

2022

**ANNUAL REPORT &
FINANCIAL STATEMENTS**

...a promise to your future self!

Corporate Profile

Veritas Glanvills Pensions (VG Pensions) Limited formerly FUG Pensions, is a licensed Pension Fund Administrator managing Retirement Savings Accounts (RSA) of individuals and pension assets of institutions in the public and private sectors of the country. The Company is owned by two institutional shareholders; Veritas Kapital Assurance and Glanvills Enthoven & Co. Limited.

For over 14 years, VG Pensions has remained committed to providing exceptional client services, efficient benefits administration, and high investment returns and growth in the pension funds under its management.



Vision: To be the most trusted PFA of choice.



Mission: To deliver outstanding investment returns and efficient benefit administration by employing world-class management expertise and technology.



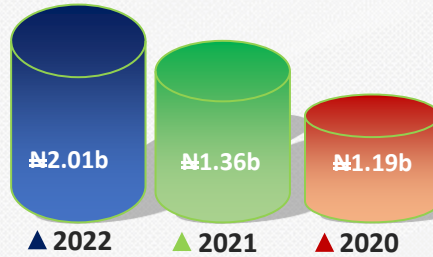
Core Values: Trust. Integrity. Prudence. Partnership.



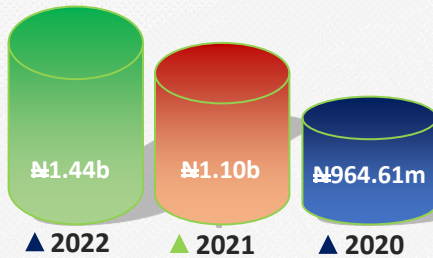
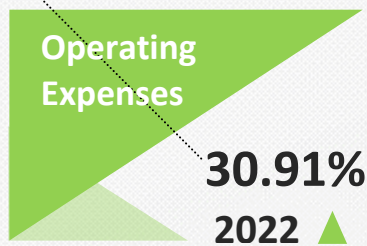
Products and Services

- Retirement Savings Account
- Additional Voluntary Contribution
- Micro Pension Plan
- Retirement Benefit Administration
- Sharia Compliant Retirement Fund
- Pension Advisory Services
- Gratuity/Legacy Fund Management
- Cross Border Pensions
- Pension Mortgage

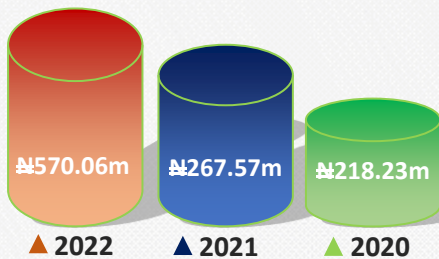
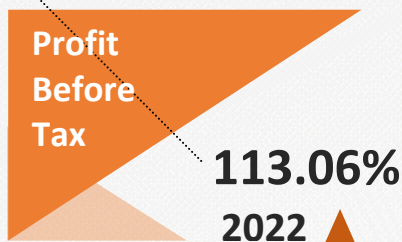
Business & Financial Highlights



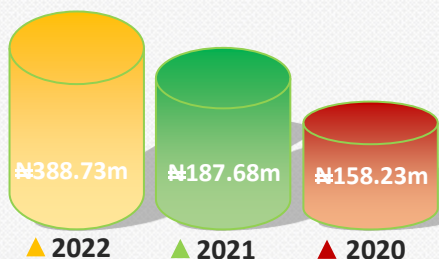
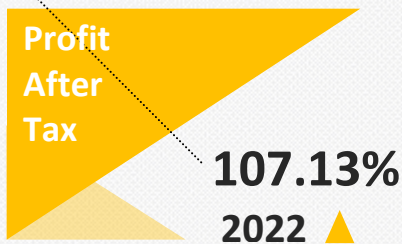
Gross revenue grew by 47.79% to N2.01 billion in 2022 from N1.36 billion recorded in 2021.



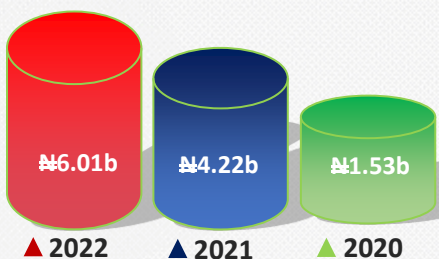
Operating expenses increased by 30.91% to N1.44 billion in 2022 from N1.10 billion in 2021.



