



GODSON UKPEVO
Managing Director/CEO

Dear Esteemed Shareholders, Chairman and Members of the Board, Representatives of our Regulators and External Auditors, Ladies and Gentlemen, I am delighted to welcome you to the 13th Annual General Meeting of Veritas Glanvills Pensions Limited.

Permit me to highlight some of the macroeconomic developments that defined our business environment during the period under review before presenting our Company's scorecard for the 2019 financial year.

MACROECONOMIC REVIEW

The global economy came under severe pressure in 2019 because of the debilitating trade wars among major economic blocs (the US, China, and the Eurozone). The wars led to stunted growth in these major economies and their trading partners. In addition to the trade feuds, there were pockets of social and political unrests, with damaging economic implications across the globe.

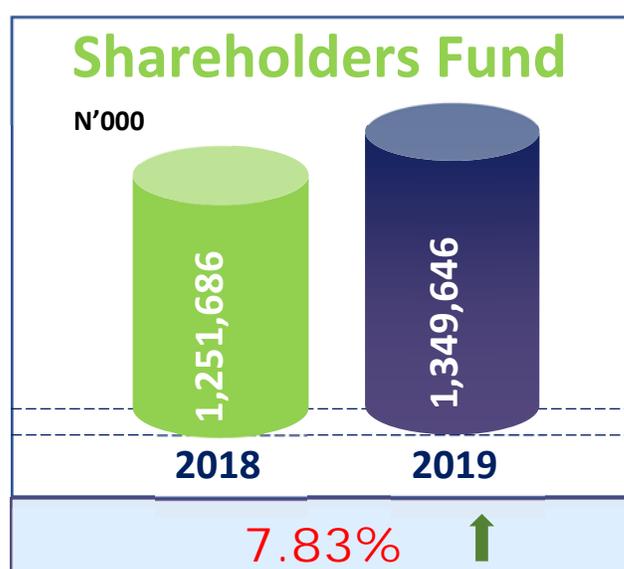
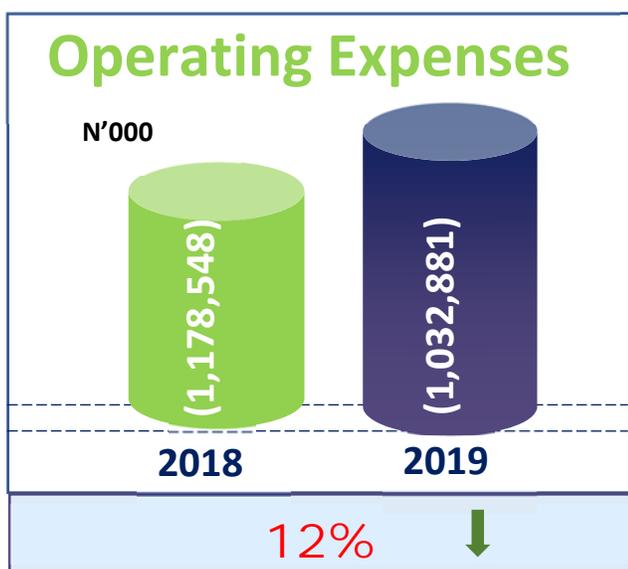
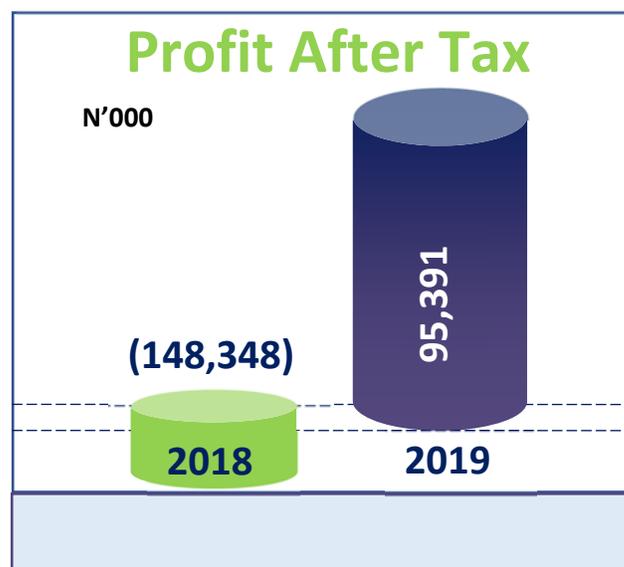
Prior to the outbreak of the COVID-19 pandemic which began at the end of 2019, the International Monetary Fund (IMF) projected a 3.3% global economic growth for 2020 as against 2.9% recorded in 2019. Given the current global economic meltdown with closure of borders, a severe contraction rather than growth of the global economy is now a certainty for 2020.

On the domestic front, Nigeria's Gross Domestic Product (GDP) grew by 2.27% in

2019 compared to 1.93% in 2018. In the fourth quarter of 2019, the economy witnessed its strongest quarterly expansion since the third quarter of 2015, driven largely by the non-oil sector.

The economic and financial policies of the government contributed significantly to how investors behaved at the equity market viz-a-viz actions of the corporate organizations. Market Capitalization opened at N11.721 trillion in January 2019, rose to N14.288 trillion by July, but ended at N12.958 trillion by December 2019. Monetary and fiscal authorities pursued several strategies to reflate the economy and maintain macroeconomic stability during the year under review. For example, concerted measures were taken to stimulate growth and production through credit allocation to the real sector.

In 2019, the Naira exchange rate against major currencies was relatively stable at the inter-bank foreign exchange market but recorded marginal appreciation at the Bureau De Change (BDC) and Investors & Exporters (I&E) segments of the market. The Naira averaged NGN306.92/\$1, NGN 359.53/\$1 and NGN361.79/\$1 at the interbank, BDC and I&E markets, respectively in the year under review. The exchange rate was supported by sustained intervention in the foreign exchange market by the CBN, as well as improved foreign exchange inflow into the I&E window.



N'000	2019	2018
Gross Earnings	1,037,171	1,047,728
Operating Expenses	(1,032,881)	(1,178,548)
Profit Before Tax	2,569	(140,607)
Profit After Tax	95,391	(148,348)
Shareholders' Funds	1,349,646	1,251,686

2019 FINANCIAL PERFORMANCE

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 Regulator 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 a loss of N148.35 million recorded in 2018 while Shareholders' fund rose by 7.83% from N1.25 billion in 2018 to N1.35 billion in 2019.

OUR PEOPLE

Our staff remain our valuable assets. The skills, experience and commitment of our employees have aided the Company in ensuring stronger stakeholders' engagement, delivery of superior service quality and long term success. Consequently, our focus in the years ahead will be to continually create an enabling environment for our people to thrive, while creating value for all stakeholders.

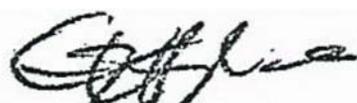
2020 OUTLOOK

2020 is already proving to be an unprecedented year, with the devastating effect the COVID-19 pandemic is having on the global and domestic economy

However, we remain cautiously optimistic and ready to harness opportunities in the market space for improved performance in the 2020 financial year. We are committed to continuous business growth and greater efficiency.

Finally, I would like to thank all our customers for their unwavering loyalty; our staff and Management for their commitment; and our Board and Regulator for their sound guidance all through the year 2019.

Thank you



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