



FULL YEAR 2013 EARNINGS PRESS RELEASE

Chams Plc records 115.3% growth in profit after tax

ON MARCH 31, 2014, CHAMS PLC, NIGERIA'S LEADING TECHNOLOGY Solutions Company with capability in identity management, payment collections and transactions systems, announced its financial results for the year ended 31 December 2013.

The Group's results showed resilience in key financial data with the following highlights:

- Strong revenue growth of 21.3% from N2.84 billion in 2012 to N3.44 billion in 2013;
- Impressive growth in net profits; up by 115.3% to N188.5 million versus N87.5 million the previous year;
- Earnings Per Share came it at N0.07, more than twice what was recorded in the corresponding period;
- Total assets grew by 22.9% to N10.7 billion, compared to N8.7 billion in 2012; and
- Shareholders' funds improved by 5% to N4.7 billion (N4.5 billion was recorded in 2012).

Commenting on the results, the Group Managing Director of the Company, Mr. Demola Aladekomo, said "we are pleased with our financial performance in the year 2013, as it confirms that the various initiatives we are putting in place are bearing fruits. To come from a loss position in the last three years to profitability is quite commendable and we are confident that things can only become better for us. More gratifying is the fact that we have sustained our topline growth trajectory, an indication that we have continued to increase our market share and remain competitive. We have entered into some partnership agreements that will impact positively on our performance; these include the Bankers' Biometric Know Your Customer (KYC) project commissioned by the Central Bank of Nigeria (CBN), the National Identity Project led by the National Identity Management Commission (NIMC) and the Osun State Residency Card Identity Management Program".

The Group Deputy Managing Director, Mr. Femi Williams believes that the prospects for the business are solid, especially in the Group's core business. According to him, "the bulk of our revenue comes from identity management, which is our area of specialty. You will observe that the performance of the company itself was better than what was recorded at the Group level. For instance from a revenue figure of N3.1 billion, the company generated an operating profit of N846.1 million, representing a margin of 27%. This enabled us to achieve a net profit of N723.3 million (profit margin of 23.3%). You can see that we have a very profitable core business, and this is why we have set targets for ourselves to restructure our non-core operations".

FINANCIAL SUMMARY OF "THE COMPANY" ONLY

COMPANY INCOME STATEMENT (SELECTED ITEMS)			COMPANY FINANCIAL POSITION STATEMENT (SELECTED ITEMS)		
Parameter	2013 N' Million	2012 N' Million	Parameter	2013 N' Million	2012 N' Million
Revenue	3,142	2,604	Current Assets	8,974	7,465
Gross Profit	1,736	2,208	Non-Current Assets	3,360	3,384
Operating Profit	846	939	Total Assets	12,334	10,849
Profit Before Taxation	634	715	Current Liabilities	4,142	3,170
Profit for the Year	723	637	Non-Current Liabilities	-	211
Earnings Per Share (kobo)	15	14	Net Assets	8,192	7,469

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2013.

	GROUP		COMPANY	
	2013 N'000	2012 N'000	2013 N'000	2012 N'000
Revenue	3,439,197	2,835,704	3,142,035	2,604,113
Cost of sales	(1,589,411)	(533,969)	(1,405,554)	(396,322)
Gross profit	1,849,786	2,301,735	1,736,481	2,207,791
Other operating income	22,342	5,42,709	20,042	171,440
Administrative expenses	(1,551,931)	(2,444,684)	(910,405)	(1,439,414)
Profit from operations	320,197	399,760	846,118	939,817
Finance expenses	(216,472)	(230,133)	(211,942)	(224,887)
Finance income	3,198	-	-	-
Net finance expenses	(213,274)	(230,133)	(211,942)	(224,887)
Profit before tax	106,923	169,627	634,176	714,930
Tax expense	81,541	(82,088)	89,106	(77,586)
Profit for the year after tax	188,464	87,539	723,282	637,344
Other Comprehensive Income:				
Item that will not be reclassified to profit or loss	-	-	-	-
Item that may be reclassified to profit or loss	-	-	-	-
Total Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	188,464	87,539	723,282	637,344
Loss attributable to non controlling interest	(132,567)	(51,377)	-	-
Profit attributable to Parent	321,031	138,916	723,282	637,344

