AFRICA PRUDENTIAL PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

LAGOS, NIGERIA

AFRICA PRUDENTIAL PLC
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CORPORATE INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2023

Chairman	Chief (Mrs.) Eniola Fadayomi FIOD MFR	
Directors	Mr. Obong Idiong	Managing Director
	Mr. Samuel Nwanze	Non-Executive Director
	Mr. Peter Elumelu	Non-Executive Director
	Mr. Peter Ashade	Non-Executive Director
	Mr. Emmanuel Nnorom	Non-Executive Director
	Mrs. Fumbi Chima	Independent Non-Executive Director
	Mrs. Zubaida Mahey Rasheed	Independent Non-Executive Director

Registered Office
220b, Ikorodu Road
Palmgrove, Lagos

Company Secretary
Joseph Jibunoh
Africa Prudential Plc
220b, Ikorodu Road
Palmgrove
Lagos

Auditor
Ernst & Young
UBA House, 10th and 13th Floors
57 Marina, Lagos

Bankers
United Bank for Africa Plc
UBA House; 57, Marina, Lagos Island, Lagos.

JAIZ Bank Plc
Kano House; 73, Ralph Shodeinde Street, Central Business District, Garki Abuja.

Stanbic IBTC Plc
220, Herbert Macaulay Way, Yaba, Lagos.

RC No. 649007

Tax Identification Number 01592371-0001

STATEMENT OF DIRECTORS' RESPONSIBILITIES

In preparing the financial statements, the Directors are responsible for:

- properly selecting and applying accounting policies;
- presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- providing additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and financial performance.
- making an assessment of the Company's ability to continue as a going concern.

The Directors are responsible for:

- designing, implementing and maintaining an effective and sound system of internal controls throughout the Company;
- maintaining adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company, and which enable them to ensure that the financial statements of the Company comply with IFRS;
- maintaining statutory accounting records in compliance with the legislation of Nigeria and IFRS;
- taking such steps as are reasonably available to them to safeguard the assets of the Company; and
- preventing and detecting fraud and other irregularities.

Going concern:
The financial statements have been prepared on a going concern basis, which assumes that the entity will be able to meet its financial obligations as at when they fall due. There are no significant financial obligations that will impact on the entity's resources which will affect the going concern of the entity.

The financial statements of the Company for the period ended 31 December 2023 have been authorised for issue and were approved by the Board of Directors on 20 February 2024.

On behalf of the Directors of the Company

Chief (Mrs) Eniola Fadayomi FIOD MFR	**Obong Idiong**
(Chairperson)	**(Managing Director)**
FRC/2013/IODN/00000002718	FRC/2013/NBA/00000004696
20 February 2024	20 February 2024

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2023

The Directors are pleased to present their report on the affairs of the Company, together with the Audited Financial Statements and auditor's report for the year ended December 31, 2023.

LEGAL FORM AND PRINCIPAL ACTIVITIES

Africa Prudential Plc was originally incorporated as UBA Registrars Ltd on March 23, 2006. The Company subsequently changed its name to Africa Prudential Registrars Plc on August 10, 2011, and was listed on the Nigerian Exchange (NGX) in January 2013. To expand its business portfolio, the Company acquired UAC Registrars Ltd in June 2013.

To enhance its market competitiveness and diversified business interests, the Company changed its name to Africa Prudential Plc, following a special resolution passed by the Members in General Meeting on March 28, 2017.

Africa Prudential Plc primarily carries on the business of registrar and investor relation service in accordance with its Memorandum and Articles of Association. As part of its business diversification strategy, it has expanded its business activities to the provision of digital solutions for businesses. Its flagship digital solutions product known as EasyCoop is a unique software, which is aimed at aiding the administration of Cooperative Societies in Nigeria and other digital business solutions.

The Company's competency in digital technology covers advanced Agile and other Software Development Life Circle (SDLC) Methodologies, Biometrics management, Cyber Security, Cloud Computing, Design thinking / Product Development Labs, Blockchain technology, among others. The Company deploys Platform as a Service (PaaS) and Software as a Service (SaaS) which are scalable for various sizes of organizations.

RESULTS FOR THE YEAR

The Company's results for the year are set out on pages 33 and 34. The profit after tax for the year ended 31 December 2023 in the sum of ₦0.963 billion (2022: ₦1.49 billion) has been transferred to retained earnings.

The following is the summary of the performance of the Company during the year under review as compared with the previous year:

in thousands of Nigerian Naira	2023	2022
Gross earnings	3,952,996	4,132,848
Operating expenses	(2,547,307)	(1,998,868)
Profit before income tax expense	1,440,821	2,166,162
Income tax expenses	(477,912)	(672,913)
Profit after tax	962,909	1,493,249
Proposed dividend	900,000	1,000,000
Retained profit at the end of the year	62,909	493,249

DIVIDENDS

The Directors have recommended a full year dividend of 45 kobo per share (2022: 50 kobo per share) based on the number of ordinary shares issued and paid as at 31 December 2023.

DIRECTORS

The directors who held office during the year and to the date of this report were:

Chief (Mrs.) Eniola Fadayomi FIOD MFR	Chairperson
Mr. Obong Idiong	Managing Director
Mr. Samuel Nwanze	Non-Executive Director
Mr. Peter Elumelu	Non-Executive Director
Mr. Peter Ashade	Non-Executive Director
Mr. Emmanuel Nnorom	Non-Executive Director
Mrs. Fumbi Chima	Independent Non-Executive Director
Mrs. Zubaida Mahey Rasheed	Independent Non-Executive Director

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2023- Continued

Record of Directors' Attendance at Meetings

Pursuant to Section 284(2) of the Companies and Allied Matters Act, 2020, the records of Director's attendance at Board meetings during the year under review will be available for inspection at the Annual General Meeting.

Board Composition

As of 31 December, 2023, the Company had eight (8) Directors all of whom held office in the year under review. Their biographies are contained in the Annual Report and are incorporated into this Report by reference. The appointment, removal or re-appointment of Directors is governed by the Company's Articles of Association, the Companies and Allied Matters Act, 2020 as well as relevant Board and governance policies. Also, these documents set out the rights and obligations of the Directors.

Directors Interests in Contracts

None of the Directors has notified the Company, for the purpose of Section 303 of the Companies and Allied Matters Act, 2020, of any declarable interest in Contracts in which the Company is involved.

Directors and their Interests in the Shares of the Company

Directors' interests in the issued share capital of the Company as recorded in the Register of Members and/or as notified by the Directors in compliance with Sections 301 and 302 of the Companies and Allied Matters Act, 2020 and the Listing Requirements of the Nigerian Exchange were as follows:

NAME	31 December 2023		31 December 2022	
	DIRECT	INDIRECT	DIRECT	INDIRECT
Chief (Mrs) Eniola Fadayomi	4,006,060	Nil	4,006,060	Nil
Mr. Peter Ashade	1,096,314	Nil	1,703,864	Nil
Mr. Samuel Nwanze	83,009	Nil	83,009	Nil
Mr. Peter Elumelu	13,891	Nil	13,891	Nil
Mr. Emmanuel Nnorom	Nil	10,698,079	Nil	10,558,865
Mrs. Zubaida Mahey Rasheed	Nil	Nil	Nil	Nil
Mrs. Funmibi Chima	Nil	Nil	Nil	Nil
Mr. Obong Idiong	5,301,749		4,275,876	

The details of indirect shareholding of Directors in the issued share capital of the Company is as below:

S/N	NAME	COMPANY	INDIRECT HOLDINGS	TOTAL INDIRECT HOLDINGS
1	MR EMMANUEL NNOROM	VINES FOOD LTD	10,698,079	10,698,079

Alternate Directorship

There was no alternate directorship during the year under review.

SHAREHOLDING

The issued and fully paid up share capital of the Company is N1,000,000,000 (One Billion Naira) divided into 2,000,000,000 ordinary shares of N0.50k

In terms of significant shareholding (5% and above), the Register shows that International Equity Capital Limited is the largest shareholder with 519,000,000 units of shares. The table below is instructive.

PARTICULARS OF SHAREHOLDER	NUMBER OF SHARES	%
INTERNATIONAL EQUITY CAPITAL LIMITED	519,000,000	26%

SHAREHOLDING ANALYSIS

		2023		2022	
S/N	Holder Type	Holder Count	Holdings	Holder Count	Holdings
1	CORPORATE	5,670	1,191,184,999	5,211	1,250,566,989
	FOREIGN	432	64,988,041	106	17,317,503
2	GOVERNMENT	23	2,391,134	18	2,241,273
3	INDIVIDUAL	250,185	730,226,270	252,220	710,216,367
4	INSTITUTION	360	2,770,008	165	1,607,851
5	JOINT	578	7,285,534	614	9,915,165
6	PENSION FUND	7	1,154,014	10	8,134,852
TOTAL		257,255	2,000,000,000	258,344	2,000,000,000

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2023- Continued

ANALYSIS OF SHAREHOLDINGS

The details of shareholding of the Company as at 31 December 2023 is as stated below;

SHAREHOLDING RANGE ANALYSIS AS AT December 31, 2023

Headline			Shareholders			Holdings		
Range			No. of Holders	Holders %	Holders Cumulated	Units	Unit %	Units Cumulated
1	_	1,000	226,154	87.91	226,154	43,089,216	2.15%	43,089,216
1,001	_	5,000	21,734	8.45	247,888	46,445,294	2.32%	89,534,510
5,001	_	10,000	3,627	1.41	251,515	26,328,838	1.32%	115,863,348
10,001	_	50,000	3,673	1.43	255,188	82,311,907	4.12%	198,175,255
50,001	_	100,000	805	0.31	255,993	60,186,750	3.01%	258,362,005
100,001	_	500,000	915	0.36	256,908	192,334,224	9.62%	450,696,229
500,001		1,000,000	154	0.06	257,062	115,305,060	5.77%	566,001,289
1,000,001		Above	193	0.08	257,255	1,433,998,711	71.70%	2,000,000,000
			257,255	**100**		**2,000,000,000**	**100.00%**	

CORPORATE GOVERNANCE

The Board of Directors of the Company is cognizant of its responsibilities under the Code of Corporate Governance issued by the Securities and Exchange Commission, the Code of Corporate Governance issued by the Financial Reporting Council of Nigeria and the Nigerian Code of Corporate Governance in the administration of the Company and is ensuring that the Company consistently complies with the Codes.

In furtherance of the Board's commitment to strong Corporate Governance, the Company successfully concluded the process and was awarded a corporate governance rating by the Nigerian Exchange (NGX) in January 2018 under the Corporate Governance Rating System (CGRS) in partnership with the Convention on Business Integrity (CBI). Consequently, the Company has satisfied one of the criteria required to be listed on the Premium Board of the NGX.

BOARD EVALUATION

To ensure effectiveness of the Board and the Directors, a Board evaluation was undertaken covering the period of the financial year under review by an independent Corporate Governance consulting firm. The performance of the Board, Board Committees and individual directors were adjudged satisfactory and necessary feedback was communicated to individual directors arising from the exercise.

COMPLAINT MANAGEMENT FRAMEWORK

The Company has a Complaint Management Policy and Framework in place in accordance with the SEC directives on resolution of complaints. This policy has also been uploaded on the Company's website for public access.

INSIDER TRADING AND PRICE SENSITIVE INFORMATION

The Company has in place a Securities Trading Policy which prohibits the directors and employees from trading on the Company's shares during periods they are in possession of price sensitive information. The Company was in compliance with the Securities Trading Policy during the year under review.

WHISTLE BLOWING POLICY

The Company has a Whistle Blowing Policy in place. This was extensively reviewed by the Board and it covers among other things, the procedures for the receipt, retention and treatment of information received from whistle blowers.
The whistle-blowing process involves steps that should be taken by the whistleblower in reporting a reportable misconduct, and steps required for the investigation of the reported misconduct. The Company has a procedure that encourages staff and other relevant stakeholders to report perceived unethical or illegal conduct of employees, management, directors and other stakeholders to appropriate authorities in a confidential manner without any fear of harassment, intimidation, victimization or reprisal of anyone for raising concern(s) under this policy.

The Board of Directors and Management is committed towards promoting a culture of openness, accountability and integrity, and will not tolerate any harassment, victimization or discrimination of the whistle blower provided such disclosure is made in good faith with reasonable belief that what is being reported is fact. The company has dedicated email address and telephone numbers through which staff are encouraged to raise any concern or unethical conduct.

ACQUISITION OF OWN SHARES

The Company did not purchase any of its own shares during the year.

HUMAN RESOURCES

The Company makes it a paramount objective to hire individuals based on standards of merit and competence. Also, the Company upholds a sound culture of providing continued development and training for its Staff to address knowledge gaps and provide new skill sets along the Company's lines of responsibilities. Annually, trainings are identified for staff and followed through in accordance with an approved training plan meant to ensure that this objective is achieved. The Company encourages easy interaction between Management and other staff of the Company so as to foster an atmosphere of warmth at work and also to kindle the necessary synergy required for the Company's success.

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2023- Continued

EMPLOYMENT OF DISABLED PERSONS

The Company operates a non-discriminatory policy on recruitment. Applications by disabled persons are always fully considered bearing in mind the respective aptitudes and abilities of the applicants concerned.

During the year under review, there was no disabled person in the Company's employment.

HEALTH, SAFETY AND WELFARE OF EMPLOYEES

The Company approaches Health, Safety and Welfare issues affecting Staff with every sense of seriousness and therefore maintains an insurance health care scheme with Avon, a Health Maintenance Organization (HMO), licensed by the National Health Insurance Scheme (NHIS) to provide health insurance to employees in the private sector. Through this arrangement, each employee, their respective spouses, and dependents below the age of eighteen (18) years are entitled to medical treatments in well-equipped, qualitative network of hospitals under the scheme.

Safety regulations are in place within the Company's premises and employees are regularly informed of the regulations.

There are contributory retirement benefit schemes for both management and employees of the Company in conformity with the Pensions Reform Act 2014.

EMPLOYEES' INVOLVEMENT AND TRAINING

The Company has an effective employer/employee communication system aimed at enhancing industrial harmony. Employees are kept fully informed as much as practicable of the Company's activities which particularly affect them as employees and are also encouraged to communicate any information useful to management through dedicated channels of communication.

Regular training programs are usually arranged for employees locally and where applicable, overseas for the improvement of skills and enhancement of career prospects.

DONATIONS

Africa Prudential Plc has always and continues to support the work and efforts of the Tony Elumelu Foundation. During the year under review, Africa Prudential donated N300,000.00 as part of social responsibility and utilized the funds towards the Lagos State Security Trust Fund (LSSTF) 16th annual town hall meeting held on 24th November,2022 at Civic Centre Ozumba Mabdiwe Avenue, Victoria Island, Lagos.

