**

<i>In thousands of Nigerian Naira</i>	30-Sep-18	30-Sep-17
Registrars fee income	941,348	659,860
Net investment income	1,640,901	1,611,161
Gross earnings	2,582,249	2,271,021
Other income	79,690	35,433
Impairment loss on goodwill	(74,042)	(100,000)
Personnel expenses	(456,556)	(292,984)
Other operating expenses	(456,556)	(424,667)
Depreciation and amortization	(55,390)	(36,079)
Profit before tax	1,619,395	1,452,724
Income tax expense	(273,737)	(144,100)
Profit after tax	1,345,658	1,308,624
Other Comprehensive Income, net of income tax		
<i>Items that will not be reclassified subsequently to profit or loss:</i>	-	-
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Fair value gain on quoted equity	(52,434)	112,054
Fair value gain/(loss) on unquoted equity	-	-
Other comprehensive income, net of income tax	-	-
Total comprehensive income	1,293,224	1,420,678
Basic earnings per share (kobo)	67	65

STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2018

<i>In thousands of Nigerian Naira</i>	30-Sep-18	31-Dec-17
ASSETS		
Cash and cash equivalents	5,324,325	9,192,490
Financial assets (Available For Sale)	4,388,005	4,440,443
Financial assets (held to maturity)	8,303,368	7,554,522
Trade and other receivables	210,963	257,107
Inventory	16,578	16,578
Other assets	243,871	72,070
Property, plant and equipment	223,692	223,683
Intangible asset	74,498	77,921
Goodwill	24,651	98,693
TOTAL ASSETS	18,809,951	21,933,507
LIABILITIES		
Customers' deposits	10,630,912	10,792,264
Creditors and accruals	478,379	330,913
Taxation	233,841	224,407
Deferred tax liabilities	34,110	34,110
Current liabilities	11,377,242	11,381,694
Loan from Commercial Bank	-	3,612,328
Long Term Liabilities	-	3,612,328
TOTAL LIABILITIES	11,377,242	14,994,022
SHAREHOLDER'S EQUITY		
Share capital	1,000,000	1,000,000
Share premium	624,446	624,446
Retained earnings	5,432,310	4,886,652
Other reserves	375,953	428,387
TOTAL EQUITY	7,432,709	6,939,485

EDITOR'S COMMENT

Africa Prudential Plc is a leading share registration firm, investor and business support services provider in Nigeria; and the only registrar firm listed on the NSE; specializing in customer-focused, technologically driven service for corporations. Africa Prudential is driving change within the industry and delivering world-class service in the Nigerian Capital Market.

The company sets the pace in its industry, bringing technology into the standard share registration model, revolutionizing primary processes, and driving advocacy for regulatory initiatives within the evolving sector. Africa Prudential Plc manages 83 client-registers, made up of over three million shareholders. The company is the most capitalized registrar in the country with share capital of 2 billion units.

More information can be found at: <https://africaprudential.com/>

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CAUTION REGARDING FORWARD LOOKING STATEMENTS

From time to time, the Company makes written and/or oral forward-looking statements, including in this press release and in other communications. In addition, representatives of the Company 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 Company's objectives and strategies to achieve them, and the Company'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 Company's investors and analysts in understanding the Company'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 Company 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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Obong Idiong
Managing Director/Chief Executive Officer