

2019 Q1
PRESENTATION

PRESENTATION TO INVESTORS & ANALYSTS

Outline

03

OVERVIEW



06

OPERATING ENVIRONMENT



08

FINANCIAL REVIEW



13

OUTLOOK



15

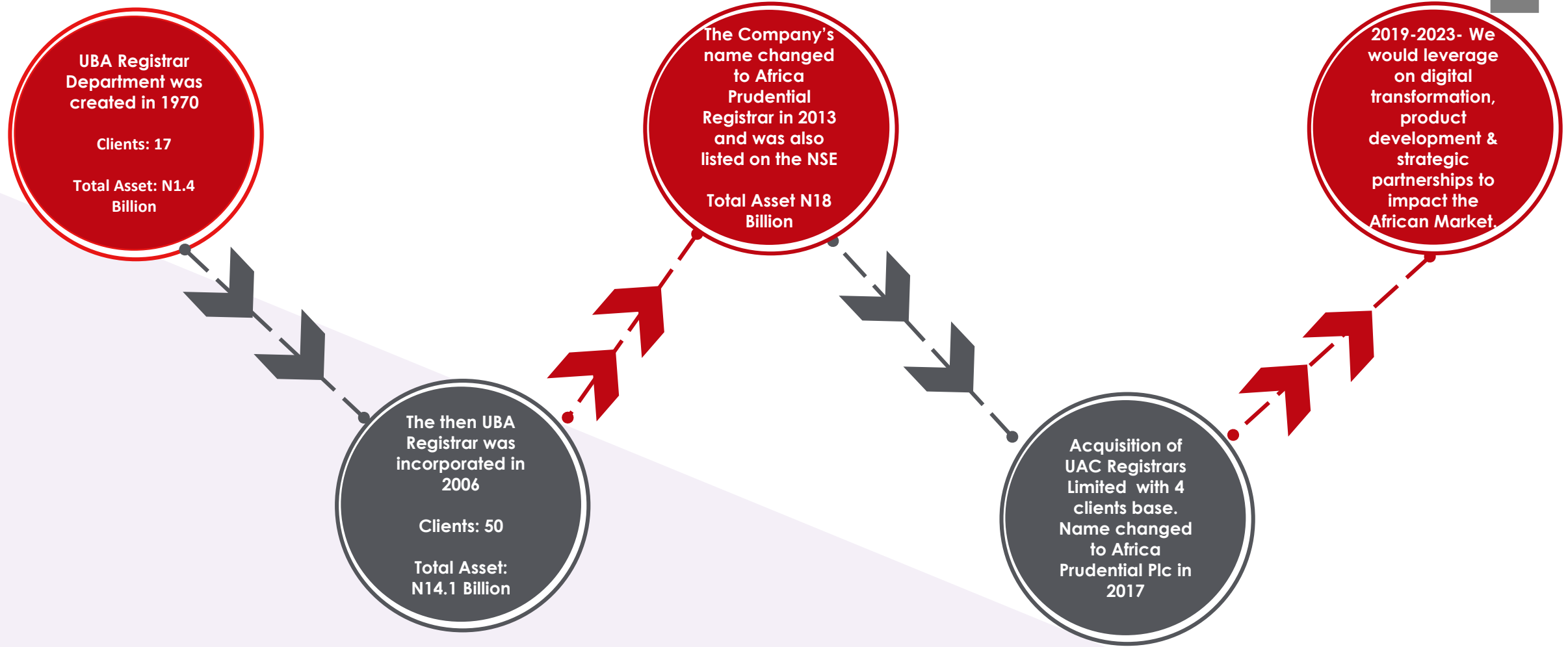
APPENDIX





AFRICA PRUDENTIAL
OVERVIEW

Our Journey



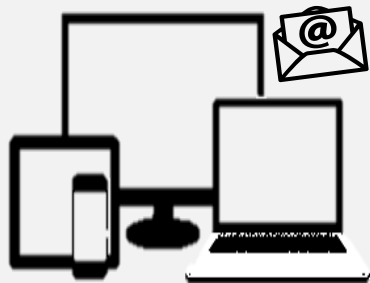
Company Overview



Diversified business lines broadening revenue streams



First and only registrar firm listed on the Nigerian Stock Exchange



Ranked No. 1 in technology and innovation among corporate registrars



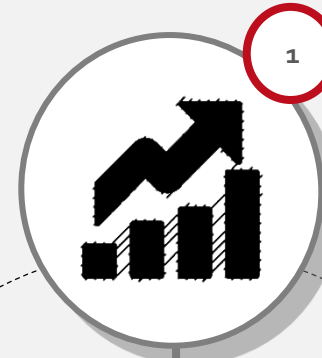
Manages 83 client registers, made up of over 3million shareholders

Africa Prudential

Africa Prudential is strategically located in the commercial capital of Nigeria, **Lagos**; the political capital, **Abuja**; and **Port-Harcourt**.