EVENTS AFTER REPORTING DATE

The Company discontinued the offering of Digital Products solutions to Clients from January 2024. This is to support its new year strategy on focusing on its core mandate of Registrar business and Investors Relations.

Also, on 30 January 2024, the Board of Africa Prudential Plc announced the appointment of Mrs. Catherine Uzoamaka Nwosu as the incoming Managing Director and Chief Executive Officer to replace Mr. Obong Idiong whose resignation is effective from 29 February 2024. Mrs. Catherine Uzoamaka Nwosu apointment will become effective from 1 March 2024.

Aside the above, there were no events subsequent to the financial position date which require adjustment to or disclosures in the financial statements.

PROPERTY, PLANT AND EQUIPMENT

In the opinion of the Directors, the market value of the Company's property, plant and equipment is not less than as shown in the financial statements. Information relating to changes in property, plant & equipment is disclosed in note 19 to the financial statements.

FORMAT

The financial statements of Africa Prudential Plc have been prepared in accordance with the reporting and presentation requirements of International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), Financial Reporting Council of Nigeria (Amendment) Act, 2023 and the provisions of the Companies and Allied Matters Act, 2020. The Directors consider that the format adopted is the most suitable for the Company.

AUDITORS

The Auditors, Messrs. Ernst & Young having indicated their willingness, will continue in office as the Company's Auditors in accordance with Section 401 of the Companies and Allied Matters Act, 2020.

Bv order of the Board

Joseph Jibunoh
FRC/2018/NBA/00000017719
Company Secretary
220B Ikorodu Road, Palmgrove
Lagos

Date: 20 February 2024

MANAGEMENT DISCUSSION AND ANALYSIS

This report represents Management Discussion and Analysis in respect of the audited financial statements of Africa Prudential Plc for the year ended 31 December 2023. This should be read in conjunction with the full audited Financial Statements of thhe Company.

Africa Prudential Plc is a foremost Registrar business registered and incorporated in Nigeria. It was originally incorporated as UBA Registrars Ltd on March 23, 2006. The Company subsequently changed its name to Africa Prudential Registrars Plc on August 10, 2011, and was listed on the Nigerian Exchange (NGX) in January 2013. Africa Prudential Plc primarily carries on the business of registrar and investor relation services in accordance with its Memorandum and Articles of Association. As part of its business diversification strategy, it has expanded its business activities to the provision of digital solutions to Clients' businesses. Its flagship digital solutions product known as EasyCoop is a unique software, which is aimed at aiding the administration of Cooperative Societies

Operating Environment

The global economy continued to witness slow growth and weak aggregate output in 2023. International and domestic trades were impacted by the political tension in Russia and Ukarine, and later the Israeli conflict in the middle east. Consequently, while Europe, America, and Asia experienced unstable macro economic environment, Africa was not insulated. The continued imposition of travel restrictions across the globe pushed the trade barriers further to unpleasant level and together with the associated uncertainty weighed on business sentiment. Generally, there were macroeconomic stress and tighter financial conditions, and geopolitical tensions

Nigeria economy is yet to attain full swing of pre-covid era performance. While oil production dropped, the international oil price oscilated. The effort to lower inflation rate to a single digit faced structural and macroeconomic constraints, especially the removal of fuel subsidy which resulted in rising petroleum product prices, food prices, etc. As at the last quarter of 2023, the average inflation rate hovers around 29.8%. Foreign exchange rate spiralled to unimaginable level despite the series of monetary policies intervention and this has continued to affect major industrial production and distributive trade etc. All these impacted individual and local corporate economic activities.

The Registrar business in Nigeria did not experience significant growth in Revenue because of moderate remunerations to Client shareholders arising from their weak corporate business performance. Apart from the fact that the Registrar business sub-sector is coasting at a relatively matured and steady state, the few corporate business actions available in the market witnessed strict price competition and innovative schemes. Our strength and focus is to continue to lead the market and onboard new businesses via innovatiove service solutions driven by technology.

Operating Result

During the 2023 operating period, the Company demostrated strong resilience to macroeconomic uncertainty in the environment. We closed the year ended 31 December 2023 with gross revenue of N3.96 billion compared to N4.13 billion in 2022. Similarly profit before tax achieved was N1.44 billion (2022: N2.17 billion) The operating performance was largely impacted by delay conversion of digital business activities during the year. The Company remains focussed on delivery its core registrar mandates to clients.

The Company recorded significant increase of 39% in investment income and other income from ₦2.2 billion income to ₦3.1 billion in 2023. The increase is largely attributable to interest income on fixed income earning assets as a result of improvement in market yields. The Company remained committed to its strategic policy on safety of Shareholders' funds as well as assets and liabilities matching for optimal portfolio management.

Total assets of the Company increased by 19% from ₦19.3 billion to close at ₦22.98 billion as at 31 December 2023. This was largely driven by N20 billion (2022: N17bn) in assets under management. The net effect in equity was positive from ₦9.3 billion to ₦9.7 billion in 2023 representing 4% growth in equity after the payment of 2022 full year dividend and provision for taxes.

Outlook

The Board members possess strong knowledge of the Company’s business and usually participate actively at Board meetings. In the years ahead, the Company will focus on its strategic and core registrar mandate plan. The plan is to achieve improved market shares and further penetration to onboard new clients as well as improve on service offerings.

STATEMENT OF CORPORATE RESPONSIBILITY FOR THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

In line with the provision of section 405 of CAMA 2020, we the undersigned hereby certify the following with regards to the audited annual financial statements for the year ended 31 December 2023 that:

1. We have reviewed the audited financial statements and to the best of our knowledge:

i. the audited financial statements do not contain any untrue statement of material facts or omit to state a material fact, which would make the statements misleading, in the light of the circumstances under which such statement was made, and

ii. the audited financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the Company as of and for, the periods covered by the audited financial statements;

2. We are responsible for establishing and maintaining internal controls and has designed such internal controls to ensure that material information relating to the Company is made known to the officer by other officers of the companies, particularly during the period in which the audited financial statement report is being prepared;

3. We have evaluated the effectiveness of the Company's internal controls within 90 days before the date of audited financial statements, and certify that the Company's internal controls are effective as of that date;

4. We have disclosed to the Company's auditors and audit committee –

i. all significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarise and report financial data, and has identified for the Company's auditors any material weaknesses in internal controls, and

ii. any fraud whether or not, material that involves management or other employees who have a significant role in the Company's internal control.

5. There were no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Obong Idiong	Festus Izevbizua
Managing Director	Chief Financial Officer
FRC/2013/NBA/00000004696	FRC/2012/ICAN/00000001628

CERTIFICATION BY COMPANY SECRETARY

In my capacity as Company Secretary, I hereby certify, in terms of the Companies and Allied Matters Act, that for the year ended 31 December 2023, the Company has lodged all such returns as are required of a company in terms of this Act, and that all such returns are, to the best of my knowledge and belief, true, correct and up to date.

Joseph Jibunoh
FRC/2018/NBA/00000017719

Africa Prudential Plc
220b, Ikorodu Road
Palmgrove
Lagos

Date: 20 February 2024

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

INTRODUCTION

Africa Prudential Plc ("Afriprud") has in place an effective governance mechanism that ensures proper oversight of its business by the Directors and other principal organs of the Company. As a public quoted Company, Africa Prudential Plc recognises that adherence to the highest standards of corporate governance is a manifest demonstration of commitment to foster good governance practices, that will, in turn lead to increase levels of transparency, trust and integrity, and create an enabling environment for sustainable business operations.

During the 2023 financial year, the Company adhered to the principles and value creating propositions enshrined in the Codes of Corporate Governance of the Securities and Exchange Commission, the Financial Reporting Council of Nigeria, its Board Governance Charter, all Company Policies and applicable rules and regulations.

1. The Board

1.1 General

The Board is responsible for developing the Company's strategy and ensuring that its available assets are utilized towards the attainment of its set strategy and plans. The Board performs supervisory oversight over Management activities making certain that the affairs of the Company are conducted in a manner that increases the value of shareholders' investments and is also beneficial to all other stakeholders of the Company.

As of December 2023, the Board comprised of a Non-Executive Chairman, an Executive Managing Director/CEO and six other Non-Executive Directors, two of whom are Independent Non-Executive Directors. The Board members are professionals and business persons with vast experience and credible track records who all have the requisite integrity, skills, and experience to bring independent judgment to bear on Board deliberations and discussions.

The Directors attend regular trainings on Corporate Governance and related issues. In addition, the Company Secretary provides advice to the Board on Corporate Governance best practices from time to time.

1.2 Chairman and Chief Executive Officer Positions

Responsibilities at the top level are well defined and the Company has separated the roles of the Managing Director/CEO and Chairman. The Chairman is not involved in the day-to day operations of the Company and is not a member of any committee of the Board.

1.3 Non-Executive Directors

The Non-Executive Board members possess strong knowledge of the Company's business and usually contribute actively at Board meetings.

1.4 Board Changes

`During the year under review, there was no change in the composition of the Board of the Company.

1.5 Statutory Disclosure Of Age

In line with Section 278 (1) of the Companies and Allied Matters Act, 2020, which requires, a Director of a public company to disclose his or her age upon attainment of the age of 70, at the Annual General Meeting, it is hereby disclosed that, the Chairman of the Board of Directors, a Non – Executive Director, Chief (Mrs) Eniola Fadayomi will attain the age of 73 years on March 12, 2024.

1.6 Proceedings and frequency of meetings

The Board meets at least once in every quarter or as frequently as the Board's attention may be required on any situation which may arise. Sufficient notices with clear agenda and reports are usually given prior to convening such meetings. In 2023 , the Board continued with its adoption of the use of an electronic portal for the notification of Board and Board Committee meetings and circulation of meeting papers.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2023-Continued

In addition to the Board meetings held during the year under review, the Board continued its tradition of fostering symbiotic interaction with Management for cross fertilization of ideas by holding two sessions of Board and Management Strategy review in August and December 2023 respectively, where the Management presented to the Board, in detail, its strategic and tactical plans for achieving the short - medium - and long- terms goals set by the Board for the Company,

1.7 Board Meeting Attendance

KEY:

P	Present
AWA	Absent with Apology
NA	Not applicable

A total of four (4) Board Meetings were held in the 2023 Financial Year. The table below shows Directors' attendance at the meetings.

Members	2/21/2023	4/27/2023	7/26/2023	10/24/2023
1. Chief (Mrs) Eniola Fadayomi	P	P	P	P
2. Mr. Obong Idiong	P	P	P	P
3. Mr. Peter Ashade	P	P	P	P
4. Mr. Peter Elumelu	P	P	P	P
5. Mr. Samuel Nwanze	AWA	AWA	P	P
6. Mr. Emmanuel Nnorom	P	P	P	P
7. Mrs. Funmibi Chima	P	P	P	P
8. Mrs. Zubaida Rasheed	P	P	P	P

1.8 Board Committees

1.8.1 Board Audit & Governance Committee

The Board Audit & Governance Committee is responsible for ensuring that an effective system of internal and financial control is in place and provides oversight on governance related matters.

The Committee is currently constituted as follows:

1. Mr. Peter Elumelu	Chairman/Non-Executive Director
2. Mr. Samuel Nwanze	Member/ Non-Executive Director
3. Mr. Emmanuel Nnorom	Member/Non-Executive Director
4. Mrs Zubaida Mahey Rasheed	Member/Independent Non-Executive Director

Its terms of reference include ensuring an effective system of financial and internal control are in place; evaluating the independence and performance of the External Auditor; reviewing the audited financial statements with the Management and the External Auditor before its presentation to the Board; approving human resources related policies; ensuring proper composition, training, and evaluation of board members.

The Committee met four (4) times in the year under review. The table below shows Directors' attendance at the meetings.

Members	2/14/2023	4/17/2023	7/19/2023	10/17/2023
1. Mr. Peter Elumelu	P	P	P	P
2. Mr. Samuel Nwanze	AWA	AWA	P	P
3. Mr. Emmanuel Nnorom	P	P	P	P
4. Mrs Zubaida Rasheed	P	P	P	P

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2023-Continued

1.8.2 Board Finance and Investment Committee

The Board Finance and Investment Committee is responsible for strategic planning, periodic budgeting and performance monitoring, supervision of assets, investment matters and providing oversight on risk matters, financial matters and performance of the Company.

The Committee is currently constituted as follows:

1. Mr. Samuel Nwanze	Chairman/Non-Executive Director
2. Mr. Peter Elumelu	Member/ Non-Executive Director
3. Mr. Emmanuel Nnorom	Member/ Non-Executive Director
4. Mr. Peter Ashade	Member/ Non-Executive Director
5. Mrs Funmibi Chima	Member/ Independent Non-Executive Director
6. Mr. Obong Idiong	Member/ Managing Director

The Committee met four (4) times in the year under review. The table below shows Directors' attendance at the meetings.

Members	2/14/2023	4/17/2023	7/19/2023	10/17/2023
1. Mr.Samuel Nwanze	AWA	P	P	AWA
2. Mr. Peter Elumelu	P	P	P	P
3. Mr. Emmanuel Nnorom	P	P	P	P
4. Mr. Peter Ashade	P	P	P	P
5. Mrs Funmibi Chima	P	P	P	P
6. Mr. Obong Idiong	P	P	P	P

1.8.3 Board Product and Projects Committee

The Board Product and Projects Committee was formally constituted by the Board in July 2018, and this was done to enable the Board exercise oversight in the sound and robust management of all the Company's projects as it relates to digital product innovation and development. The aim is to drive the Company's technology innovations and quality standards by providing strategic insights and direction for Management where appropriate.

The Committee is currently constituted as follows:

1. Mr. Peter Ashade	Chairman/Non-Executive Director
2. Mr. Peter Elumelu	Member/ Non-Executive Director
3. Mr. Emmanuel Nnorom	Member/ Non-Executive Director
4. Mr. Samuel Nwanze	Member/ Non-Executive Director
5. Mrs Funmibi Chima	Member/ Independent Non-Executive Director
6. Mr. Obong Idiong	Member/ Managing Director

The Committee met 4 (four) times in the year under review. The table below shows Directors' attendance at the meetings.

Members	2/14/2023	4/17/2023	7/19/2023	10/17/2023
1. Mr. Peter Ashade	P	P	P	P
2. Mr. Peter Elumelu	P	P	P	P
3. Mr. Emmanuel Nnorom	P	P	P	P
4. Mr. Samuel Nwanze	AWA	AWA	P	P
5. Mrs Funmibi Chima	P	P	P	P
6. Mr. Obong Idiong	P	P	P	P

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2023-Continued

2. The Statutory Audit Committee

The Statutory Audit Committee was set up in accordance with the provisions of the Companies and Allied Matters Act, 2020 It consists of a combination of Non – Executive Directors and Ordinary shareholders elected at the Annual General Meeting. Its terms of reference include the monitoring of processes designed to ensure compliance by the Company in all respects with legal and regulatory requirements, including disclosure, controls and procedures and the impact (or potential impact) of development thereto. It evaluates annually, the independence and performance of the External Auditors. The Committee also reviews with Management and the External Auditors the annual audited financial statement before its submission to the Board.