Profit before taxation stood at N570.06 million from N267.57 million recorded in 2021 representing a 113.06% growth.



Profit after taxation grew by 107.13% to N388.73 million from N187.68 million recorded in 2021.



Shareholders' fund rose by 42.15%, from N4.22 billion in 2021 to N6.01 billion in 2022.

Chairman's Statement



FAROUK LAWAL YOLA
Chairman, Veritas Glanvills Pensions Limited



Chairman's Statement

Our esteemed Shareholders, representatives of the Regulators, representatives of our External Auditors, fellow Directors, Ladies and Gentlemen. It is with great pleasure that I welcome you all to the 16th Annual General Meeting of our Company, Veritas Glanvills Pensions Limited where I will delightfully present to you the Annual Reports and Accounts of our Company for the financial year ended December 31, 2022.

The year 2022 was characterized by significant challenges that affected businesses globally, notably the war in Ukraine resulting in food and energy crises; and the heightened inflationary pressure leading to high cost of doing business. Despite the challenging economic landscape witnessed in 2022, our Company finished the year stronger and better than in 2021.

BUSINESS AND FINANCIAL RESULTS

Our gross revenue grew by 47.79% to N2.01 billion in 2022 from N1.36 billion recorded in 2021. Operating expenses increased by 30.91% to N1.44 billion in 2022 from N1.10 billion in 2021.

The profit before taxation stood at N570.06 million from N267.57 million recorded in 2021 representing a 113.06% growth. Profit after taxation also grew by 107.13% to N388.73 million from N187.68 million recorded in 2021. **Our Shareholders' fund** rose by 42.15%, from N4.22 billion in 2021 to N6.01 billion in 2022.

DIVIDEND

In line with our promise to deliver strong and sustainable returns to our

shareholders, the Board declared a final dividend of 5Kobo per share totaling N250,000,000 from the retained earnings account as of 31 December 2022.

CHANGES IN BOARD COMPOSITION

During the year under review, Chief Adetunji Omisore retired from the Board on 27th February 2022, having served the Company meritoriously for fifteen years. I wish him success in all his future endeavors. During the same period, two new Directors were appointed: a Non-Executive Director, Dr. Babatunde Onadeko who joined the Board in October 2022, and an Executive Director, Mr. Peter Anija Okoye who assumed duty on 1st June 2022.

2023 OUTLOOK

As we continue to improve in all areas of our business, we believe that 2023 will be a better year for our Company. The prospects are good despite the extreme challenges that are still resonating through the global and local markets. We will continue to aim for greater successes.

On behalf of the Board of Directors, I would like to thank the Management team and all other employees for ensuring the Company's corporate objectives are achieved. I commend their hard work and dedication to assigned duties. My appreciation also goes to my colleagues on the Board for the mutual cooperation and invaluable support and guidance they give at all times to Management. We also say thank you to our Regulators for their strong oversight and all the work they are doing to protect and strengthen the pension industry. To our esteemed customers who are the reason for our existence, we say a

big thank you to you. Your loyalty is greatly appreciated.



We also say thank you to our Auditors and all other stakeholders.

I must not fail to appreciate our shareholders, who have invested and remained committed to the long-term success of our great Company. Thank you and God bless you all.

A handwritten signature in black ink, appearing to read "Farouk Lawal Yola".

FAROUK LAWAL YOLA
CHAIRMAN, BOARD OF DIRECTORS

Managing Director's Statement



GODSON UKPEVO
MD/CEO, Veritas Glanvills Pensions Limited



Managing Director's Remarks

Our dear Shareholders, the Chairman and members of the Board, representatives of our Regulators and External Auditors, Ladies and Gentlemen. I am pleased to welcome you to the 16th Annual General Meeting of Veritas Glanvills Pensions Limited.

2022 REVIEW

The year 2022 was challenging in many respects, with significant headwinds across all markets. The Russia-Ukraine conflict heightened inflationary pressures as well as the tightening of monetary policies by Central Banks across the globe took a heavy toll on the global economy in 2022. In the United States of America for instance, the Federal Reserve Board adjusted the Federal Reserve Interest Rate to 4.50 percent in December 2022 from 0.50 percent at the beginning of the year. Similarly, in Nigeria, the Central Bank of Nigeria (CBN) adjusted the Monetary Policy Rate (MPR) by 500bps to 16.50 percent in November 2022 from 11.50 percent in January of the same year. The actions of Central Banks in different parts of the globe created economic uncertainties and affected market indices across major economies.