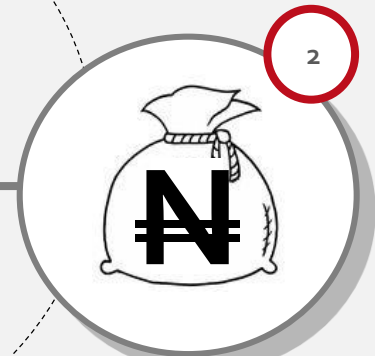


The top management of the Company have a track record of providing registrar as well as allied services to the Nigerian Money and Capital Markets.

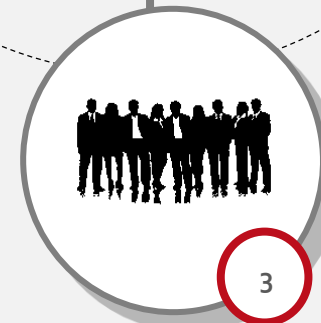


Total revenue: N0.87 Billion, compared to N0.96Billion in Q1 2018 (9% YoY decline).

Profit Before Tax: N0.45 Billion, representing a 17% YoY decline compared to Q1 2018.



Shareholders Fund of N7.97 Billion.



OPERATING ENVIRONMENT

The Operating Environment

13.5%

Interest Rate

*As at March 2019

11.25%

Inflation Rate

*As at March 2019

2.5%

GDP Growth Rate

*As at Dec 2018

N360/\$

Exchange Rate

*BDC; as at Q1 2019

B2

Credit Rating

*Moody's; as at Nov 2017

22.5%

Cash Reserve Ratio

*As at Mar 2019

13.45%

Food Inflation Rate

*As at Mar 2019

\$67.93
(Dollars per barrel)

Crude Oil
(Brent Crude)

*As at Mar 2019

146th

Ease of Doing Business

*As at Dec 2018

\$44.1 bn

Foreign Exchange Reserves

*As at Mar 2019

FINANCIAL OVERVIEW

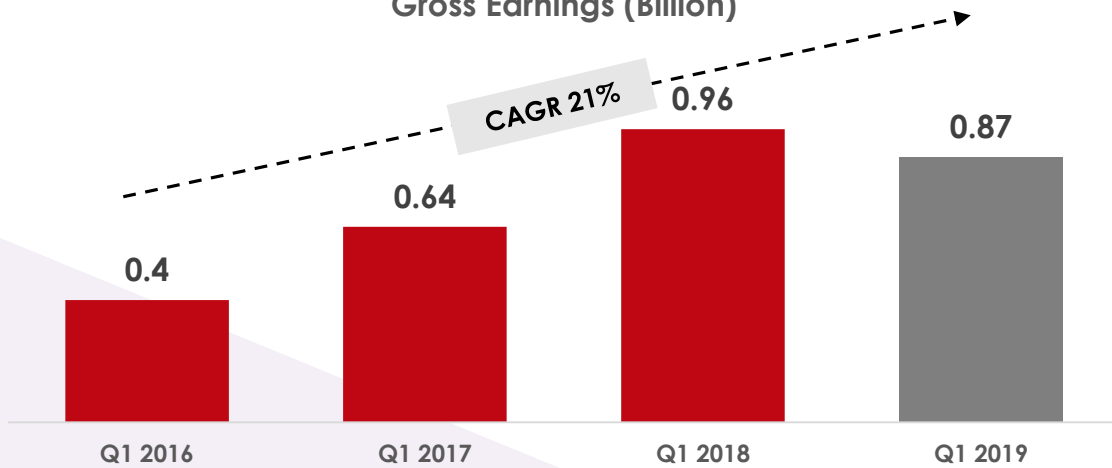
Financial Snapshot

Financial Metric (N' Billion)	Q1 2019	Q1 2018	Change
Revenue from contracts	0.27	0.22	23%
Gross Earnings	0.87	0.96	-9%
Profit Before Taxation	0.45	0.54	-17%
Profit After Taxation	0.38	0.46	-17%
EPS (Kobo)	19	25	-24%