The Committee is made up of five (5) members consisting Three (3) ordinary shareholders and Two (2) Non-Executive Directors. During the year under review, the Committee was constituted as follows:

1. Mr. Frank Chikezie	Chairman/shareholder
2. Mr. Tajudeen Adeshina	Shareholder
3. Alhaji Kabiru Tambari	Shareholder
4. Mr. Peter Elumelu	Non- Executive Director
5. Mrs Zubaida Mahey Rasheed	Independent non- Executive Director

The Committee met four (4) times in the year under review. The table below shows Members' attendance at the meetings.

Members	2/21/2023	4/27/2023	7/26/2023	10/24/2023
Mr. Frank Chikezie	P	P	P	P
Mr. Tajudeen Adeshina	P	P	P	P
Alhaji Kabiru Tambari	P	P	P	P
Mr. Peter Elumelu	P	P	P	P
Mrs Zubaida Mahey Rasheed	P	P	P	P

3. Accountability, Audit and Control

3.1 Financial reporting

The Directors make themselves accountable to shareholders through regular publication of the Company's financial performance and annual reports.

The Board is mindful of its responsibilities and is satisfied that in the preparation of its financial report it has presented a balanced assessment of the Company's position and prospects in accordance with its obligation under the Code of Corporate Governance.

Ernst & Young acted as external auditors to the Company during the 2023 financial year.

3.2 Control environment

The Company has consistently improved its internal control system to ensure effective management of risks. The Directors review the effectiveness of the system of internal control through regular reports and reviews at Board Audit & Governance Committee Meetings.

The Board has continued to place emphasis on risk management as an essential tool for achieving the Company's objectives. Towards this end, it has ensured that the Company has in place robust risk management policies and mechanisms to ensure the identification of risks and effective controls.

The Board approves the annual budget for the Company and ensures that a robust budgetary process is operated with adequate authorization levels put in place to regulate capital expenditure.

4. The Company Secretary

The Company Secretary ensures adequate dissemination of information among Board members and between the Board and the Management of the Company. In furtherance of Board and Committee meetings, the Company Secretary undertakes the preparation of the necessary papers and other documents requisite for the success in deliberations. The Company Secretary is responsible for the induction of new Directors and the provision of on-going training for the Non-Executive Directors.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2023-Continued

The Office of the Company Secretary ensures that the Company complies with the relevant regulatory laws including the Investment and Securities Act, the Securities and Exchange Commission (SEC) Rules and Regulations, the Securities and Exchange Commission (SEC) Code of Corporate Governance, the Nigerian Code of Corporate Governance, the Companies and Allied Matters Act , the Financial Reporting Council of Nigeria (FRC) Act, the Rules and Regulations of The Nigerian Exchange Limited and the Company's Corporate Governance Policies.

The procedure for the appointment and removal of the Company Secretary is a matter for the Board.

5. Shareholders

The Company ensures the existence of adequate interaction among the Shareholders, the Management and the Board of the Company. The Company's General Meetings provide Shareholders the platform to contribute to the administration of the Company. The Annual General Meetings (AGMs) are held in accessible locations and are open to Shareholders or their proxies. The AGMs are conducted in a manner that facilitates Shareholders' participation in accordance with relevant regulatory and statutory requirements.

The Company encourages Shareholders to attend these meetings by ensuring that notices of meetings and other information required by Shareholders to make informed decisions are dispatched in a timely manner. The office of the Company Secretary additionally affords Shareholders channels of communication to the Board and the Management of the Company.

It is the responsibility of the Shareholders to approve the appointment of Directors and to grant other approvals that are required by law or the Articles of Association of the Company.

The Shareholders through its representatives on the Statutory Audit Committee in line with section 359 of the CAMA 2020 and the SEC Code also assume responsibility for the integrity of the Company's audited financial statements.

6. Guidelines for Trading in the Company's Securities

General Rule

Except in exceptional circumstances, all Key personnel (Directors and all Staff) must not deal in securities of the Company during the following "Closed Periods".

(a) The period from 15 days immediately preceding the announcement to the Nigerian Exchange Limited of the Company's annual results; and 24 hours after the release has been made;

(b) The period from 15 days immediately preceding the announcement to the Nigerian Exchange Limited of the Company's half year results; and 24 hours after the release has been made;

(c) The period from 15 days immediately preceding the announcement to the Nigerian Exchange Limited of each of the Company's quarterly results; and 24 hours after the release has been made;

(d) A period of two trading days before and 24 hours after any other Nigerian Exchange Limited announcement by the Company; and

(e) Such other periods as the Board may from time to time by notice in writing designate as a closed period- for example, a period commencing when the Company is considering a significant acquisition or disposal under an incomplete proposal and expiring two trading days after details of the final proposal are announced to the Nigerian Exchange Limited or the proposal is abandoned.

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 31 DECEMBER 2023-Continued

Africa Prudential Plc Complaint Management Policy

- In accordance with the Securities and Exchange Commission rules (SEC Rules) relating to Complaint Management Framework of the Nigerian Capital Market (The Framework) of February 16, 2015 and the Nigerian Exchange Limited directive, every listed company is required to establish a clearly defined Complaints Management Policy to handle and resolve complaints within the scope of the Framework
- It is pursuant to the above-mentioned SEC rule and NGX Directive that Africa Prudential Plc has formulated a Complaints Management Policy.
- This policy is designed to effectively and efficiently handle and resolve complaints in a fair, impartial, timely and objective manner.
- All complaints should be addressed as follows:

Joseph Jibunoh
Company Secretary
Africa Prudential Plc
220b, Ikorodu Road
Palmgrove
Lagos

Email: cxc@africaprudential.com
The policy is available on the Company's website (www.africaprudential.com)

SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

At Africa Prudential Plc, we look at the world through a sustainability lens, it does not only help us to 'future proof' our value chain, but it also fuels our innovation and brand growth. Being a leading Registrar firm with the goal of advancing our diversification into Digital Technology and in full recognition of the importance of integrating sustainability principles to business strategy, we are committed to sustainable business development that meets the needs of the present without compromising the ability of the future generations to meet their own needs.

We do not fail to consider the impacts of our activities on our environment and ensure transparency about the risks and opportunities they face. We highly believe that the success of our company is linked with the sustenance and conservation of the communities we operate in, therefore we continue to work with our stakeholders to ensure that they understand and comply with relevant environmental protection laws and guidelines.

Environmental Sustainability

We recognize that our primary responsibility is to ensure that our products and business activities do not harm the environment but sustain and conserve our natural resources. To that end, we renovated the company's headquarters in Lagos and created a welcoming environment for shareholders and visiting clients. We have also discouraged the use of paper and high-energy-consuming electronic bulbs as an organization because we recognize the dangers these items pose to our environment.

In 2023, we continued in our usage of the EDMMS portal for crediting our shareholders' dividend; the shareholders through the USSD code, *4018# enjoyed the service of checking their outstanding dividends, shareholding balance, bank mandates, etc. from the comfort of their homes, workplaces or leisure. The steady and improved offering of these services has helped to reduce carbon fuel usage, carbon dioxide emission as well as increase human comfort.

Employement and Labour Relations

At the heart of our successful company is our people, which is why we follow due process in employing and retaining the best brains for our business. Recruitment is carried out without prejudice and with respect for the human rights of all parties involved. We have in place a very well structured orientation programme for all new hires and we regularly engage and promote the continuous learning and development of our staff. We do not employ children and we ensure not to relate with any business in the use of child labour. We take pride in our uniform employment policy that applies to all staff regardless of sex, religion, ethnic origin and offering equal remuneration for men and women who are at the same level. We also reward our long-serving and dedicated employees who have worked with us for more than 5 years.

Health and Safety

The Company maintains its philosophy that occupational safety and health are vital to the dignity of work and this is why safety regulations are regularly updated with recent happenings and visitors of the company are well checked-in to prevent health and security calamities. We also conduct health and fitness checks on all employees to ensure they are in perfect health as human capital is vital to our sustainability. Furthermore, we have installed CCTV all around the office premises and engaged the use of mobile police officers and security personnel to guard people and properties in the office. The Company also undertakes fire drills every quarter to familiarize all staff with steps to take in the event of a fire outbreak.

SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY REPORT - Continued

FOR THE YEAR ENDED 31 DECEMBER 2023

Community Support/Economic Empowerment

The Company contributes to the reduction of poverty in its operating environment, through its annual donations to the Tony Elumelu Foundation Entrepreneurial Scheme, which supports and empower entrepreneurial youths all over the Africa continent with seed grants.

Corporate Governance on environmental and social life

Corporate governance is concerned with holding the balance between economic and social goals as well as between individual and communal goals. We understand we do not only owe our shareholders' wealth creation, but we also owe our employees, suppliers, customers, government, and the community as a whole their interest. This is why we continue to strive to create a system of checks, balances, and incentives that will minimize and manage the conflicting interests between insiders and external stakeholders. In Africa Prudential Plc, the implementation of the Company's Sustainability Principles will continue to remain a work in progress. Thus, we would continually strive to ensure that the sustainability culture is indoctrinated in the Company, as we remain committed to operating our business in an economically viable, socially responsible and environmentally friendly manner.

2023 Corporate Social Responsibility (CSR)

Africa Prudential Plc has always and continues to support the work and efforts of the Tony Elumelu Foundation. During the year under review, Africa Prudential donated N300,000.00 as part of social responsibility and utilized the funds towards the Lagos State Security Trust Fund (LSSTF) 16th annual town hall meeting held on 24th November,2022 at Civic Centre Ozumba Mabdiwe Avenue, Victoria Island, Lagos.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE PREPARATION OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

In accordance with the provisions of Companies and Allied Matters Act (CAMA) 2020, the Directors are responsible for the preparation of the financial statements, which give a true and fair view of the state of affairs of the Company and of the profit or loss and other comprehensive income for the year ended 31 December 2023, and in so doing they ensure that:

- Proper accounting records are maintained;
- Applicable accounting standards are followed;
- Suitable accounting policies are adopted and consistently applied;
- Judgments and estimates made are reasonable and prudent;
- The going concern basis is used, unless it is inappropriate to presume that the Company will continue in business; and
- Internal control procedures are instituted which as far as reasonably possible, safeguard the assets of the Company and prevent and detect fraud and other irregularities.

The Directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards (IFRS), the requirements of CAMA 2020, Securities and Exchange Commission (SEC) Act, and and the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

The Directors are of the opinion that the 2023 audited financial statements give a true and fair view of the state of the financial affairs of the Company and of its profit or loss and other comprehensive income.

The Directors accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of the financial statements as well as adequate systems of internal financial control.

Nothing has come to the attention of the Directors to indicate that the Company will not remain a going concern for at least twelve (12) months from the date of this statement.

Signed on behalf of the Directors by:

Mr. Obong Idiong	Chief (Mrs.) Eniola Fadayomi FIOD MFR
Managing Director/CEO	Chairman
FRC/2013/NBA/00000004696	FRC/2013/IODN/00000002718
Date: 20 February 2024	Date: 20 February 2024

REPORT OF THE STATUTORY AUDIT COMMITTEE FOR THE YEAR ENDED 31 DECEMBER 2023

In accordance with the provisions of Section 404 of the Companies and Allied Matters Act, 2020 we, the members of the Audit Committee of Africa Prudential Plc, having performed our statutory obligations under the Act, hereby report that:

(a) The accounting and reporting policies of the Company for the year ended 31st December 2023. are consistent with legal requirements and ethical practices;

(b)The internal audit programs are extensive and provide a satisfactory evaluation of the efficiency of the internal control systems;

(c)The scope and planning of the statutory independent audit for the year ended 31st December 2023 are satisfactory; and

(d)We have considered the independent auditors' post-audit report and Management responses thereon and are satisfiec with the responses to our questions.

Frank Chikezie
Chairman, Audit Committee

Date: 20 February 2024

Members of the Statutory Audit Committee are as follows;

Mr. Frank Chikezie	Chairman
Mr. Adeshina Tajudeen	Member
Mr. Kabiru Tambari	Member
Mr. Peter Elumelu	Member
Mrs Zubaida Mahey Rasheed	Member

Africa Prudential

Africa Prudential Plc

220B, Ikorodu Road, Palmgrove

Lagos – Nigeria.

Tel: +234(0)700 AFRIPRUD (0700 23747783)

E: cxc@africaprudential.com

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CERTIFICATION OF MANAGEMENT'S ASSESSMENT OF INTERNAL CONTROL OVER FINANCIAL REPORTING (ICFR)

We, the undersigned, **Festus Izevbizua** and **Obong Idiong**, hereby certify that:

a) We have reviewed this ICFR report of Africa Prudential Plc;

b) Based on our knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

c) Based on our knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

d) The company's other certifying officer(s) and us are:

1) responsible for establishing and maintaining internal controls;

2) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the company, and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

3) have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the International Financial Reporting Standards and generally accepted accounting principles;

4) have evaluated the effectiveness of the company's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.

Africa Prudential Plc
220B, Ikorodu Road, Palmgrove
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E: cxc@africaprudential.com
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e) The company's other certifying officer(s) and we have disclosed, based on our most recent evaluation of internal control system, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

1) All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

2) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control system.

f) The company's other certifying officer(s) and we have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

Name:	**Festus Izevbizua**	Name:	**Obong Idiong**
Designation:	CFO	Designation:	MD/CEO
FRC No:	FRC/2012/ICAN/00000001628	FRC No:	FRC/2013/NBA/00000004696
Signature:		Signature:	
Date:	08/02/2024	Date:	08/02/2024

MANAGEMENT ASSESSMENT REPORT

Management's Report on the Assessment of Internal Control Over Financial Reporting as at 31st December 2023

Management of Africa Prudential Plc (the "Company") is responsible for establishing and maintaining an adequate system of internal control over financial reporting, including safeguarding of assets against unauthorized acquisition, use or disposition. This system is designed to provide reasonable assurance to management and the board of directors regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Africa Prudential Plc's system of internal control over financial reporting is supported with written policies and procedures, contains self-monitoring mechanisms, and is audited by the internal audit function. Appropriate actions are taken by management to correct deficiencies as they are identified. All internal control systems have inherent limitations, including the possibility of circumvention and overriding of controls, and, therefore, can provide only reasonable assurance as to the reliability of financial statement preparation and such asset safeguarding.

Management has assessed the effectiveness of its internal control over financial reporting as of 31 December 2023. In making this assessment, management used the COSO 2013 "Internal Control – Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on this assessment, management believes that, as of 31 December 2023, the Company's internal control over financial reporting is designed and operating effectively. Additionally, based upon management's assessment, the Company determined that there were no material weaknesses in its internal control over financial reporting as of 31 December 2023.

