

UNAUDITED RESULTS FOR THE PERIOD ENDED 30TH SEPTEMBER, 2019

SUSTAINED PROFITABILITY: AFRIPRUD RECORDS A 12% Y/Y INCREASE IN PAT

This Earnings Press Release should be read in conjunction with the Unaudited Financial Statements for the period ended September 30th, 2019. The Earnings Press Release and the Unaudited Financial Statements for the period ended 30th September, 2019 are available on our website at <https://africaprudential.com/investors/>. This analysis is dated October 21st, 2019. 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 30th September 2019. Additional information relating to the Company is available on the Company's website. <https://africaprudential.com/investor-relations/>

KEY PERFORMANCE HIGHLIGHT:

A Year-On-Year Analysis showed the following;

Income Statement:

- Revenue from contracts with customers: ₦1.22 Billion, compared to ₦0.94 Billion in Q3 2018 (30% YoY Increase);
- Gross Earnings: ₦2.90 Billion, compared to ₦3.29 Billion in Q3 2018 (12% YoY Decline);
- Profit Before Tax: ₦1.76 Billion, compared to ₦1.62 Billion in Q3 2018 (9% YoY Increase);
- Profit After Tax: ₦1.50 Billion, compared to ₦1.35 Billion in Q3 2018 (12% YoY Increase);

Balance Sheet:

- Total Assets: ₦20.83 Billion, compared to ₦21.27 Billion as at FY 2018 (2% YTD decline);
- Total Liabilities: ₦11.78 Billion, compared to ₦12.68 Billion as at FY 2018 (7% YTD decline);
- Shareholders' Fund stood at ₦9.05 Billion, increasing by 5% YTD from 8.60 Billion as at FY 2018.

ITEMS OF NOTE;

Comparing Q3 2019 to Q3 2018, we observed the following key items worthy of note:

- **Revenue from contracts with customers:** During the period under review, Revenue from contracts with customers ramped up 30% year-on-year on the back of the 80% increase in retainership fees and the 634% increase from our digital technology activities.
- **Profit before Taxation:** The period under review saw PBT ramp up by 9% on the back of the company's adoption of innovative cost management measures.

- **Revenue from Digital Technology:** This increased by 634% year-on-year as the company continue to leverage technology to better improve capital market interactions.
- **Total Asset:** The company saw a 2% YTD decline in total assets due to decline in Cash and Cash equivalent as well as the 3% YTD decline in debt instruments at amortized cost which was majorly due to reduction in our holding of debt instrument such as T-Bills, Bonds and loan advances during the review period.

Financial Metrics	Q3 2019	Q3 2018
Returns on Asset	7%	6%
Returns on Equity	17%	16%
Price-Earnings Ratio	5.33	5.97
Asset Turnover Ratio	0.14	0.15
PBT Margin	61%	49%
EBIT Margin	64%	71%

Lagos, Nigeria – 22, October 2019 – Africa Prudential Plc

(NSE Ticker: AFRIPRUD, Bloomberg Ticker: AFRIPRUD NL, Financial Times Ticker: AFRIPRUD LAG) announced its Unaudited Financial Statements for the period ended September 30, 2019, With a Gross Earnings of ₦2.90 Billion and Profit Before Tax of ₦1.76 Billion.

Commenting on the result, The Managing Director/CEO of Africa Prudential, Mr. Obong Idiong said;

“In line with the recently released results, the company has continued to assiduously work to diversify its revenue by leveraging on Digital Technology especially in the cooperative space resulting in a 634% increase year-on-year in the income therefrom, this coupled with increased earnings from our traditional registrar business connived to bring about a 30% increase in gross earnings. As such the company is gradually moving towards not only being the registrar of choice but we are leading the wave of change to improve capital market interaction”.

The period under review saw us introduce and improve on a number of innovative products to the market some of which includes the Virtual Reporting System (VRS) which is capable of handling mass SMS, E-mail, Telemarketing, Survey and Data Analytics. We also have continuously strived to improve how we currently service our clients as evident in the recent upgrade to our “Share Portal” which with just a click any shareholder can access information about their dividend and shares real time.

Mr. Obong Idiong MD/CEO further reiterated that;

“Going forward, the company would continue to come up with innovative products aimed at not only improving capital market interactions but also improving our top line as such delivering increasing value to all stakeholders.”

Notice of Q3 2019 Conference Call:

Sequel to the release of our Q3 2019 result, we would be hosting a conference call for Investors and Analysts, Further information would be circulated to all in due course.

For Further enquiries;

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**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED
30TH SEPTEMBER 2019**

<i>In thousands of Nigerian Naira</i>	30-Sep-19	30-Sep-18
Revenue from Contracts with customers	1,222,866	941,348
Interest income	1,672,795	2,348,540
Gross earnings	2,895,661	3,289,888
Other income	30,863	79,690
Impairment loss on goodwill	-	(74,042)
Personnel expenses	(449,810)	(456,556)
Other operating expenses	(561,631)	(456,556)
Depreciation of property and equipment	(39,840)	(38,897)
Amortization of intangible assets	(14,923)	(16,493)
Profit Before Finance cost and Tax (EBIT)	1,860,320	2,327,034
Finance Cost	(101,030)	(707,639)
Profit before tax	1,759,290	1,619,395
Income tax expense	(257,164)	(273,737)
Profit after tax	1,502,126	1,345,658
Other Comprehensive Income, net of income tax		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Fair value gain on quoted equity	(49,411)	(52,434)
Fair value gain/(loss) on unquoted equity through OCI	-	-
Other comprehensive income, net of income tax	(49,411)	(52,434)
Total comprehensive income	1,452,715	1,293,224
Basic earnings per share (kobo)	75	67

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019

<i>In thousands of Nigerian Naira</i>	30-Sep-19	31-Dec-18
ASSETS		
Cash and cash equivalents	2,498,453	2,559,899
Equity instruments at fair value through OCI	5,005,847	5,055,527
Debt instruments at amortised cost	12,064,750	12,436,863
Trade and other receivables	916,395	875,056
Inventory	2,575	3,432
Property and equipment	229,669	210,975
Intangible assets	56,548	71,471
Deferred tax assets	58,797	58,797
TOTAL ASSETS	20,833,034	21,271,750
LIABILITIES		
Customer's deposits	10,992,457	10,122,131
Creditors and accruals	532,806	63,104
Borrowings	-	2,042,439
Current income tax payable	258,467	447,487
TOTAL LIABILITIES	11,783,730	12,675,161
EQUITY		
Share capital	1,000,000	1,000,000
Share premium	624,446	624,446
Fair value reserve	993,791	1,043,202
Retained earnings	6,431,067	5,928,941
TOTAL EQUITY	9,049,304	8,596,589
TOTAL EQUITY AND LIABILITIES	20,833,034	21,271,750

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 Two billion units.

More information can be found at: <https://africaprudential.com/investor-relations/>
Media Enquiries: Email Investorrelations@africaprudential.com; ir@arrhenn.com

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

The release, publication or distribution of this announcement in certain jurisdictions may be restricted by law and therefore persons in such jurisdictions into which this announcement is released, published or distributed should inform themselves about and observe such restrictions.

Obong Idiong
Managing Director/Chief Executive Officer