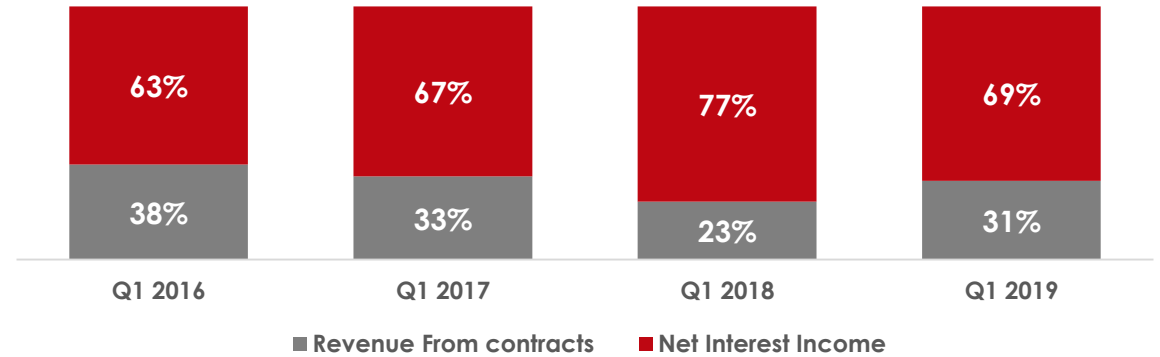
Financial Metric (N' Billion)	Q1 2019	FY 2018	Change
Total Assets	20.38	21.27	-4%
Total Liabilities	12.41	12.68	-2%
Total Equity	7.97	8.60	-7%

Earnings Analysis

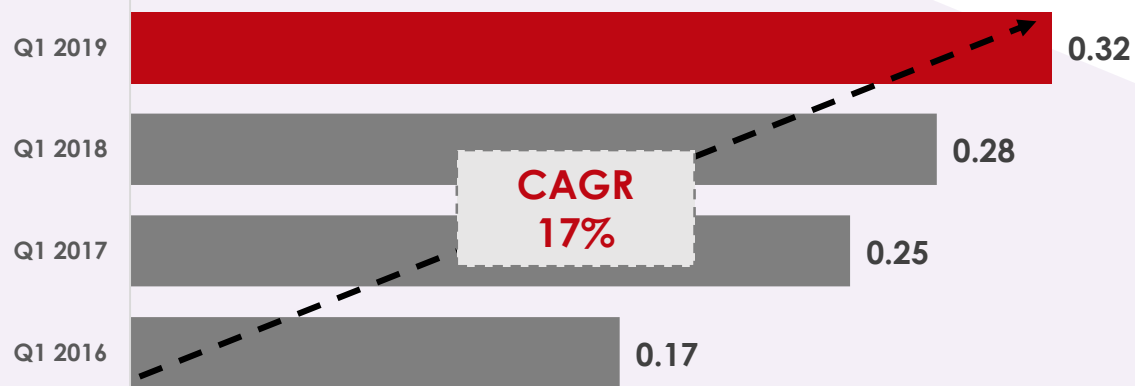
Gross Earnings (Billion)



Earnings Component



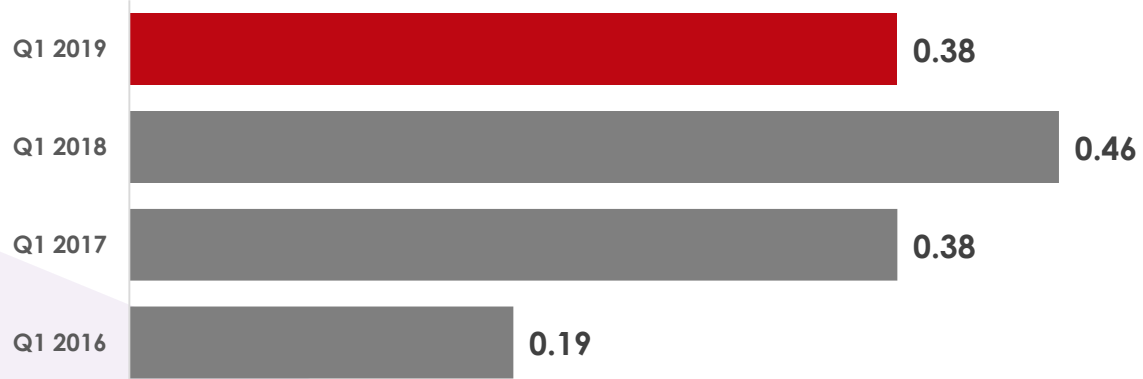
Operating Expenses (Billion)