The effectiveness of the Company's internal control over financial reporting as of 31 December 2023, has been reviewed by Ernst and Young, an independent registered public accounting firm, as stated in their report which appears on page 25.

Obong Idiong	Festus Izevbizua
Managing Director	Chief Financial Officer
FRC No: FRC/2013/NBA/00000004696	FRC No: FRC/2013/IODN/00000002718

Ernst & Young
10th Floor, UBA House
57, Marina
Lagos, Nigeria

Tel: +234 (01) 844 996 2/3
Fax: +234 (01) 463 0481
ey.com

Independent Auditor's Attestation Report on Management's Assessment of Internal Control over Financial Reporting

To the members of Africa Prudential Plc

Scope

We have been engaged by Africa Prudential Plc ('the Company') to perform a 'limited assurance engagement', based on International Standards on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)') and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, herein referred to as the engagement, to report on Africa Prudential Plc Internal Control over Financial Reporting (ICFR) (the "Subject Matter") contained in the Company's Management's Assessment on Internal Control over Financial Reporting as of 31 December 2023 (the "Report").

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that:

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

***Criteria applied by* Africa Prudential Plc**

In designing, establishing and operating the Internal Control over Financial Reporting (ICFR) and preparing the Management's assessment of the Internal Control over Financial Reporting (ICFR), Africa Prudential Plc applied the requirements of Internal Control-Integrated Framework (2013) of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Framework and SEC Guidance on Management Report on Internal Control Over Financial Reporting (Criteria). Such Criteria were specifically designed to enable organizations effectively and efficiently develop systems of internal control that adapt to changing business and operating environments, mitigate risks to acceptable levels, and support sound decision making and governance of the organization; As a result, the subject matter information may not be suitable for another purpose.

Africa Prudential *Plc's responsibilities*

Africa Prudential Plc's management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Africa Prudential Plc's *management's assessment of the Internal Control over Financial reporting as of 31 December 2023* in accordance with the criteria.

Our responsibilities

Our responsibility is to express a conclusion on the design and operating effectiveness of the Internal Control over Financial Reporting based on our Assurance engagement.

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ISAE 3000 (Revised)') and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, those standards require that we plan and perform our engagement to obtain limited assurance on the entity's internal control over financial reporting based on our assurance engagement.

Our independence and quality management

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA code) and have the required competencies and experience to conduct this assurance engagement.

We also apply International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements*, which requires that we design, implement, and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

The procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

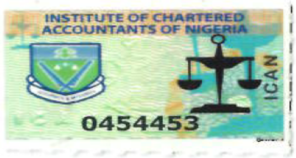
Our engagement also included performing such other procedures as we considered necessary in the circumstances. We believe the procedures performed provides a basis for our report on the internal control put in place by management over financial reporting.

Conclusion

In conclusion, nothing has come to our attention to indicate that the internal control over financial reporting put in place by management is not adequate as of 31 December 2023, based on the requirements of Committee of Sponsoring Organizations of the Treadway Commission (COSO) Framework and SEC Guidance on Management Report on Internal Control Over Financial Reporting.

Other Matter

We also have audited, in accordance with the International Standards on Auditing, the annual report for the year ended 31 December 2023 of Africa Prudential Plc and we expressed an unmodified opinion in our report dated 04 March 2024. Our conclusion is not modified in respect of this matter.



Adewuyi Adeyemo FCA

FRC/2012/PRO/ICAN/004/00000000148

For: Ernst & Young

Lagos, Nigeria.

Date: 04 March 2024

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Building a better working world

Independent Auditor's Report

To the Members of Africa Prudential Plc

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Africa Prudential Plc ('the Company'), which comprise the statement of financial position as at 31 December 2023, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Africa Prudential Plc as at 31 December 2023, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards , the provisions of the Companies and Allied Matters Act, 2020 and in compliance with the Financial Reporting Council of Nigeria (Amendment) Act 2023.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Nigeria, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key Audit matter-continued

Key Audit Matter	How the matter was addressed in the audit
Expected Credit Loss (ECL) assessment of debt instruments measured at amortised cost As at 31 December 2023, the Company's gross debt securities was N9.59 billion (2022: 12.79 billion) representing 41.7% (2022: 66.5%) of total assets. The assessment of impairment allowance for debt securities involves significant management judgement and estimates, and also the use of assumptions and complex model. The Company adopted both the individual and collective approach in the assessment of the impairment allowance. Key areas of judgement and assumption include: ‣ Methodology for the weighting of the multiple economic scenarios used in the ECL model; ‣ Assessment of significant increase in credit risk (SICR); ‣ Incorporating forward-looking macro-economic information into the ECL parameters and the probability weightings applied to the different scenarios; ‣ Determination of the 12 month and Lifetime probability of default (PD) used in the ECL model; ‣ Determination of the Exposure at Default (EAD) ‣ Estimation of the Loss Given Default (LGD). ECL assessment of debt instruments measured at amortised cost is disclosed in notes 8 (credit loss reversal/(expense)) to the financial statements and note 2.6.4 (financial instruments) of the material accounting policy information. Impairment of debt securities was identified as key audit matter due to the significance of the amount involved, the complexity of the model and the significant judgments and assumptions applied in the estimation process.	**We performed the following procedures:** ‣ Reviewed the IFRS 9 ECL prepared by management for computation of ECL on financial assets in line with the requirements of IFRS 9. ‣ Gained an understanding of how the PD's and LGD's were derived by performing a walkthrough using live data. ‣ Tested the historical accuracy of the model by assessing the historical projections versus actual losses. ‣ Focused on the most significant model assumptions including Probability of Default (PD) and Loss Given Default (LGD). ‣ Performed detailed procedures on the completeness and accuracy of the information used. ‣ Other areas of complexities which include consideration of multiple scenarios, incorporating forward looking information such as macro-economic indicators that includes inflation, unemployment, exchange rate, Gross Domestic Product (GDP), etc. were equally challenged for reasonableness, taking into consideration available information in the public domain. ‣ To ensure conformity to IFRS 7- Financial Instruments: Disclosures, we reviewed the qualitative and quantitative disclosures for reasonableness.

Independent auditor's report

To the members of Africa Prudential Plc - continued

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the document titled "Africa Prudential Plc Annual Report for the year ended 31 December 2023", which includes the Report of the Directors, Statement of Corporate Responsibility for the Financial Statements, Statement of Directors' Responsibilities in Relation to the preparation of the Financial Statements, Corporate Governance Report and Other National Disclosures. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, the provisions of the Companies and Allied Matters Act, 2020 and in compliance with the Financial Reporting Council of Nigeria (Amendment) Act 2023, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent auditor's report

To the members of Africa Prudential Plc - continued

Auditor's Responsibilities for the Audit of the Financial Statements-continued

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent auditor's report

To the members of Africa Prudential Plc - continued

Report on Other Legal and Regulatory Requirements

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

i) 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;

ii) In our opinion, proper books of account have been kept by the Company, in so far as appears from our examination of those books;

iii) The Company's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.

In accordance with the requirements of the Financial Reporting Council of Nigeria (FRC) Guidance on Assurance Engagement Report on Internal Control over Financial Reporting:

We performed a limited assurance engagement and reported on management's assessment of the Company's internal control over financial reporting as of December 31, 2023. The work performed was done in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)') and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, and we have issued an unqualified conclusion in our report dated 04 March 2024. That report is included on page 25 of the financial statements.

Adewuyi Adeyemo, FCA
FRC/2012/PRO/ICAN/004/00000000148
For Ernst & Young
Lagos, Nigeria

04 March 2024

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2023 *in thousands of Nigerian Naira*	Notes	**2023**	**2022**
Revenue from contracts with customers	5	872,574	1,903,217
Interest income calculated using effective interest method	6	3,080,422	2,229,631
Gross earnings		3,952,996	4,132,848
Other income	7	35,993	32,182
Credit loss (expenses)/reversal	8	(113,591)	22,281
Personnel expenses	9	(948,662)	(781,548)
Other operating expenses	10	(1,376,590)	(1,160,425)
Depreciation of property and equipment	19	(45,231)	(45,883)
Depreciation of right of use assets	20	(9,764)	(6,774)
Amortisation of intangible assets	21	(53,469)	(25,462)
Profit before finance costs and tax		1,441,682	2,167,219
Finance costs	11	(861)	(1,057)
Profit before income tax expense		1,440,821	2,166,162
Income tax expense	12.1	(477,912)	(672,913)
Profit after tax		962,909	1,493,249
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods (net of tax):			
Net gain equity instruments at fair value through other comprehensive income	26(iii)	397,940	27,025
Revaluation gain on building (net of tax)	26(v)	-	94,524
Total other comprehensive income/(loss) for the year, net of tax		397,940	121,549
Total comprehensive income for the year, net of tax		1,360,849	1,614,798
Basic and diluted earnings per share (Kobo)	14	48	75

The accompanying notes to the financial statements form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

As at 31 December 2023 *in thousands of Nigerian Naira*	Notes	31 December **2023**	31 December **2022**
Assets			
Cash and cash equivalents	15	5,261,237	850,644
Equity instruments at fair value through OCI	16.1	3,686,644	3,001,515
Debt instruments at amortised cost	16.2	9,586,341	12,787,888
Financial instruments at fair value through PorL	16.3	946,919	-
Deposit for shares	17	470,000	270,000
Trade and other receivables	18	1,871,072	1,514,551
Property and equipment	19	783,470	690,671
Right-of-use-assets	20	-	13,549
Intangible assets	21	376,247	141,868
Total assets		**22,981,930**	**19,270,686**
Liabilities			
Customers' deposits	22	12,085,772	8,985,030
Creditors and accruals	23	320,712	144,957
Lease liabilities	20.1	-	8,777
Current income tax payable	24	559,612	700,028
Deferred tax liabilities	25	269,398	46,306
Total liabilities		13,235,493	- 9,885,099
Equity			
Share capital	26	1,000,000	1,000,000
Share premium	26	624,446	624,446
Fair value reserve	26	430,047	32,107
Retained earnings	26	7,526,824	7,563,915
Revaluation reserve	26	165,120	165,120
Total equity		9,746,437	9,385,588
Total liabilities and equity		**22,981,930**	**19,270,686**

The financial statements and accompanying notes to the financial statements were approved and authorised for issue by the Board of Directors on 20 February 2024 and were signed on its behalf by:

Chief (Mrs) Eniola Fadayomi FIOD MFR
Chairman
FRC/2013/IODN/00000002718

Obong Idiong
Managing Director
FRC/2013/NBA/00000004696

Festus Izevbizua
Chief Financial Officer
FRC/2012/ICAN/00000001628

The accompanying notes to the financial statements form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2023

in thousands of Nigerian Naira	Note	Share capital	Share premium	Revaluation reserve	Fair value reserve	Retained earnings	Total equity
As at 1 January 2023		1,000,000	624,446	165,120	32,107	7,563,915	**9,385,588**
Profit for the year		-	-	-	-	962,909	**962,909**
Other comprehensive income for the year (net of tax)		-	-	-	397,940	-	**397,940**
Total other comprehensive income for the year, net of tax		-	-	-	397,940	962,909	1,360,849
Transactions with owners of equity							
Dividends paid	13	-	-	-	-	(1,000,000)	**(1,000,000)**
Total transactions with owners of equity		-	-	-	-	(1,000,000)	(1,000,000)
As at 31 December 2023		**1,000,000**	**624,446**	**165,120**	**430,047**	**7,526,824**	**9,746,437**

As at 1 January 2022		1,000,000	624,446	70,596	5,082	7,070,666	**8,770,790**
Profit for the year		-	-	-	-	1,493,249	**1,493,249**
Other comprehensive income for the year (net of tax)		-	-	94,524	27,025	-	**121,549**
Total other comprehensive income for the year, net of tax		-	-	94,524	27,025	1,493,249	**1,614,799**
Transactions with owners of equity							
Dividends paid	13	-	-	-	-	(1,000,000)	**(1,000,000)**
Total transactions with owners of equity		-	-	-	-	(1,000,000)	**(1,000,000)**
As at 31 December 2022		**1,000,000**	**624,446**	**165,120**	**32,107**	**7,563,915**	**9,385,588**

The accounting policies are part of the accompanying notes to the financial statements form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

in thousands of Nigerian Naira	Notes	2023	2022
Cash flows from operating activities			
Profit before income tax expense		1,440,821	2,166,162
Adjustment to reconcile profit before tax to net cash flows			
Depreciation of property and equipment	19	45,231	45,883
Amortization of intangible assets	21	53,469	25,462
Depreciation of right-of-use asset	20	9,764	6,774
Impairment (reversal)/charge on financial assets	8	113,879	(22,281)
Unrealised foreign exchange loss	10	29,768	6,574
Gain from disposal of plant and equipment	7	(2,376)	-
Right of use asset written off	10	3,785	-
Interest income	6	(3,080,422)	(2,229,631)
Dividend income	7	(33,617)	(23,984)
Finance costs	11	861	1,057
Changes in working capital			
Changes in trade and other receivables		(615,308)	(944,055)
Changes in customers' deposits		3,100,742	2,785,105
Changes in creditors and accruals		170,708	40,101
Interest received		3,080,422	2,229,631
Interest paid	11	(861)	(1,057)
Income tax paid	24	(558,520)	(557,879)
Net cash from operating activities		3,758,346	3,527,860
Cash flows from investing activities			
Purchase of plant and equipment	19	(138,760)	(385,293)
Proceeds from sale of plant and equipment		3,101	-
Purchase of intangible assets	21	(162,598)	(105,995)
Purchase of debt instruments at amortised cost	16.3	(2,505,007)	(3,482,524)
Disposal of debt instrument at amortised cost	16.3	5,558,983	1,617,703
Purchase of treasury bills	16.1	(930,238)	-
Investment in deposit for shares	17	(200,000)	(200,000)
Dividend received	7	33,617	23,984
Net cash flows from/(used in) investing activities		1,659,098	(2,532,126)
Financing activities			
Dividends paid	13	(1,000,000)	(1,000,000)
Payment of principal portion of lease liabilities	20	(6,564)	(11,194)
Net cash used in financing activities		(1,006,564)	(1,011,194)
Net increase/(decrease) in cash and cash equivalents		4,410,880	(15,458)
Impact of ECL on cash and cash equivalents	15	(288)	(90)
Cash and cash equivalents as at 1 January	15	850,644	866,192
Cash and cash equivalents as at 31 December	15	5,261,236	850,644

The accompanying notes to the financial statements form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1 Corporate information

Africa Prudential Plc. ("the Company") ,formerly UBA Registrars Ltd was incorporated as a private limited liability company on 23rd March 2006 to take over the registrar services formally operated as a department by its former parent - UBA Global Market Limited. The company was listed on 17 January, 2013.

