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Prudential

Prudential Financial and LeapFrog Investments announce intention to acquire a strategic minority interest in Alexander Forbes Group Holdings Limited

Prudential Financial and LeapFrog Investments are backing one of Africa's leading independent providers of financial advice, retirement, investment, and wealth management services, further deepening their presence and potential to impact people's lives across the continent

JOHANNESBURG & NEWARK, N.J.--(BUSINESS WIRE)-- Prudential Financial, Inc. (Prudential Financial) (NYSE: PRU), in partnership with LeapFrog Investments Group, Ltd. (LeapFrog Investments), announced its intention to acquire a strategic minority interest in Alexander Forbes Group Holdings Limited (JSE: AFH), a leading provider of financial advice, retirement, investment, and holistic wealth management services in South Africa.

The transaction builds upon Prudential Financial's partnership with LeapFrog Investments to access high-growth financial services markets in Africa and deliver essential financial tools to emerging consumers. Since 2016, Prudential Financial and LeapFrog Investments have invested in high-quality market leaders across the African continent, including Enterprise Group in Ghana and ICEA LION in Kenya.

"We are excited to broaden our presence in Africa and enter South Africa with an investment in Alexander Forbes through our partnership with LeapFrog Investments," said Pavan Dhamija, Prudential Financial's regional president (Africa, India, Indonesia, and Business Development). "This transaction underscores Prudential's continued focus on Africa as a strategically important growth market and our vision to be a global leader in expanding access to investing, insurance, and retirement security. We identified Alexander Forbes as the market leader in South Africa best capable of advancing our vision and strategy."

Gary Herbert, COO and partner at LeapFrog Investments, stated, "Through our strategic partnership with Prudential, we are backing the exceptional team at Alexander Forbes to continue to provide life-changing access to retirement and investment benefits in Southern Africa. This investment reinforces our commitment to deepening access to financial tools to generate prosperity for consumers in emerging markets."

"We are delighted to welcome long-term strategic shareholders of the caliber of Prudential Financial and LeapFrog who believe in our vision and support our strategy to achieve it. Their investment is an affirmation of the impact that we make on people's lives, the quality of our team, and the potential that exists to unlock even greater value for our stakeholders," said Dawie de Villiers, CEO of Alexander Forbes. "The conviction of our long-term strategic shareholders, including ARC, can provide confidence to the market in the investment case for Alexander Forbes as we accelerate our transformation towards becoming the most impactful provider of financial advice to institutional clients and individual customers. It is an exciting development, and we look forward to leveraging the global insights available through Prudential Financial to enhance our value proposition."

Under the terms of the transaction, Prudential Financial, with LeapFrog Investments acting as the investment manager, will acquire a minority interest in Alexander Forbes from Mercer.

The transaction is subject to regulatory approvals and other customary closing conditions. LeapFrog's appointment as investment manager is subject to approval by the Mauritius Financial Services Commission.

Deutsche Bank acted as financial advisor, and Cliffe Dekker Hofmeyr Inc. and ENSafrica in South Africa and Debevoise & Plimpton LLP acted as legal advisors to Prudential Financial and LeapFrog Investments on the transaction. Standard Bank acted as financial advisor, and Bowmans acted as legal advisor to Alexander Forbes on the transaction.

About Prudential
Prudential Financial, Inc. (NYSE: PRU), a global financial services leader and premier active global investment manager with more than $1.5 trillion in assets under management as of Dec. 31, 2021, has operations in the United States, Asia, Europe, and Latin America. Prudential's diverse and talented employees help to make lives better by creating financial opportunity for more people. Prudential's iconic Rock symbol has stood for strength, stability, expertise, and innovation for more than a century. For more information, please visit news.prudential.com.

Prudential Financial is not affiliated in any manner with Prudential plc, an international group incorporated in the United Kingdom or the Prudential Assurance Company, a subsidiary of M&G plc, a company incorporated in the United Kingdom.

About LeapFrog Investments
LeapFrog invests in exceptional businesses in Africa and Asia, partnering with their leaders to achieve new levels of growth, profitability and impact. Founded in 2007, LeapFrog's companies now reach 272 million people across 35 countries with healthcare or financial services, providing jobs and livelihoods to 143,000 people. Through consistent delivery on a strategy of Profit with Purpose, LeapFrog has raised over $2 billion from global institutional investors, including $500 million recently committed by Temasek. LeapFrog has been ranked by Fortune as one of the top 5 Companies to Change the World. For more information, please visit leapfroginvest.com.

About Alexander Forbes
Alexander Forbes is a financial services group that impacts people's lives by delivering insight and advice to individuals, employers and retirement funds. Alexander Forbes is listed on the Johannesburg Stock Exchange and headquartered in Johannesburg, South Africa.

Since its founding in 1935, Alexander Forbes has played an integral role in South Africa's financial services industry, having built a leading brand synonymous with insight, advice, and impact. The company has leveraged partnerships to provide specialist consulting services across 32 African countries to efficiently serve the holistic advice needs of multinational employers. Alexander Forbes is a recognised leader across multiple lines of business servicing over 4,500 corporates with over 1 million members. Alexander Forbes Investments is the largest multi-manager in South Africa with over R420 billion in assets under administration and management. For more information, please visit alexanderforbes.co.za.

Disclaimer
Certain of the statements included in this release, such as those regarding the expected transaction discussed herein and Prudential's strategy and growth prospects constitute forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Words such as "expects," "believes," "anticipates," "includes," "plans," "assumes," "estimates," "projects," "intends," "should," "will," "shall" or variations of such words are generally part of forward-looking statements. Forward-looking statements are made based on management's current expectations and beliefs concerning future developments and their potential effects upon Prudential Financial, Inc. and its subsidiaries. There can be no assurance that future developments affecting Prudential Financial, Inc. and its subsidiaries will be those anticipated by management. These forward-looking statements are not a guarantee of future performance and involve risks and uncertainties, and there are certain important factors that could cause actual results to differ, possibly materially, from expectations or estimates reflected in such forward-looking statements. Certain important factors that could cause actual results to differ, possibly materially, from expectations or estimates reflected in such forward-looking statements can be found in the "Risk Factors" and "Forward-Looking Statements" sections included in Prudential's Annual Report on Form 10-K. Prudential does not undertake to update any particular forward-looking statement included in this release.

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