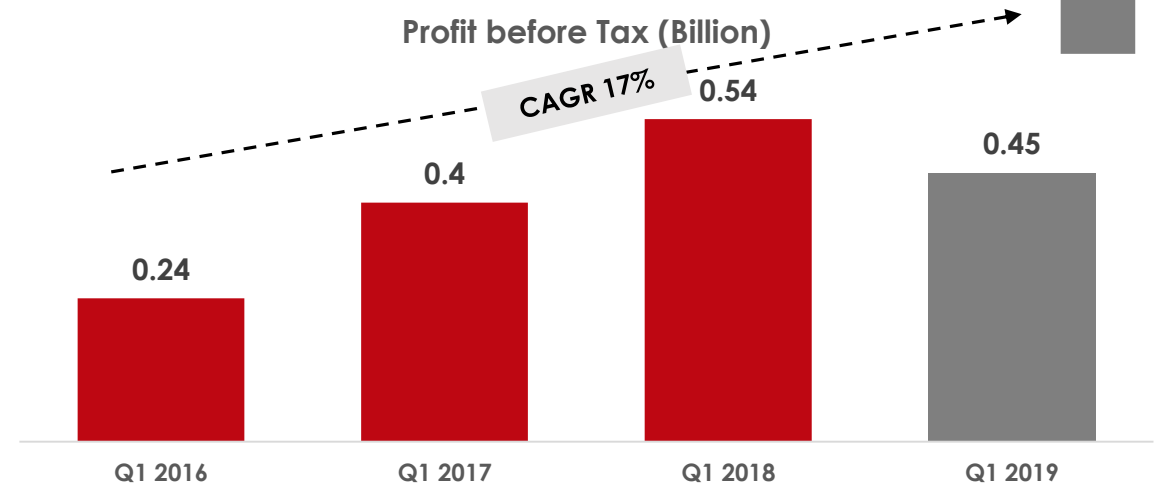
- ❖ With a firm leverage on innovation and technology, Africa Prudential plc have grown its gross earnings by 21% CAGR over the past 4 years.
- ❖ The contribution of contract revenue to Gross earnings increased by 8% y/y as a result of the increase in corporate actions such as AGMs etc., by clients.
- ❖ Operating expenses grew 14% y/y majorly due to increase in personnel cost.
- ❖ Net interest Income saw a 2% dip in its contribution to gross earnings due to the continued decline in yield environment.

The Bottom Line

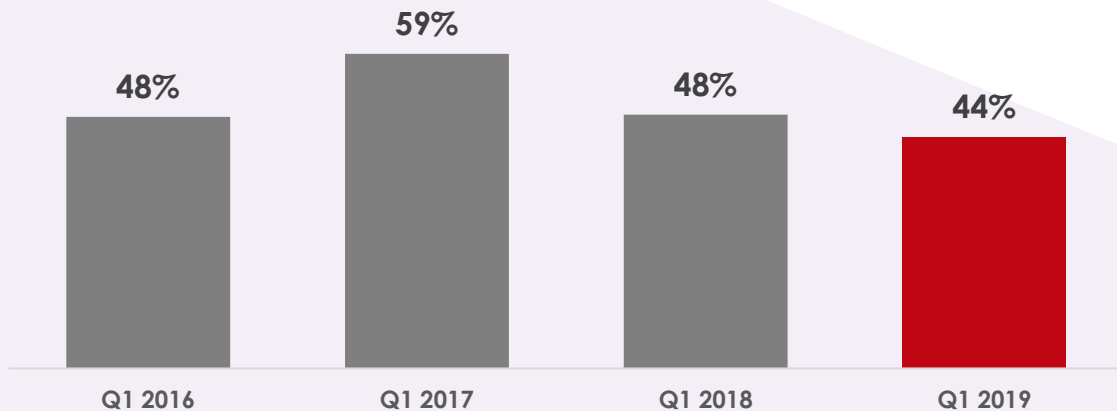
Profit After Tax (Billion)