The Company renders share registration services to both public and private companies. The Company's registered office address is 220B, Ikorodu Road, Palmgrove, Lagos Nigeria. Africa Prudential Plc primarily carries on the business of registrar and investor relation service in accordance with its Memorandum and Articles of Association. As part of its business diversification strategy, it has expanded it business activities to provision of digital solutions for businesses. its flagship digital solutions product known as Easycoop is a unique softare, which is aimed at aiding the administartion of co-operative Societies in Nigeria and other digital business solution.

The company 's competency in digital technology covers advanced Agile and other Software Developmwnt Life Circle (SDLC) Methodologies, Cyber Security, Cloud Computing, Design thinking / product Development Labs, Blockchain technology, among others. The Company deploys Software as a Service (SaaS) which are scalable for various sizes of organisations.

2 Material accounting policies

2.1 Basis of preparation

These financial statements have been prepared on a historical cost basis, except for financial assets carried at fair value through other comprehensive income which have been measured at fair value.

- Financial assets carried at fair value through other comprehensive income
- Financial assets measured at fair value through profit and loss
- Building measured using revaluation model

2.2 Basis of measurement

The financial statements are prepared according to uniform accounting policies and valuation principles. The financial statements of the Company are based on the principle of the historical cost, with the exception of the items reflected at fair value and revaluation.

2.3 Statement of Compliance

The financial Statements of Africa Prudential Plc has been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB) and adopted by Financial Reporting Council of Nigeria. The financial statements comply with the relevant requirements of the Companies and Allied Matters Act 2020, and the Financial Reporting Council of Nigeria (Amendment) Act 2023.

The financial statements comprises the statement of profit or loss and other comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements.

The financial statements values are presented in Nigerian Naira (₦), which is the functional currency of the Company, rounded to the nearest thousand (₦'000), unless otherwise indicated.

The Company presents its statement of financial position broadly in order of liquidity. An analysis regarding recovery or settlement within twelve months after the reporting date (no more than 12 months) and more than 12 months after the reporting date (more than 12 months) is presented in the respective notes.

2.4 Financial period

These financial statements cover the financial year from 1 January to 31 December 2023, with comparative figures for the financial year from 1 January to 31 December 2022.

2.5 Going concern

The financial statements have been prepared on a going concern basis, which assumes that the entity will be able to meet its financial obligations as at when they fall due. There are no significant financial obligations that will impact on the entity's resources which will affect the going concern of the entity.

Management is satisfied that the entity has adequate resources to continue in operational existence for the foreseeable future. For this reason, the going concern basis has been adopted in preparing the financial statements

2.6 Summary of material accounting policies

2.6.1 Revenue from contracts with customers

The Company is in the business of rendering technology and share registration services to both public and private companies. Our platforms and tools help drive business productivity, business competitiveness, and public-sector efficiency. Revenue from contracts with customers is recognised when services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. The Company concluded that it is the principal in its revenue arrangements, because it typically controls the services before transferring them to the customer.

NOTES TO THE FINANCIAL STATEMENTS - Continued

2.6 **Summary of significant accounting policies - continued**

2.6.1 **Revenue from contracts with customers - continued**
Revenue from contracts with customers include

Technology (Digital applications) Fees:- The company generate revenue by offering a wide range of digital products to people and businesses; licensing an array of software products; designing, development and selling and delivering relevant solutions/applications to support our clients. Certain services, depend on a significant level of integration, interdependency, and interrelation between the applications and are accounted for together as one performance obligation. Revenue is recognized over the period in which the services are provided

Registrar (Share Registration) fees:- which comprise fixed periodic administration fees for managing corporate actions. Administration fees are recognised evenly over the service period. Revenues from corporate actions are recognised in line with the stage of completion while fees in relation to administration of client funds are recognised as they accrue.

2.6.2 **Taxes**

Income tax expense

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current income tax

Current tax is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities against current tax assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

2.6.3 **Cash and cash equivalents**
Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

2.6.4 **Financial instruments – initial recognition and subsequent measurement**
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial assets
Initial recognition and measurement of financial assets
Financial assets are classified, at initial recognition, at fair value plus transaction cost and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15.

NOTES TO THE FINANCIAL STATEMENTS - Continued

2.6.4 **Financial instruments – initial recognition and subsequent measurement-continued**

i) Financial assets- continued

Initial recognition and measurement of financial assets-continued

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement of financial assets

For purposes of subsequent measurement, financial assets are classified in three categories:

‣ Financial assets at amortised cost (debt instruments)
‣ Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
‣ Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Company. The Company measures financial assets at amortised cost if both of the following conditions are met:

‣ The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
‣ The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Company's financial assets at amortised cost includes cash equlvalents, trade and other receivables, debit instruments such as treasury bills, and loans to staff, government bonds, and placements with banks.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by- instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss and other comphrensive income when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Company elected to classify irrevocably its listed and non-listed equity investments under this category.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:

‣ The rights to receive cash flows from the asset have expired
Or
‣ The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

NOTES TO THE FINANCIAL STATEMENTS - Continued

2.6.4 **Financial instruments – initial recognition and subsequent measurement-continued**

i) Financial assets- continued

Derecognition of financial assets-continued

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

The Company recognises an allowance for Expected Credit Losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ii) Financial liabilities

Initial recognition and measurement of financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, customers' deposit and payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include creditors and accruals, loans and borrowings and customers' deposits.

Subsequent measurement of financial liabilities

The measurement of financial liabilities are recognized at amortized cost or FVTPL when they are held for trading.

Customers' deposit

This represents dividend, return monies and other interests received from clients but yet to be claimed or remitted. Customer deposit are carried at amortized cost.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the profit or loss.

NOTES TO THE FINANCIAL STATEMENTS - Continued

2.6.4 Financial instruments – initial recognition and subsequent measurement-continued

iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.6.6 Property, Plant and equipment (PPE)

Recognition and measurement

Items of property, Plant and equipment (except building) are carried at cost less accumulated depreciation and impairment losses. The cost of Property, Plant and Equipment includes expenditures that are directly attributable to the acquisition of the asset. When parts of an item of property, Plant or equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Subsequent costs

The cost of replacing part of an item of property, Plant or equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the entity and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Building is measured at revalued amount less accumulated depreciation and impairment losses recognised after the date of the revaluation. Valuations are performed at least once in every 3 years or when a major improvement is carried out to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

Any revaluation surplus is recorded in other comprehensive income and hence, credited to the asset revaluation reserve in equity, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in the profit or loss, in which case, the increase is recognised in the profit or loss. A revaluation deficit is recognized in the profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Leased assets are depreciated over the shorter of the lease term and their useful lives. Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is derecognised or classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. Land is not depreciated.

The estimated useful lives for the current and comparative period are as follows:

Building	40 years
Computer equipment	5 years
Furniture and fittings	5 years
Plant and machinery	6 years
Motor vehicles	5 years

Capital work in progress is not depreciated. Upon completion it is transferred to the relevant asset category.Depreciation methods, useful lives and residual values are reassessed at each reporting date and adjusted if appropriate.

De-recognition

An item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

NOTES TO THE FINANCIAL STATEMENTS - Continued

2.6.7 **Intangible asset**

a *Software*

Software acquired by the entity is stated at cost less accumulated amortisation and accumulated impairment losses.

Expenditure on internally developed software is recognised as an asset when the entity is able to demonstrate its intention and ability to complete the development and use the software in a manner that will generate future economic benefits, and can reliably measure the costs to complete the development. The capitalised costs of internally developed software include all costs directly attributable to developing the software, and are amortised over its useful life. Internally developed software is stated at capitalised cost less accumulated amortisation and impairment.

Subsequent expenditure on software assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

The estimated useful lives for the current and comparative period are as follows:

Software	5 years

Capital work in progress is not amortized. Upon completion it is transferred to the relevant asset category.

2.6.9 **Employee benefits**

Short-term benefits

Wages, salaries, paid annual leave, bonuses and non-monetary benefits are recognised as employee benefit expenses when the associated services are rendered by the employees of the Company.

Post-employment benefits - Defined contribution plans

Obligations for contributions to defined contribution plans are recognized as an expense in the statement of Profit or Loss when they are due. The contribution payable to a defined contribution plan is in proportion to the services rendered to the entity by the employees and is recorded as an expense under "Personnel expenses". Unpaid contributions are recorded as liability.

2.6.10 **Leases**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i **Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Office building	2 to 5 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

ii **Lease liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

NOTES TO THE FINANCIAL STATEMENTS - Continued

iii **Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases of office building (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

2.6.11 **Share capital and reserves**

Ordinary Share Capital: The ordinary share capital of the entity is classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity net of any tax effects.

2.6.12 **Earnings per share**

The entity presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the entity by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

2.7.1 **Changes in accounting policies and disclosures**

Standards and interpretations effective for the first time for 31 December 2023 year end

i ***IFRS 17 Insurance Contracts***

IFRS 17 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. IFRS 17 replaces IFRS 4 Insurance Contracts. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. The overall objective of IFRS 17 is to provide a comprehensive accounting model for insurance contracts that is more useful and consistent for insurers, covering all relevant accounting aspects. IFRS 17 is based on a general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

The new standard had no impact on the Company's financial statements.

ii **Definition of Accounting Estimates - Amendments to IAS 8**

The amendments to IAS 8 clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Company's financial statements.

iii **Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2**

The amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

iv **Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12**

The amendments to IAS 12 Income Tax narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities.
The amendments had no impact on the Company's financial statements.

v **International Tax Reform Pillar Two Model Rules Amendments to IAS 12**

The amendments clarify that IAS 12 applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organization for Economic Cooperation and Development (OECD), including tax law that implements qualified domestic minimum top up taxes. Such tax legislation, and the income taxes arising from it, are referred to as 'Pillar Two legislation' and 'Pillar Two income taxes,' respectively.

The amendments require an entity to disclose that it has applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

NOTES TO THE FINANCIAL STATEMENTS - Continued

Standards and interpretations not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

i **Amendments to IFRS 16: Lease Liability in a Sale and Leaseback**

In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must applied retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16. Earlier application is permitted and that fact must be disclosed. The amendments are not expected to have a material impact on the Company's financial statements.

ii **Amendments to IAS 1: Classification of Liabilities as Current or Non-current**

In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively. The Company is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

iii **Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7**

In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2024. Early adoption is permitted, but will need to be disclosed. The amendments are not expected to have a material impact on the Company's financial statements.

iv **Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - IFRS 10 and IAS 28**

The amendments address the conflict between the requirements in IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures when accounting for the sale or contribution of a subsidiary to a joint venture or associate (resulting in the loss of control of the subsidiary). In December 2015 the IASB deferred the effective date of this amendment indefinitely.

v **Lack of exchangeability -Amendment to IAS 21**

In August 2023, the International Accounting Standards Board (IASB) amended IAS 21 to clarify:
- when a currency is exchangeable into another currency; and
- how a company estimates a spot rate when a currency lacks exchangeability.

A currency is exchangeable into another currency when a company is able to exchange that currency for the other currency at the measurement date and for a specified purpose. When a currency is not exchangeable, a company needs to estimate a spot rate. A company's objective when estimating a spot rate is only that it reflects the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions.

Under the amendments, companies will need to provide new disclosures to help users assess the impact of using an estimated exchange rate on the financial statements. These disclosures might include:
- the nature and financial impacts of the currency not being exchangeable;
- the spot exchange rate used;
- the estimation process; and
- risks to the company because the currency is not exchangeable.

The Company do not expect the amendments to have a significant impact on the its financial statements. The amendments apply for annual reporting periods beginning on or after 1 January 2025. Earlier application is permitted.

NOTE TO THE FINANCIAL STATEMENTS - Continued

3 **Significant accounting judgements, estimates and assumptions**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, incomes and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Changes in accounting policies or measurement principles in light of new or revised standards are applied retrospectively, except as otherwise provided in the respective standard. The statement of profit or loss and other comprehensive income for the previous year and the opening statement of financial position for that year are adjusted as if the new accounting policies and/or measurement principles had always been applied.

i **Impairment losses on debt instruments other than trade receivables measured at amortised cost**

The measurement of impairment losses both under IFRS 9 across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The Company's internal/external credit grading model, which assigns Probability of Defaults (PDs) to the individual grades
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a Life Time Expected Credit Loss (LTECL) basis and the qualitative assessment
- Development of ECL models, including the various formulas and the choice of inputs
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

NOTE TO THE FINANCIAL STATEMENTS - Continued

3 **Significant accounting judgements, estimates and assumptions - Continued**

ii **Provision for expected credit losses on trade receivables**

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e.,customer type).

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the various sectors, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

iii **Leases - Estimating the incremental borrowing rate**

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the entity's stand-alone credit rating).

iv **Revaluation of building**

The Company measures its office building on Ikorodu Road at revalued amounts, with changes in fair value being recognised in OCI. The office properties were valued by reference to transactions involving properties of a similar nature, location and condition. The Company engaged an independent valuer, Emma Ezeama &Co (FRC/2013/NIESV/00000638) to assess fair values as at 31 December 2022 for the building on Ikorodu Road. The key assumptions used to determine the fair value of the building is provided in Note 19.

4 **Financial instruments risk management objectives and policies**

The Company's principal financial liabilities comprise, customer deposits and creditors and accruals. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include quoted equity instruments, debt instruments at fair value through profit or loss, debt instruments measured at amortised costs and include treasury bills, bonds, cash and short-term deposits that derive directly from its operations and trade and other receivables.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

i ***Market risk***

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

Currency risk

The Company's principal transactions are carried out in Naira and has minimal exposure to foreign exchange risk. The balance in the domiciliary bank account is US$2,907 (2022:$23,108).

NOTE TO THE FINANCIAL STATEMENTS - Continued

4 **Financial instruments risk management objectives and policies - Continued**

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to fair value interest risk is reduced as the tenor of most of the Company's investments are short term in nature . Company has no exposure to cash flow interest risk, because it does not have floating rate financial instruments.

Equity price risk

Equity price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. the company manages equity risk by investing in companies with good ratings. The Company also manages its risk through diverisification in different portfolios execpt the investment is made for strategic reasons.

The analysis below is performed for reasonably possible movements in key variables (share price) with all other variables held constant, showing the impact on equity (that reflects adjustments to profit before tax and changes in fair value of Equity instruments at fair value through OCI). The correlation of variables will have a significant effect in determining the ultimate impact on price risk, but to demonstrate the impact due to changes in variables, variables had to be changed on an individual basis.

		31 December 2023		31 December 2022	
in thousands of Nigerian Naira	*Change in variable*		*Impact on equity*		*Impact on equity*
	-5%	3,104,655	(155,517)	3,001,515	(150,076)
	5%	(3,104,655)	155,517	3,001,515	150,076
	-10%	(3,104,655)	(311,035)	3,001,515	(300,151)
	10%	3,104,655	311,035	3,001,515	300,151

ii **Credit risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company.