	GROUP		COMPANY	
	2013 N'000	2012 N'000	2013 N'000	2012 N'000
Total comprehensive Income	188,464	87,539	723,282	637,344
Basic earnings per share (Kobo)	7k	3k	15k	14k
Diluted earnings per share (Kobo)	7k	3k	15k	14k

CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 DECEMBER 2013

	GROUP		COMPANY	
	2013 N'000	2012 N'000	2013 N'000	2012 N'000
ASSETS				
Non-current assets				
Property, plant and equipment	1,682,203	2,056,248	1,164,419	1,234,336
Investment project	151,236	99,738	150,936	99,438
Intangible assets	98,703	135,113	98,703	105,113
Investment in subsidiaries	-	-	1,845,985	1,845,985
Available for sale financial assets	100,000	100,000	100,000	100,000
	2,032,142	2,391,099	3,360,043	3,384,872
Current assets				
Inventories	935,909	986,737	240,491	159,681
Trade and other receivables	7,484,052	4,995,079	8,506,073	7,088,108
Cash and cash equivalents	137,526	159,792	98,645	32,471
Deferred tax asset	129,126	184,686	129,126	184,686
	8,686,613	6,326,294	8,974,335	7,464,946
Total assets	10,718,755	8,717,393	12,334,378	10,849,818
LIABILITIES				
Non-current liabilities				
Deferred tax liability	-	210,688	-	210,688
Current liabilities				
Trade and other payables	4,574,337	2,472,567	2,744,125	1,637,170
Loans and borrowings	940,523	1,091,994	907,610	1,082,281
Corporate tax liability	526,148	452,561	490,295	424,273
Due to related companies	-	-	-	26,340
	6,041,008	4,017,122	4,142,030	3,170,064
Total liabilities	6,041,008	4,227,810	4,142,030	3,380,752
Net assets	4,677,747	4,489,583	8,192,348	7,469,066
Issued capital and reserves attributable to owners of the parent				
Share capital	2,348,030	2,348,030	2,348,030	2,348,030
Share premium	5,458,750	5,458,750	5,458,750	5,458,750
Capital redemption reserve	131,094	78,571	-	-
Retained earnings	(2,892,657)	(3,613,136)	385,568	(337,714)
	5,045,217	4,272,215	8,192,348	7,469,066
Non-controlling interest	(367,470)	217,368	-	-
Total equity	4,677,747	4,489,583	8,192,348	7,469,066

ABOUT CHAMS PLC:

Chams Plc (The Company) was incorporated as a limited liability on 10 September 1985, and became a Public Company on 4 September 2008. It has 4,696 million shares listed and traded on the Nigerian Stock Exchange. The principal activities of the company and its subsidiaries (The Group) include identity management, payment collections and transactional systems.

The company has the following subsidiaries:

- ChamsAccess Limited;
- ChamsMobile Limited;
- ChamsSwitch Limited; and
- Cardcentre Nig. Limited.

INVITATION TO TELECONFERENCE CALL TO DISCUSS RESULTS

The management of Chams Plc is please to invite you to a teleconference call, as they present the company's full year 2013 financial results. At the end of the presentation, there will be an opportunity for questions.

The results presentation relating to the call can be downloaded from the company's website in the Monday 14 April 2014, via the following link: <http://chamspc.com/investor-relations/>

Kindly dial-in five minutes before start time. Full detail of the call is shown below.

CONFERENCE CALL DETAILS

Conference Name	Chams' Full Year 2013 Results Presentation
Chairperson's Name	Demola Aladekomo (Group Managing Director/CEO)
Additional Speakers	Femi Williams (Deputy Managing Director) Mayowa Olaniyan (GM, Finance and Accounts)
Call Date	Monday, 14 April 2014
Call Time	15:00 Lagos and London time
Duration (hh:mm)	01:00
Required participant information	Name, Company
Host Dial In Number	+44 (0) 20 3023 4484
Participant Dial In Number(s)	0 800 980 512 - South Africa Toll Free +44 (0) 20 3003 2666 - Standard International Access 0808 109 0700 - UK Toll Free 1 866 966 5335 - USA Toll Free
Password	Chams