Profit before Tax (Billion)



Profit margin



- ❖ Profit Before Tax grew 17% CAGR over the last 4 years as the company maintains a strong momentum in terms of profitability.
- ❖ The Company recorded a 17% year on year decline in Profit After Tax to N0.38 Billion, recording its first decline with the 4-year period.
- ❖ The Company's Profit Margin stood at 44%, while its EPS (Annualized) stood at 76 Kobo

Balance sheet Analysis

Total Assets (Billion)

CAGR 9%

22.66

20.38

14.53

15.91

Q1 2016

Q1 2017

Q1 2018

Q1 2019

Shareholders' Fund (Billion)

CAGR 14%

7.97

6.64

4.77

4.33

Q1 2016

Q1 2017

Q1 2018

Q1 2019

Total Liabilities (Billion)

CAGR 6%

16.01

12.41

9.76

11.59

Q1 2016

Q1 2017

Q1 2018

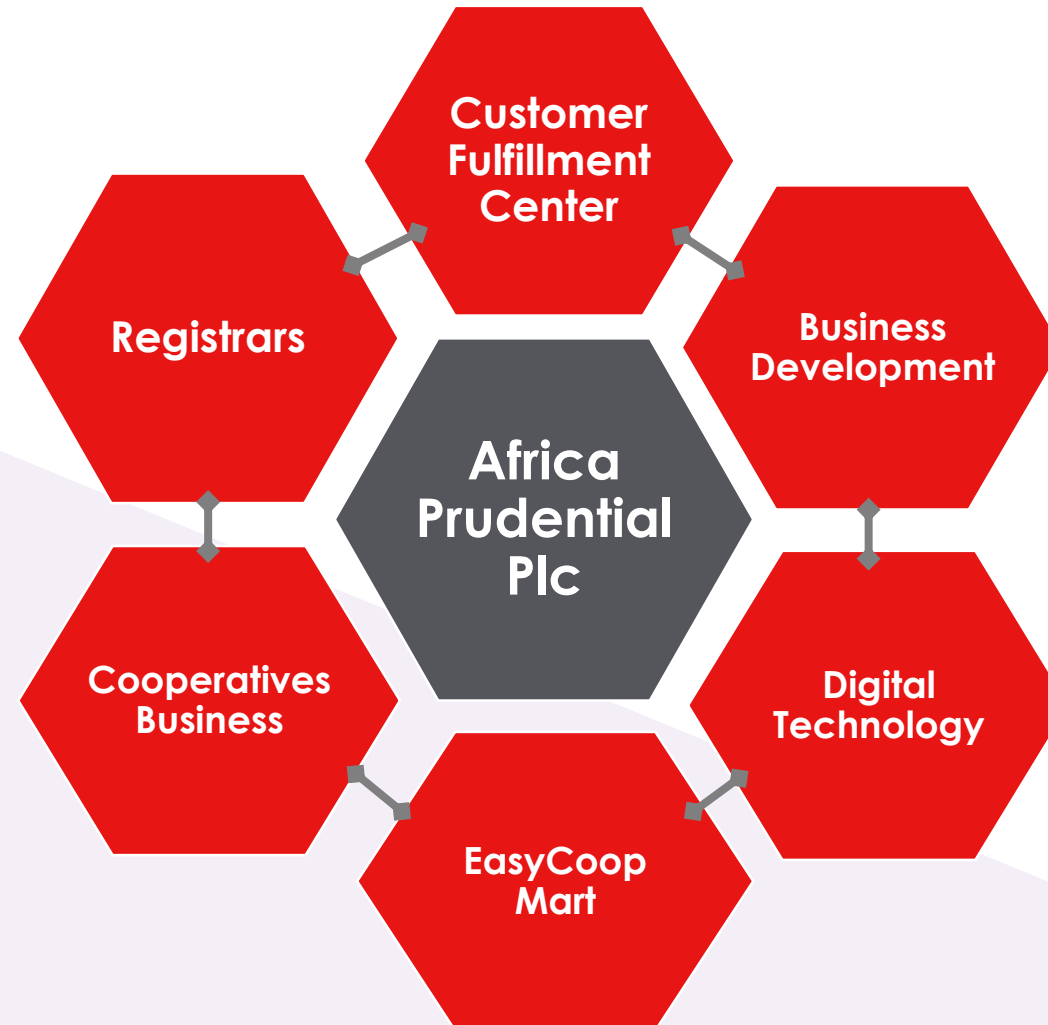
Q1 2019

- ❖ The Company's Total Assets grew at a compounded rate of 9% over the last 4 years
- ❖ Total Shareholders Funds consistently grew by 14% CAGR within the last 4 years.
- ❖ The Company's Total Liabilities grew 6% CAGR as it stood at N12.41Billion.