In the estimation of credit risk, the Comapany estimates the following parameter; Probability of Default (PD), Loss Given Default(LGD), Exposure at Default.

Probability of Default: This is the probability that an obligor or counterparty will default over a given period, usually one year. To measure expected credit loss, we develop a 12-month PD or equivalent (used in Stage 1 provisioning) and a lifetime PD or equivalent (used for Stages 2 and 3 provisioning). The PD is used to reflect the current expectation of default and considers available reasonable and supportive forwarding-looking information.

Loss Given Default: LGD is defined as the portion of the exposure determined to be irrecoverable at the time of loan default (1 – recovery rate). Our methods for estimating LGD includes both quantitative and qualitative factors which are adjusted for forward looking information to measure lifetime expected credit losses.

Exposure at default: This represents the amount that is outstanding at the point of default. Its estimation includes the carrying amount at default.

4 **Financial instruments risk management objectives and policies - Continued**
Credit risk - continued

when estimating ECLs, the entity considers three scenarios (a base case, an upside and downside for PDs, LGDs and a single scenario for EADs. The maximum period for which credit losses are determined is the contractual life of the financial instrument unless the company has legal right to call it earlier. in its ECL, the entity relies on a broad range of forward looking information as economic input such as inflation rate, crude oil prices, GDP growth rate etc. The input and models used may not always capture all features of the market at the date of the financial statements.

The Company monitors all assets subject to ECLs. Decision on whether expected credit losses are based on 12-month expected credit losses or lifetime expected credit losses depends on whether there has been a significant increase in credit risk since initial recognition. An assessment of whether credit risk has increased significantly is made at each reporting date. When making the assessment, The Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. This forms the basis of stage 1, 2 and 3 classification and subsequent migration. The Company also considers qualitative factors triggering significant increase in credit risk of an asset.

The company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

Management of risk

The Company's policy over credit risk is to minimize its exposure to counterparties with perceived higher risk of default by dealing only with counterparties meeting specific high standards. Credit risk is monitored on a monthly basis by the Finance and Management Service (FMS) unit in accordance with the policies and procedures in place. Principal policies set in place include:

a Establishing an appropriate credit risk management environment
b Maintaining an appropriate credit administration, measurement and monitoring processes, including strict adherence to the investment rules and regulations set by the Securities and Exchange Commission (SEC); and
c Establishing an appropriate approval limits for investment of certain types and tenors.

Set out below is the information about the credit risk exposure on the Company's trade receivables using a provision matrix:

	< 90 days	90-180 days	180-270 days	270-360 days	> 360 days	Total
Expected credit loss rate	3.77%	16.73%	10.08%	36.31%	17.12%	
Estimated total gross carrying amount at default	688,219	238,773	54,790	59,578	-	1,041,360
Expected credit loss as at 31 December 2023	**25,962**	**39,949**	**5,522**	**21,629**	**-**	**93,063**
Expected credit loss rate	3.77%	16.73%	10.08%	36.31%	17.12%	
Estimated total gross carrying amount at default	538,281	154,140	4,292	7,882	29,174	733,769
Expected credit loss as at 31 December 2022	**20,306**	**25,789**	**433**	**2,862**	**4,995**	**54,385**

At arriving at the ECL for trade receivables for the year, the entity uses simplified approach for ECL on trade receivables which allows classifying receivables into brackets of when they have been outstanding. Significant portion of the receivable this year falls withing the 0-30 days due.

NOTE TO THE FINANCIAL STATEMENTS - Continued

4 **Financial instruments risk management objectives and policies - Continued**
Management of risk - continued

iii **Liquidity risk**

Liquidity risk is the risk that the entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The entity approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the entity's reputation.

The table below summarises the maturity profile of the Company's financial instruments based on contractual undiscounted payments:

31 December 2023 *in thousands of Nigerian Naira*	Carrying amount	1-6 months	6-12 months	1-5 years	Above 5 years	No maturity date	Gross total
Cash and cash equivalents	5,261,237	5,261,237	-	-	-	-	5,261,237
Debt instruments at FVTPL	946,919	946,919	-	-	-	-	946,919
Debt instruments at FV - OCI	3,686,644	-	986,644	2,700,000	-	-	3,686,644
Debt instruments at amortised cost	9,586,341	9,586,341	-	-	-	-	9,586,341
Deposit for shares	470,000	470,000	-	-	-	-	470,000
Trade receivables	1,871,072	1,228,004	643,068	-	-	-	1,871,072
Total financial assets	**21,822,213**	**17,492,501**	**1,629,712**	**2,700,000**	**-**	**-**	**21,822,213**
Trade payable	320,712	320,712	-	-	-	-	320,712
Customers' deposits	12,085,772	3,909,732	3,085,090	5,130,976	-	-	12,125,799
Total financial liabilities	**12,406,484**	**4,230,444**	**3,085,090**	**5,130,976**	**-**	**-**	**12,446,510**
Liquidity gap	**9,415,730**	**13,262,058**	**(1,455,378)**	**(2,430,976)**	**-**	**-**	**9,375,703**

31 December 2022 *in thousands of Nigerian Naira*	Carrying amount	1-6 months	6-12 months	1-5 years	Above 5 years	No maturity date	Gross total
Cash and cash equivalents	850,644	850,734	-	-	-	-	850,734
Debt instruments at amortised cost	12,787,888	5,727,531	7,070,995	-	-	-	12,798,526
Deposit for shares	270,000	270,000	-	-	-	-	270,000
Trade receivables	1,514,551	1,151,789	362,762	-	-	-	1,514,551
Total financial assets	**14,317,979**	**7,730,054**	**7,488,142**	**-**	**-**	**-**	**15,218,196**
Trade payable	144,957	144,957	-	-	-	-	144,957
Customers' deposits	8,985,030	1,454,233	3,353,262	4,177,534	-	-	8,985,030
Lease liabilities	7,720	-	7,720	-	-	-	7,720
Total financial liabilities	**9,138,764**	**1,599,191**	**3,362,039**	**4,177,534**	**-**	**-**	**9,138,764**
Liquidity gap	**5,831,030**	**6,130,863**	**4,126,103**	**(4,177,534)**	**-**	**-**	**6,079,432**

NOTE TO THE FINANCIAL STATEMENTS - Continued

4 **Financial instruments risk management objectives and policies - Continued**
iv **Capital risk management**

The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of its capital structure. The capital structure of the company consists of equity attributable to its equity holders, comprising issued capital, reserves and retained earnings as disclosed in the notes.

The Company's Board and management regularly review its capital structure. As part of this review, they consider the cost of capital and the risks associated with each class of capital.

Equity includes all capital and reserves of the company that are managed as capital.

in thousands of Nigerian Naira	*2023*	*2022*
Tier 1 Capital		
Share capital	1,000,000	1,000,000
Share premium	624,446	624,446
Fair value reserve	430,047	32,107
Retained earnings	7,526,824	7,563,915
	9,581,317	9,220,468
Total Regulatory minimum Capital	(150,000)	(150,000)
Capital surplus	9,431,317	9,070,468

v **Segment Reporting**
The company has one segment. Therefore, no additional segment disclosures have been provided.

vi **Fair value measurement**

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.
Level 2: Valuation techniques based on observable inputs,either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
Level 3:Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs could have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

NOTE TO THE FINANCIAL STATEMENTS - Continued

vi **Fair value measurement- continued**

Quantitative disclosures fair value measurement hierarchy for assets as at 31 December 2023

					Fair value measurement using		
					Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
in thousands of Nigerian Naira	Note	Carrying amount	Date of valuation	Fair value amount	Level 1	Level 2	Level 3
Assets measured at fair value:							
Unquoted equity instruments at fair value through OCI		2,700,000	31-Dec-23	2,700,000	-	-	2,700,000
Quoted equity instruments at fair value through OCI		823,644	31-Dec-23	823,644	823,644	-	-
Assets for which fair values are disclosed:							
Treasury Bills FVTPL		946,919	31-Dec-23	**946,919**	-	-	946,919
Debt instrument at amortised cost:							
Commercial papers		1,002,192	31-Dec-23	**1,002,192**	-	-	1,002,192
Corporate bonds		927,761	31-Dec-23	**927,761**	-	927,761	-
Deposits with banks with maturity above 90days		7,735,718	31-Dec-23	**7,735,718**	-	-	7,735,718

Quantitative disclosures fair value measurement hierarchy for assets as at 31 December 2022

					Fair value measurement using		
					Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
in thousands of Nigerian Naira	Note	Carrying amount	Date of valuation	Fair value amount	Level 1	Level 2	Level 3
Assets measured at fair value:							
Unquoted equity instruments at fair value through OCI		**2,737,800**	31-Dec-22	**2,737,800**	**-**	**-**	**2,737,800**
Quoted equity instruments at fair value through OCI		301,515	31-Dec-22	301,515	301,515	-	-
Assets for which fair values are disclosed:							
Debt instrument at amortised cost:							
Commercial papers		4,306,075	31-Dec-22	4,306,075	-	-	4,306,075
Corporate bonds		1,102,108	31-Dec-22	1,102,108	**-**	1,102,108	-
Deposits with banks with maturity above 90days		7,390,343	31-Dec-22	7,390,343	-	-	7,390,343

NOTE TO THE FINANCIAL STATEMENTS - Continued

vi **Fair value measurement- continued**

Fair value of financial assets and liabilities
Below are the methodologies and assumptions used to determine fair values for those financial instruments in the financial statements:

Assets and liabilities for which fair value approximates carrying value
The management assessed that cash and bank, trade and other receivables, trade payable and sundry creditors approximate their carrying amounts largely due to the short-term maturities of these instruments

Debt instrument at amortised cost - corporate bonds
The fair value of treasury bills and corporate bond are determined by reference to quoted yield to maturities of the instrument as published on the Financial Market Dealer Quotation (FMDQ) website. The fair values of the Nigerian Treasury Bills and corporate bonds are classified under Level 2 in the fair value hierarchy. The FMDQ publishes the market yields on a daily basis, and the unadjusted yields are used to determine the prices.

Debt instrument at amortised cost - Deposits with banks
The management assessed that cash and bank, placement with banks above 90 days, trade and other receivables, trade payable, sundry creditors and customer deposits approximate their carrying amounts largely due to the short-term maturities of these instruments.

Equity instruments at fair value through OCI

The fair values of the quoted equity instruments are derived from quoted market prices in active market, the Nigerian Stock Exchange (NSE) while the Company adopts discounted cashflow method for the fair value of unquoted equities. The estimated fair value per share of each of the unquoted equity instruments has been determined using the relevant valuation models (where applicable/suitable). We have adopted the discounted cash flow method in determining the fair values of these investments. Among the significant inputs include cost of equity, free cashflow etc Unobservable inputs were used to determine appropriate weighted cost of capital which subsequently was used to discount the free cash flow of the company before arriving at the appropriate fair value of the share of the unquoted equity.

For fair value measurements in Level 3, changing the cost of equity or terminal growth rate by a reasonable possible value, in isolation, would have the following effects on other comprehensive income for the period:

Key Assumption	**Effect on other comprehensive income**
	31 December 2023
Cost of equity	16%
Terminal growth rate	2.8%

5 Revenue from contracts with customers

5.1 Disaggregated revenue information

in thousands of Nigerian Naira	2023	2022
Types of services		
Fees from corporate actions	242,725	336,469
Register maintenance	162,074	262,234
Digital technology Services	467,774	1,304,514
	872,574	1,903,217
Geographical markets		
Nigeria	872,574	1,903,217
Timing of revenue recognition		
Services transferred over time	872,574	1,903,217

Contract assets are initially recognised for revenue earned from Software development contracts and corporate actions which are not yet due for payment as receipt of consideration is conditional on successful implementations of these software projects and completion of corporate actions like declaration of dividends and Annual General Meeting (AGM). Upon completion of the services and acceptance by the customer, the amounts recognised as contract assets are reclassified to trade receivables.

Contract liabilities arise as a result of payments received for services not fully rendered. This includes short-term advances as well as transaction price allocated to unexpired service in respect of delivery of Annual Reports to shareholders for the Annual General Meeting (AGM). The amount is recognised in statement of profit or loss and other comprehensive income once the delivery services is completed.

5.2 Performance obligations

Information about the Company's performance obligations are summarised below:

Fees from corporate actions

The performance obligation is satisfied over-time and payment is generally due upon completion of declaration of dividends and completion of Annual General Meeting. In some contracts, short-term advances are required before the services are provided.

Register maintenance

The performance obligation is satisfied through regular update of the client register and also attending to shareholders on their various requests. The monthly invoice is raised based on the number of shareholders attended to.

Digital Consultancy

The performance obligation is satisfied overtime upon delivery of digital solutions as a service to our clients. We provide services in software deployment, implementation and supports, systems analysis, design and implementation. The Digital consultancy business also provides training to our clients on the solutions deployed.

6 Interest income calculated based on effective interest rate

in thousands of Nigerian Naira	2023	2022
Interest on bonds	146,774	154,942
Interest on commercial papers	346,512	457,873
Interest on term deposits	2,583,301	1,610,786
Interest earned on staff loan	3,835	6,030
	3,080,422	2,229,631

7 Other income

in thousands of Nigerian Naira	Notes	2023	2022
Dividend income		33,617	23,984
Profit from disposal of plant and equipment		2,376	-
Others		-	8,198
		35,993	32,182

Others represent income from bank charges recovered from banks during the financial year.

8 **Credit loss reversal/(expense)**

in thousands of Nigerian Naira	Notes	Stage 1	Stage 2	Stage 3	Total
2023					
Cash in banks and short-term deposits	15.1b	(288)	-	-	(288)
Debt instruments at amortised cost:					
Corporate bonds		(7,575)	-	-	(7,575)
Deposits with banks with maturity above 90days		(61,117)	-	-	(61,117)
	16.3c	(68,692)	-	-	(68,692)
Trade and other receivables		(44,611)	-	-	(44,611)
		(113,591)	-	-	(113,591)
2022					
Cash in banks and short-term deposits		(90)	-	-	(90)
Debt instruments at amortised cost:					
Corporate bonds		7,887	-	-	7,887
Deposits with banks with maturity above 90days		12,258	-	-	12,258
		20,145	-	-	20,145
Trade and other receivables		2,226	-	-	2,226
		22,281	-	-	22,281

9 **Personnel expenses**

in thousands of Nigerian Naira	2023	2022
Wages and salaries	890,726	718,795
Medical expenses	8,319	19,819
Defined contribution plans	35,527	27,129
Other employee benefits **	14,091	15,805
	948,662	781,548

** Other employee benefits include contribution to Industrial Training Fund (ITF) and NSITF

10 **Other operating expenses**

in thousands of Nigerian Naira	2023	2022
Administrative expenses		
Internet and communication	242,264	219,265
Legal and professional expenses	446,049	557,562
Directors fees and other emoluments	67,207	66,625
Business and other entertainment	108,276	56,152
Rent & Rates	19,306	16,487
Utilities and Energy	42,352	29,637
Repairs and maintenance	94,070	45,604
Travel expenses	69,206	36,757
Annual dues and subscription	36,475	35,071
General administrative expenses	71,751	18,742
AGM/EGM expenses	18,966	17,611
Training	27,597	17,402
Bank charges	7,790	10,074
Audit fees (Note 10.1)	12,900	10,000
Insurance	32,658	9,020
Fines and penalties (Note 31)	12,480	-
Advert and business promotion	37,478	7,842
Foreign exchange loss	29,768	6,574
	1,376,590	1,160,425

10.1 The audit fees relates to audit services carried out by the external auditors during the year. During the year, the external auditors rendered services on Internal Control over Financial Reporting (ICFR) audit which is considered a non-audit service. A sum of N5,000,000 was accrued and contained in professional expenses for the service.

