

A decorative graphic consisting of a diagonal line that meets a horizontal line at a right angle, ending in a solid black circle.

**ALHAJI FAROUK LAWAL YOLA**  
Chairman, Board of Directors

Dear Esteemed Shareholders, Representatives of our Regulators, Representatives of our External Auditors, fellow Directors, Ladies and Gentlemen. On behalf of the Board of Directors, I welcome you all to the 13th Annual General Meeting of our Company, Veritas Glanvills Pensions Limited. Notwithstanding the fact that we are all confronted with the unusual consequences of the Covid-19 pandemic, I trust that we are all safe and well.

I would like to begin by appreciating our highly respected shareholders for their unwavering support, and my colleagues on the Board for their commitment in directing the affairs of our Company in these challenging times.

No doubt, the year 2019 was more challenging than envisaged but our focus on operational excellence and innovation enabled us to deliver on our business objectives.

Please permit me to provide a brief review of the domestic and global business environment within which our Company operated before presenting to you the annual report and financial statements for the year ended 31<sup>st</sup> December 2019.

## **OUR OPERATING ENVIRONMENT**

The year began with some anxieties over the 2019 general elections in the country.

Certainly, the uncertainties led to a slowdown in economic activities.

On the global scene, the US-China trade war induced a slowdown of economic activities and this negatively impacted global markets. Political tensions remained elevated in the Middle East for the better half of the year, which kept oil prices above the USD\$60 per barrel mark. The protracted Brexit negotiations between Britain and the European Union took a different dimension later in the year with the resignation of the British Prime Minister and the subsequent appointment of a new Prime Minister.

On the domestic front, the economy recorded a positive but fragile performance in the year 2019, as the post-recession recovery of the economy continued. According to the National Bureau of Statistics (NBS), aggregate output, measured by Gross Domestic Product (GDP), grew by 2.27 percent in 2019, compared to 1.91 percent recorded in 2018.

Although there was some economic growth, the Nigerian business environment remained challenging with the continued congestion at the ports, reduced consumer disposable income and inflation driven by the closure of the nation's land borders to all imports and exports.

## **FINANCIAL RESULTS**

A review of our financial results reflects an improvement in business performance

despite the challenges in the operating environment. Our gross revenue stood at N1.03 billion, a slight reduction of 1.01% from 2018, due to the reduction in management fees by the National Pension Commission (PenCom) in 2019. Operating expenses reduced by 12.36% to N1.03 billion from N1.17 billion in 2018 due to the cost optimization initiatives implemented during the year. Profit after taxation stood at N95.39 million from the N148.35million loss recorded in 2018. However, our Shareholders' fund rose by 7.83% from N1.25 billion in 2018 to N1.35 billion in 2019.

## **GOVERNANCE AND CHANGES IN BOARD COMPOSITION**

We continued our pursuit of high standards in corporate governance during the year as the Board ensured provision of strategic direction and effective oversight of our business. The Board Committees played vital roles in supporting the Board and Management in the discharge of their duties.

In 2019, we welcomed Mr. Olasupo Falana to the Board while Engineer Anthony Ojeshina and Mr. Polycarp Didam exited the Board.

## **OUTLOOK FOR 2020**

Dear shareholders, the year 2020 is predicted to be particularly challenging globally and locally with disruptions driven by the corona virus pandemic. The impact of this pandemic on global economy and trade is bound to be severe especially as it concerns oil prices and

our foreign exchange earnings. This, coupled with the recently implemented VAT increase, rising inflation due to the continued border closure, and loss of jobs will constrain consumer spending capacity. We, however, hope that government's effort at stimulating the economy will create jobs, increase spending, stimulate consumption as well as improve the living standards of the people for the rest of 2020.

I am confident that the leadership of our Company will rise to the challenge by pursuing our strategic objectives of increased efficiency and profitability.

## **APPRECIATION**

Distinguished shareholders, I want to thank you again for your great support and remarkable commitment during the 2019 business year. I would also like to take this opportunity to express my sincere appreciation to our customers for their continued patronage and trust in us. I also appreciate the entire staff of the Veritas Glanvills Pensions Limited for their dedication and commitment to the Company.

Thank you and God bless you all.



**ALHAJI FAROUK LAWAL YOLA**  
CHAIRMAN, BOARD OF DIRECTORS