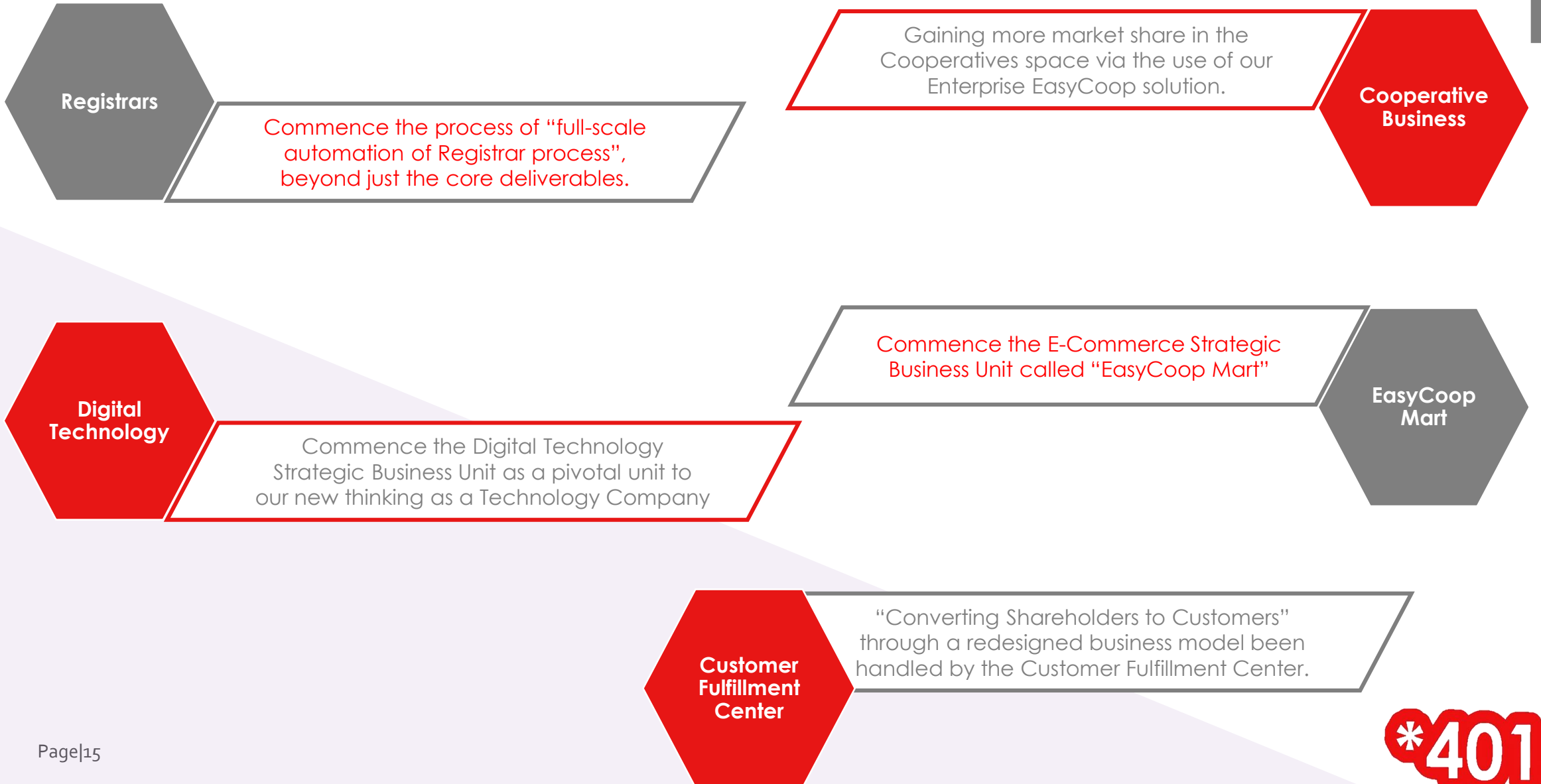
Q1 2019 STRATEGIC OUTLOOK

Beyond Registrar...The Next Frontier

“Beyond the current registrars products and services being offered currently, we are transiting into a cohesive and aligned data mining strategy that can ensure we become a full-fledged Technology company”