11 **Finance costs calculated based on effective interest rate**

in thousands of Nigerian Naira	2023	2022
Finance charges on lease liability	861	1,057
	861	1,057

12 **Income tax expense**

The major components of income tax expense for the year ended 31 December 2023:

12.1 ***Income tax expense***

in thousands of Nigerian Naira	2023	2022
Current income tax expense		
Income tax	389,943	645,126
Education tax	48,854	54,794
Nigerian Police Trust Fund	72	108
Over provision in prior years	-	(20,765)
	438,869	679,263
Deferred tax:		
Tax impact of temporary differences	39,043	(6,350)
	477,912	672,913

12.2 ***Reconciliation of income tax expense***

	2023	2022
Profit before income tax expense	1,440,821	2,166,162
Tax at Nigeria's statutory income tax rate of 30%	432,246	649,849
Effect of:		
Tax exempt income	(61,633)	(83,011)
Non-deductible expenses in determining taxable profit	63,106	71,938
Nigerian Police Trust Fund @ 0.005% of net profit	72	108
Prior year over provision	-	(20,765)
Education tax @ 3% (2022:2.5%) of assessable profit	48,854	54,794
Total tax charged for the year	477,912	672,913
Effective tax rate	33%	31%

13 Dividends paid and proposed

in thousands of Nigerian Naira	Notes	2023	2022
Declared and paid during the year			
Opening balance		-	-
Equity dividend declared on ordinary shares: 2023: ₦0.45 (2022: ₦0.50)		1,000,000	1,000,000
Dividend paid		(1,000,000)	(1,000,000)
		-	-
Proposed for approval at AGM (not recognised as a liability as equity dividends on ordinary shares at 31 December)		900,000	1,000,000
Proposed dividend for 2023: ₦0.45 (2022: ₦0.50)		900,000	1,000,000

14 Earnings per share

Basic/diluted earnings per share amounts is calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of ordinary share outstanding at the reporting date.

The following reflects the profit and share data used in the basic/diluted earnings per share computations:

in thousands of Nigerian Naira	2023	2022
Profit after tax	962,909	1,493,249
Weighted average number of ordinary shares for basic/diluted earnings per share	2,000,000	2,000,000
Basic/diluted earnings per ordinary share (Kobo)	48	75

There have been no other transactions involving ordinary share or potential ordinary share between the reporting date and the date of completion of these financial statements.

15 Cash and cash equivalents

As at *in thousands of Nigerian Naira*	Notes	31 December 2023	31 December 2022
Cash on hand		-	30
Current accounts with banks		1,206,751	596,081
Short-term deposits	15.1a	4,054,863	254,623
		5,261,614	850,734
Allowance for credit loss impairment	15.1b	(378)	(90)
		5,261,237	850,644

Cash and cash equivalents in the statement of financial position comprise cash in banks and on hand and short term deposits with original maturity of three months or less. The fair value of cash and cash equivalents approximates their carrying amount.

15.1 *Impairment allowance for current account with banks and short-term deposits measure at amortised cost*

a The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances.

2023

in thousands of Nigerian Naira	Notes	Stage 1	Stage 2	Stage 3	Total
Performing					
High grade		5,261,237	-	-	5,261,237
Standard grade		-	-	-	-
Sub-standard grade		-	-	-	-
Past due but not impaired		-	-	-	-
Non-performing					
Individually impaired		-	-	-	-
		5,261,237	-	-	5,261,237

15.1 *Impairment allowance for current account with bank and short-term deposits measure at amortised cost - continued*

2022

in thousands of Nigerian Naira	Notes	Stage 1	Stage 2	Stage 3	Total
Performing					
High grade		850,704	-	-	850,704
Standard grade		-	-	-	-
Sub-standard grade		-	-	-	-
Past due but not impaired		-	-	-	-
Non-performing					
Individually impaired		-	-	-	-
		850,704	-	-	850,704

b An analysis of changes in the gross carrying amount and the corresponding ECL allowances is, as follows:

2023

in thousands of Nigerian Naira	Notes	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1 January 2023		850,704			850,704
Net movement		4,410,533			4,410,533
At 31 December 2023		5,261,237	-	-	5,261,237

in thousands of Nigerian Naira	Notes	Stage 1	Stage 2	Stage 3	Total
ECL allowances as at 1 January 2023		(90)			(90)
Net movement		(288)			(288)
Credit loss expense		(288)			(288)
At 31 December 2023		(378)			(378)

2022

in thousands of Nigerian Naira	Notes	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1 January 2022		866,224	-	-	866,224
Net movement		(15,520)	-	-	(15,520)
At 31 December 2022		850,704	-	-	850,704

in thousands of Nigerian Naira	Notes	Stage 1	Stage 2	Stage 3	Total
ECL allowances as at 1 January 2022		(32)	-	-	(32)
Net movement		(90)	-	-	(90)
Credit loss reversal	8	(90)	-	-	(90)
Write-off		32			32
At 31 December 2022		(90)	-	-	(90)

16 Investment securities

As at in thousands of Nigerian Naira	Notes	31 December 2023	31 December 2022
16.1 Equity instruments at fair value through other comprehensive income (OCI)			
United Bank for Africa Plc	16.1a	675,441	201,817
Medview Airline Plc	16.1a	53,460	53,460
Transcorp Hotel Plc	16.1a	94,743	8,438
Quoted equity shares		823,644	263,715
Hiers Insurance Limited	16.1b	1,365,000	1,269,700
Heirs Life Assurance Limited	16.1b	1,498,000	1,468,100
Unquoted equity shares		2,863,000	2,737,800
Total		3,686,644	3,001,515

16.1a The equity instrument at fair value through other comprehensive income (OCI) are all investments in shares of listed companies whose fair values are determined by reference to published price quotations on the Nigerian Stock Exchange market.

16.1b Represents investments in equity instruments not quoted on the stock exchange market. The price has been determined using discounted cashflow approach.

16.1c Total dividend earned from equity instrument during the year was ₦33,617,000

The Company has designated its equity investments at fair value through other comprehensive income (FVOCI) on the basis that these are not held for trading

Movement in carrying amount:

As at in thousands of Nigerian Naira	Notes	31 December 2023		31 December 2022
At 1 January		3,001,515		274,490
Additions		108,833		2,700,000
Fair value increase recorded OCI		576,296		27,025
At 31 December		3,686,644	-	3,001,515

16.2 Debt instruments at amortised cost

As at *in thousands of Nigerian Naira*		31 December 2023	31 December 2022
Corporate bonds		927,761	1,102,108
Commercial papers		1,002,192	4,306,075
Deposits with banks with maturity above 90days		7,735,718	7,390,343
		9,665,671	12,798,526
ECL allowance on debt instruments at amortised	16.4	(79,330)	(10,638)
		9,586,341	12,787,888

16.3 Debt instruments at fair value through profit or loss

As at *in thousands of Nigerian Naira*	31 December 2023	31 December 2022
Treasury bills	946,919	-
	946,919	-

16.4 *Impairment allowance for debt instruments measured at amortised cost*

a The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances.

2023 *in thousands of Nigerian Naira*	Stage 1	Stage 2	Stage 3	Total
Performing				
High grade				
Standard grade	9,665,671			9,665,671
Sub-standard grade				-
Past due but not impaired				-
Non-performing				-
Individually impaired				-
	9,665,671	-	-	9,665,671

2022 *in thousands of Nigerian Naira*	Stage 1	Stage 2	Stage 3	Total
Performing				
High grade	-	-	-	-
Standard grade	12,798,526	-	-	12,798,526
Sub-standard grade	-	-	-	-
Past due but not impaired	-	-	-	-
Non-performing				
Individually impaired	-	-	-	-
	12,798,526	-	-	12,798,526

16.4 ***Impairment allowance for debt instruments measured at amortised cost***

b An analysis of changes in the gross carrying amount and the corresponding ECL allowances is, as follows:

in thousands of Nigerian Naira	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1 January 2023	12,798,526	-	-	12,798,526
New assets originated or purchased	2,505,007	-	-	2,505,007
Assets derecognised or repaid	(5,558,983)	-	-	(5,558,983)
At 31 December 2023	9,744,550			9,744,550

in thousands of Nigerian Naira	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 1 January 2022	10,933,705		-	10,933,705
New assets originated or purchased	3,482,524	-	-	3,482,524
Assets derecognised or repaid	(1,617,703)	-	-	(1,617,703)
At 31 December 2022	12,798,526	-	-	12,798,526

	in thousands of Nigerian Naira		Stage 1	Stage 2	Stage 3	Total
c	*ECL allowances as at 1 January 2023*		(10,638)	-	-	(10,638)
	Allowance for expected credit losses		(68,692)	-	-	(68,692)
	Credit loss reversal	8	(68,692)	-	-	(68,692)
	At 31 December 2023		(79,330)	-	-	(79,330)
	ECL allowances as at 1 January 2022		(30,782)	-	-	(30,782)
	Allowance for expected credit losses		(10,637)	-	-	(10,637)
	Assets derecognised or repaid		30,781	-	-	30,781
	Credit loss reversal	8	20,144	-	-	20,144
	At 31 December 2022		(10,638)	-	-	(10,638)

17 **Deposit for shares**

As at *in thousands of Nigerian Naira*	Note	31 December 2023	31 December 2022
		470,000	270,000
Movement in carrying amount			
Opening balance		270,000	2,770,000
Additions		200,000	200,000
Transfer to investment carried at FVTOCI	**17.1**	-	(2,700,000)
At 31 December 2023		470,000	270,000

17.1 Represents investment in Heirs Life and Heirs Assurance Limited converted to shares in 2022.

18 **Trade and other receivables**

As at *in thousands of Nigerian Naira*		31 December 2023	31 December 2022
Financial assets			
Trade receivables		1,041,360	733,832
Staff loans		92,213	68,547
Non-financial assets			
Advance payment	18.1	346,789	417,956
Withholding tax receivables		333,918	149,565
Prepaid directors emolument		36,906	10,500
Prepayments		112,949	188,536
		1,964,135	1,568,936
Allowances for expected credit losses		(93,063)	(54,385)
At 31 December		1,871,072	1,514,551

18.1 Represents payment made for the purchase of items of stationeries expected to be sold to customers.

Trade receivables are recognized and carried at original invoiced amount less an allowance for any impairment. Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days. Other assets are expected to be received within a period of 365 days.

18.1 *Allowances for expected credit losses on trade receivables*

As at *in thousands of Nigerian Naira*	Notes	31 December 2023	31 December 2022
At 1 January		54,385	56,812
Expense/(reversal) to expected credit loss	8	44,611	(2,226)
Write-off		(5,933)	(200)
		93,063	54,385

19 Property and equipment

in thousands of Nigerian Naira	Building	Computer equipment	Motor vehicles	Plant & machinery	Furniture fitting &	Work in progress	Total
Cost:							
At 1 January 2022	200,908	136,603	39,761	115,057	77,044	-	569,373
Additions during the year	-	19,112	-	2,842	85	363,254	385,293
Revaluation	62,392	-	-		-	-	62,392
At 31 December 2022	263,300	155,715	39,761	117,899	77,129	363,254	1,017,058
Reclassification of WIP	402,843	-	-	-	-	(402,843)	-
Additions during the year	6,172	36,181		56,362	456	39,589	138,760
Disposal				(2,980)	(6,151)	-	(9,131)
At 31 December 2023	672,315	191,896	39,761	171,281	71,434	-	1,146,687
Accumulated depreciation:							
At 1 January 2022	27,093	104,577	32,661	96,773	51,530	-	312,634
Charge for the year	5,038	15,531	6,787	7,709	10,818	-	45,883
Transfer to revaluation reserve	(32,131)	-	-		-	-	(32,131)
At 31 December 2022	-	120,109	39,448	104,482	62,348	-	326,386
Charge for the year	10,626	16,812	172	8,854	8,767	-	45,231
Disposal	-	-	-	(2,845)	(5,555)	-	(8,400)
At 31 December 2023	10,626	136,921	39,620	110,491	65,560	-	363,217
Carrying amount							
At 31 December 2023	661,689	54,975	141	60,790	5,874	-	783,470
At 31 December 2022	263,300	35,607	313	16,720	11,478	363,254	690,671

i No leased assets are included in the above property and equipment (2022: Nil).

ii There were no capital commitment contracted or authorised as at the reporting date (2022: Nil).

iii There were no capitalised borrowing cost related to the acquisition of property and equipment during the year (2022: Nil).

iv None of the assets are pledged during the year (2022: Nil).

v Work in progres represents capital expenditure incurred on the renovation of the Company's building.

vi The Company's building on Ikorodu Road was professionally valued on 15 December 2022 by an independent valuer Emma Ezeama & Co Estate Surveyors and Valuers (FRC/2013/NIESV/00000638). The valuation which was based on open market value between a willing buyer and a willing seller produced a surplus amount of ₦94,524,000 which has been credited to the property, plant and equipment revaluation account. As a result of the valuation, the revised value of the building as at 31 December 2022 was ₦263,300,000.

v In arriving at the market value, the valuer adopted the depreciated cost method of valuation. This is due to the dearth evidence of sales of comparable properties

vi If building was measured using the cost model, the carrying amount would be as follows:

in thousands of Nigerian Naira	31 December 2023	31 December 2022
Cost	100,056	100,056
Accumulated depreciation	(25,014)	(22,513)
Carrying amount	75,042	77,543

vii In 2023, the Company sold machinery and furniture with a total net carrying amount of ₦731,000 for a cash consideration of ₦3,101,000. The net gains on these disposals were recognised as part of other operating income in the statement of profit or loss (Note 7)

20 **Right-of-use-assets**

in thousands of Nigerian Naira	Office buidling
Cost	
As at 1 January 2022	28,760
Additions	13,451
At 31 December 2022	42,211
Termination of right of use asset	(3,785)
At 31 December 2023	38,426
Accumulated depeciation	
As at 1 January 2022	21,888
Charged for the year	6,774
As at 31 December 2022	28,662
Charged for the year	9,764
At 31 December 2023	38,426
Carrying amount	
At 31 December 2023	-
At 31 December 2022	13,548

In 2023, the lease contract was terminated and a net amount of N3,785,000 was written off. The net loss on this termination was recognised as part of other operating expenses in the statement of profit or loss

20.1 **Lease liabilities**

	31 December 2023	31 December 2022
As at 1 January	8,777	6,519
Additions	-	13,451
Accretion of interest	861	1,057
Derecognition of lease	(3,074)	-
Payments	(6,564)	(12,250)
At 31 December 2023	-	8,777
Maturity analysis of undiscounted cashflows		
Less than one year	-	8,777
Within the next one year	-	-

20.2 **The following are the amounts recognised in profit or loss:**

Depreciation expense of right-of-use assets	9,764	6,774
Interest expense on lease liabilities	861	1,057
Expense relating to short-term leases	-	8,138
	10,625	15,969

21 **Intangible assets**

in thousands of Nigerian Naira	Computer software	Work in progress	Total
Cost:			
At 1 January 2022	193,582	-	193,582
Additions during the year	960	105,035	105,995
At 31 December 2022	194,542	105,035	299,577
Additions during the year	36,691	251,157	287,848
Recalssification of software assets	223,081	(223,081)	-
At 31 December 2023	454,314	133,111	587,425
Accumulated amortisation and impairment			
At 1 January 2022	132,247	-	132,247
Amortisation charge for the year	25,462	-	25,462
At 31 December 2022	157,709	-	157,709
Amortisation charge for the year	53,469	-	53,469
At 31 December 2023	211,178	-	211,178
Carrying amount			
At 31 December 2023	243,136	133,111	376,247
At 31 December 2022	36,833	105,035	141,868

Work in progress represents capital expenditure incurred on the development of software. Work in progress are not internally generated.