Nigeria's operating environment was indeed tough in 2022, with inflation rates exceeding 20% by year-end. This diminished the purchasing power of consumers and further worsened the negative real interest rate on government securities. The Country's foreign reserves dropped significantly during the year. According to data from the Central Bank of Nigeria (CBN), the country's foreign reserves declined by \$3.44billion from \$40.52billion at the beginning of 2022 to \$37.08 billion by the end of the year.

The decrease in external reserves was attributed to the decline in oil production and exports due to theft and vandalism in the Niger Delta region.

Despite the tough operating environment, the Nigerian economy recorded 3.10% growth in GDP during the year. The services sector with a growth of 5.69% was the major driver of the increase in aggregate GDP. The Agricultural sector on the other hand, suffered from severe incidences of floods across the country and this constituted a drag on GDP growth. The sector's performance slowed to 1.88% from the 2.13% growth recorded in 2021.

The Nigerian Exchange Limited (NGX) recorded improvement in 2022 over 2021 performance. The All-Share Index (ASI) appreciated by 19.98%, from 42,716.44 index points at the start of 2022 to 51,251.06 index points by year-end. Market capitalisation also recorded a 25.20 percent appreciation, closing at NGN27.915 trillion, up from NGN22.297 trillion at the start of the year.

PENSION INDUSTRY REVIEW

As of 31 December 2022, the total pension assets stood at N14.99 trillion, reflecting an 11.6% increase from the N13.42 trillion reported at the end of 2021.

The industry recorded over 300,000 new contributors, bringing the total RSA membership to 9.8 million which represented a 3% increase from the previous RSA count of 9.5 million. The public sector accounted for 54% of the total RSAs while the private sector including micro pension participants made up the rest.

OUR OPERATIONAL PERFORMANCE

Despite the daunting challenges in the operating environment during the financial year 2022, our Company was able to record a very strong performance that further attested to its resilience.

Our gross revenue grew by 47.79% to N2.01 billion in 2022 from N1.36 billion recorded in 2021. Operating expenses increased by 30.91% to N1.44 billion in 2022 from N1.10 billion in 2021. This was due to a combination of factors, including the improvement of our branches and service centers and the recruitment of more experienced hands.

Profit before taxation stood at N570.06 million from N267.57 million recorded in 2021 representing a 113.06% growth. Profit after taxation grew by 107.13% to N388.73 million from N187.68 million recorded in 2021. Shareholders' fund rose by 42.15%, from N4.22 billion in 2021 to N6.01 billion in 2022.

2023 OUTLOOK

The outlook for the domestic and global economy remains uncertain with the

persisting high inflation, the raging war in Ukraine, high energy costs, as well as the tight monetary and fiscal policies. The International Monetary Fund (IMF) forecasted that the global economic growth rate will decrease from 3.4 percent in 2022 to 2.8 percent in 2023, and Sub-Saharan Africa will be 3.1 percent in 2023 from 3.6 percent in 2022.

The forecast and grim prospects, notwithstanding, we look forward to a better financial year ahead. We will remain focused on providing exceptional services to our clients and promptly adapting to changes in the macroeconomic environment.

APPRECIATION

I must at this point thank our esteemed Shareholders and the Board of Directors for their unwavering commitment to the Company and strong support to Management. Our appreciation also goes to our Regulators for their supervision and guidance always. I must also thank our customers for their trust and loyalty. The achievements our Company recorded in 2022 would not have been possible without the hard work and commitment of all our staff.

To you all, I say thank you.



GODSON UKPEVO
Managing Director/CEO

When life goes according to plan,

Your existence becomes a melody.

Get VG Pensions by your side.

Talk to us today to plan a worry-free, fun-filled future.



Retirement Savings Account (RSA) ● Additional Voluntary Contribution ● Retirement Benefit Administration
Micro Pension Plan ● Pension Advisory Services ● Approved Existing Schemes/ Legacy Fund Management

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Veritas
GLANVILLS PENSIONS
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