Approach to the Next Frontier



2019 Guidance

		Q1 2019 Actual	2019 Guidance	% of Guidance
1	Gross Earnings	N0.87Bn	N4.8Bn	18%
2	Revenue from contracts	N0.27Bn	N1.6Bn	17%
3	Net Investment Income	N0.60Bn	N3.2Bn	19%
4	Operating Expense	N0.32Bn	N1.9Bn	17%
5	Profit Margin	44%	40%	110%
6	Return On Equity*	18%	21%	86%
7	Return On Assets*	7%	13%	54%

***Annualized**

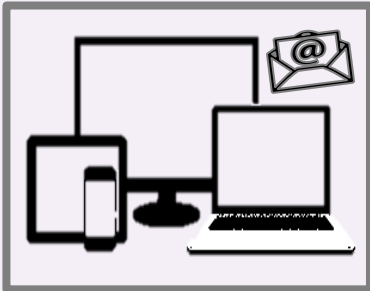
APPENDIX

Our Advantage

Information Technology 01

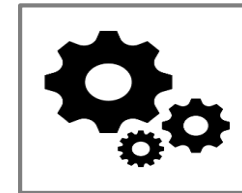
Easy Access 02

User Friendly 03



Information Technology

- IT is the bedrock of our digital aspirations and innovation.
- Our track record of being first in innovative products is driven by our belief that IT is key to our survival as a company.



Easy Access

- Our platforms can be easily accessed through various devices such as laptops, smartphones etc.
- Our simplified USSD code also provides easy access to our various products.



User Friendly

- Our technology has been designed to be highly user friendly with an interface that enables our clients to have the best experience.

Statement Of Comprehensive Income



In thousands of Nigerian Naira	31-Mar-19	31-Mar-18
Revenue from contracts	273,861	223,549
Net investment income	595,508	734,254
Gross earnings	869,369	957,803
Other income	2,839	47,972
Impairment on Goodwill	-	(24,700)
Personnel expenses	(155,146)	(112,443)
Other operating expenses	(145,188)	(122,144)
Depreciation and amortization	(17,121)	(18,567)
Profit before finance costs and tax	554,753	727,921
Finance Costs	(101,030)	(186,245)
Profit before tax	453,723	541,676
Income Tax expense	(72,189)	(80,778)
Profit after tax	381,534	460,898
Other comprehensive Income		
Other comprehensive income that may not be reclassified to profit or loss in subsequent periods (net of tax):		
Net (loss)/gain on quoted equity instruments at fair value through OCI	(8,250)	43,454
Total OCI for the year (net of tax)	(8,250)	43,454
Total Comprehensive income for the year, net of tax	373,284	504,352
Basic and Diluted EPS (Kobo)	19	25

Statement Of Financial Position



In thousands of Nigerian Naira	31-Mar-19	31-Dec-18
ASSETS		
Cash and cash equivalents	6,249,414	2,559,899
Equity instruments at fair value through OCI	5,047,007	5,055,257
Debt Instruments at amortised cost	7,792,516	12,436,863
Trade and other receivables	952,583	875,056
Inventory	3,432	3,432
Property, plant and equipment	210,997	210,975
Intangible asset	66,388	71,471
Deferred Tax assets	58,797	58,797
TOTAL ASSETS	20,381,134	21,271,750
LIABILITIES		
Customers' deposits	11,774,709	10,122,131
Creditors and accruals	116,876	63,104
Borrowings	-	2,042,439
Current income tax payable	519,676	447,487
Deferred tax liabilities	-	-
TOTAL LIABILITIES	12,411,261	12,675,161
SHAREHOLDER'S EQUITY		
Share capital	1,000,000	1,000,000
Share premium	624,446	624,446
Retained earnings	5,310,475	5,928,941
Fair Value reserve	1,034,952	1,043,202
TOTAL EQUITY	7,969,873	8,596,589
TOTAL LIABILITIES AND EQUITY	20,381,134	21,271,750

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HOW

Dial the USSD code