The Computer software represents purchased software.

22 **Customers' deposits**

As at *in thousands of Nigerian Naira*	31 December 2023	31 December 2022
Dividend: ordinary shares	11,925,519	8,650,815
Return money - public offers	-	60,411
Bond Interest	160,253	273,804
	12,085,772	**8,985,030**
Current	12,085,772	8,985,030
	12,085,772	8,985,030

The balance represents dividends, return monies and other interests received on behalf of clients.

22.1 **Movement in customers' deposits**

Opening Balance	8,985,030	6,199,925
Amount received during the period	287,226,869	246,448,620
Amount paid out during the period	(284,126,127)	(243,663,515)
	12,085,772	8,985,030

23 **Creditors and accruals**

As at *in thousands of Nigerian Naira*	31 December 2023	31 December 2022
Trade payables	246,755	104,970
Accrued expenses	73,957	39,987
	320,712	144,957

Terms and conditions of the above financial liabilities:
- Trade payables are non-interest bearing and are normally settled on 60-day terms.
- Accrued expenses are non-interest bearing and have an average term of six months.

24 **Current income tax payable**

As at *in thousands of Nigerian Naira*	Notes	31 December 2023	31 December 2022
At the beginning of the year:		679,263	629,429
Current income tax charge			
Company income tax		389,943	645,126
Education tax		48,854	54,794
Nigerian Police Trust Fund		72	108
Over provision in prior years		-	(20,765)
	12.1	**438,869**	**679,263**
Payments during the year			
Withholding tax credit utilised		-	(50,785)
Payments during the year		(558,520)	(557,879)
		(558,520)	**(608,664)**
Balance at the end of the year		**559,612**	**700,028**

The charge for income tax in these financial statement is based on the provisions of the Companies Income Tax Act CAP C21 LFN 2004 as amended and the Education Tax Act CAP E4 LFN 2004, the Police Trust Fund Act and the Nigerian Information technology Development Agency (NITDA) Act 2007.

25 Deferred tax liabilities

As at *in thousands of Nigerian Naira*		**31 December 2023**	**31 December 2022**
At the beginning of the year:		46,306	52,656
Deferred tax expense during the period recognised in profit or loss	12.1	39,043	(6,350)
Equity investment at fair value		184,049	-
Balance at the end of the year		269,398	46,306

Movement in deferred tax during the year relates to the following:

in thousands of Nigerian Naira	**Opening balance**	**Recognised in profit/(loss)**	**Recognised in OCI**	**Closing balance**
31 December 2023				
Property, plant and equipment	67,725	68,667	-	136,392
Provisions	(19,282)	(19,768)	-	(39,050)
Exchange differences	(2,137)	(9,856)	-	(11,993)
Equity investment at fair value	-	-	184,049	184,049
	46,306	39,043	184,049	269,398

25 Deferred tax liabilities

31 December 2022				
Property, plant and equipment	71,938	(4,213)	-	67,725
Provisions	(19,282)	-	-	(19,282)
Exchange differences	-	(2,137)	-	(2,137)
	52,656	(6,350)	-	46,306

26 Share capital and reserves

As at *in thousands of Nigerian Naira*	**31 December 2023**	**31 December 2022**
i *Issued and fully paid:*		
Two billion ordinary shares of 50k each	1,000,000	1,000,000

The ordinary shareholders have rights to vote at the Company's annual general meetings and to receive part of the company's profits after the holders of preference shares have been paid.

ii *Share premium*
Share premium is the excess paid by shareholders over the nominal value for their shares.

At 31 December	624,446	624,446

iii *Fair value reserve*

At the beginning of the year:	32,107	5,082
Net fair value gain on equity instruments	397,940	27,025
	430,047	32,107

Fair value reserve represents accumulated fair value gains or losses on equity investments carried at fair value.

iv *Retained earnings*

At the beginning of the year:	7,563,915	7,070,666
Dividend declared/ paid	(1,000,000)	(1,000,000)
Profit for the year	962,909	1,493,249
	7,526,824	7,563,915

v *Revaluation reserve*	Note	**31 December 2023**	**31 December 2022**
At the beginning of the year:		165,120	70,596
Revaluation surplus on building	19(vi)	-	94,524
Tax on revaluation surplus	25	-	-
		165,120	165,120

Revaluation reserve represents revaluation surpluses on building carried at revalued amount.

27 **Related party transactions**

27.1 **Key management personnel**

Key management personnel constitutes those individuals who have the authority and the responsibility for planning, directing and controlling the activities of Africa Prudential Plc, directly or indirectly.

The key management personnel of the Company include all directors (executive and non-executive) and senior management. The summary of compensation of the key management personnel for the year is as follows:

in thousands of Nigerian Naira	**2023**	**2022**
27.2 **Emolument of directors**		
Directors fees & other emoluments		
Highest paid director	8,250	8,250
Other directors	58,957	58,375
	67,207	66,625
Fees	14,500	14,500
Other emoluments	52,707	52,125
	67,207	66,625
The total number of Directors	8	8
27.3 **Compensation of senior management**		
Short term employee benefits	182,877	128,085
The total number of senior management	9	11

Staff numbers and costs

The number of persons employed (excluding directors) in the company during the year was as follows:

	2023	**2022**
₦800,001 - ₦1,200,000	-	10
₦1,200,001 - ₦2,000,000	4	17
₦2,000,001 - ₦3,000,000	10	14
₦3,000,001 - ₦5,000,000	8	26
₦5,000,001 - ₦7,000,000	8	4
₦7,000,001 - ₦8,000,000	8	4
₦8,000,001 - ₦10,000,000	19	2
₦10,000,001 - Above	23	12
	80	89

28 **Contingent assets, liabilities and commitments**

The Company had no contingent assets as at 31 December 2023 (31 December 2022: Nil). The Company is involved in 6 (31 December 2022: 8) litigation suits in the ordinary course of its business. The actions are being contested and the Directors are of the opinion that none of the cases are likely to have a material adverse effect on the Company.

29 **Capital commitments**

The Company had no capital commitments as at 31 December 2023 (31 December 2022: Nil).

30 **Events after reporting date**

The Company discontinued the offering of Digital Products solutions to clients from January 2024. This is to support its new year strategy on focusing on its core mandate of Registrar business and Investors Relations.

Also, on 30 January 2024, the Board of Africa Prudential Plc announced the appointment of Mrs. Catherine Uzoamaka Nwosu as the incoming Managing Director and Chief Executive Officer to replace Mr. Obong Idiong whose resignation is effective from 29 February 2024. Mrs. Catherine Uzoamaka Nwosu apointment will become effective from 1 March 2024.

Aside the above, there were no events subsequent to the financial position date which require adjustment to or disclosures in the financial statements.

31 **Contraventions**

The Company contravene the Securities and Exchange Commission Act in respect of delay in return of unclaimed dividiends to the Clients in 2023. A penalty of N12,480,000 (2022 = Nil) was imposed and has been paid by the Company.

32 **Free Float Computation - Shareholding Pattern**

Shareholding Structure/Free Float Status		**31 December**		**31 December**
Description		**2023**		**2022**
	Units	%	Units	%
Issued Share Capital	2,000,000,000	100%	2,000,000,000	100%
Substantial Shareholdings (5% and above)				
International Equity Capital Limited	519,000,000	25.95%	519,000,000	25.95%
Total substantial shareholdings	**519,000,000**	25.95%	**519,000,000**	**25.95%**
Directors' Shareholdings (Direct and indirect), excluding directors with substantial interest				
Chief (Mrs) Eniola Fadayomi	4,006,060	0.20%	4,006,060	0.20%
Mr. Emmanuel Nnorom	10,698,079	0.53%	10,558,865	0.53%
Mr. Samuel Nwanze	83,009	0.00%	83,009	0.00%
Mrs Zainab Mahey Rasheed	-		-	-
Mrs Funmibi Chima	-		-	-
Mr. Peter Elumelu	13,891	0.00%	13,891	0.00%
Mr. Peter Ashade	1,096,314	0.05%	1,703,864	0.09%
Mr. Obong Idiong	5,301,749	0.27%	4,275,876	0.21%
Total Directors' Shareholdings	**21,199,102**	**1.06%**	**20,641,565**	**1.03%**
Other influential Shareholdings:				
Stanbc Ibtc Nominees Nigeria Ltd	2,000,000	0.10%	2,000,000	0.10%
Total other influential shareholdings	**2,000,000**	**0.10%**	**2,000,000**	**0.10%**
Free float in units and percentage	1,457,800,898	**72.89%**	1,458,358,435	72.92%
Share price	6.00		6.00	
Free float in Value	**8,746,805,388**	**72.89%**	**8,750,150,610**	**72.92%**

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Africa Prudential Plc Plc with a free float percentage of 72.89% (2022: 72.92%), is compliant with The Exchange's free float requirements for companies listed on the Main Board.

Africa Prudential Plc with a free float value of ₦8,746,805,388 (2022: ₦8,750,150,610) is compliant with The Exchange's free float requirements for companies listed on the Main Board.

33 Securities Trading Policy

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule) Africa Prudential Plc maintains a Security Trading Policy which guides Directors, Audit Committee members, employees and all individuals categorized as insiders as to their dealing in the Company's shares. The Policy undergoes periodic reviews by the Board and is updated accordingly. The Company is not aware of any infringement of the policy during the year.

OTHER NATIONAL DISCLOSURES

VALUE ADDED STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

in thousands of Nigerian Naira	2023	%	2022	%
Gross earnings	3,952,996		4,132,848	
Bought in material and services:				
Local	(1,512,447)		(1,105,962)	
Value Added	**2,440,549**	**108%**	**3,026,886**	**100%**
Applied as follows:				
To pay employees				
- as salaries, wages and other benefits	948,662	42%	781,548	26%
To pay providers of capital:				
- Finance charges	861	0%	1,057	0%
To provide for Government				
- as company taxation	477,912	21%	679,263	22%
For expansion				
- as Depreciation	45,231	2%	52,657	2%
- as Amortisation	53,469	2%	25,462	1%
- as Deferred taxation	(223,092)	-10%	(6,350)	0%
- as profit for the year	962,909	42%	1,493,249	49%
Value Added	**2,265,953**	100%	**3,026,886**	100%

The value added statement represents the wealth created by the efforts of the company and its employees' efforts based on ordinary activities and the allocation of that wealth being created between employees, shareholders, government and that retained for the future creation of more wealth.

FIVE-YEAR FINANCIAL SUMMARY

As at *in thousands of Nigerian Naira*	31 December 2023	31 December 2022	31 December 2021	31 December 2020	31 December 2019
Cash and cash equivalents	5,261,237	850,644	866,192	1,005,752	1,622,185
Investment securities	14,219,905	15,789,403	11,177,412	13,302,157	16,226,111
Deposit for shares	470,000	270,000	2,770,000	2,770,000	-
Trade and other receivables	1,871,072	1,514,551	625,626	298,665	412,582
Property and equipment	783,470	690,671	256,739	282,575	314,854
Right-of-use-assets	-	13,549	6,872	7,586	14,725
Intangible asset	376,247	141,868	61,335	61,835	58,876
Total assets	22,981,930	19,270,686	15,764,176	17,728,570	18,649,333
Liabilities					
Customers' deposits	12,085,772	8,985,030	6,199,925	8,639,683	9,644,466
Creditors and accruals	320,712	144,957	104,857	86,574	32,139
Lease liabilities	-	8,777	6,519	7,198	12,292
Income tax payable	559,612	700,028	629,429	579,083	634,296
Deferred tax liabilities	269,398	46,306	52,656	46,379	41,856
Total liabilities	13,235,493	9,885,098	6,993,386	9,358,917	10,365,049
Total net assets	9,746,437	9,385,588	8,770,790	8,369,653	8,284,284
Share capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Share premium	624,446	624,446	624,446	624,446	624,446
Revaluation reserve	165,120	165,120	70,596	70,596	70,596
Fair value reserves	430,047	32,107	5,082	18,612	(20,728)
Retained earnings	7,526,824	7,563,915	7,070,666	6,655,999	6,609,970
Shareholders' funds	9,746,437	9,385,588	8,770,790	8,369,653	8,284,284
Total liabilities & Equity	22,981,930	19,270,686	15,764,176	17,728,570	18,649,333
Revenue	3,988,989	4,165,030	3,617,982	3,508,133	3,906,653
Operating expenses	(2,547,307)	(1,998,868)	(1,611,912)	(1,558,782)	(1,464,516)
Profit before tax	1,441,682	2,166,162	2,006,071	1,980,142	2,389,454
Profit after tax	962,909	1,493,249	1,414,667	1,446,029	1,681,029
Earnings per share	48	75	71	72	98

Earnings per share is computed on the profit after taxation and the shareholders fund on the basis of the number of shares issued as at the statement of financial position date.