Africa’s leading route-to-market partner for pharmaceuticals and consumer OTC goods

April 2019

an Imperial Logistics™ company
Introducing Worldwide Healthcare

an Imperial Logistics™ company
Worldwide Healthcare
Corporate structure

Eco Health Ltd Mauritius (Holding company)

Imperial Logistics 90%
Chanrai 10%

Eco Health Dubai (service)
WWCVL Nigeria (market facing)
WHL Ghana (market facing)
Worldwide Healthcare
Organisational structure

Johan Truter  
African Regions Board and CEO

S Thekekkara  
Eco Health / Worldwide Healthcare CEO

S Muthyampeta  
WWHC Nigeria Managing Director

S Sharma  
WHL Ghana Managing Director

B.K Mani  
Eco Health Dubai Chief Financial Officer

WWHC  
West Africa MMA
The Worldwide Healthcare business

**Worldwide Healthcare** specialises in the distribution and marketing of healthcare products, largest private healthcare distribution in West Africa. Key partner for major pharmaceutical companies in innovator, generics and OTC space.

- Distributes **80%** of ethical pharmaceutical trade in Nigeria and **30%** in Ghana
- Distribution network into wholesale, retail, hospitals and institutions
- Business history of over **150** years
- Modern and efficient pharmaceutical marketing and distribution solutions

**Supported through a network of**

- **17 000 m²** Warehouse facility in Nigeria
- **300 m³** Cold chain facilities with WHO-approved delivery system
- **10** Branches and depots across the country
- **100** Wholesale customers throughout the country

- Market share of about **30%**
- More than 1300 employees including 600 sales representatives
- Presence in three countries
Worldwide Healthcare
Nigeria & Ghana

• **4500** pharmacies covered directly or indirectly through SOs
• Another **40 000** retail outlets (unregistered pharmacies and PMVs) covered by wholesale
• **800 hospitals** and **200 clinics** covered directly

Services offered:
• Importation
• Sales and distribution
• Warehousing
• Marketing services
• Regulatory support
• Employee hosting
• Merchandising

Key statistics:
• 10 branches
• 30 agencies
• 1300 staff
• 80% market share of ethical in Nigeria and 30% in Ghana
• 30% market share of total market in Nigeria
Geographic reach
Nigeria

Branch locations

Coverage during a typical month
Bringing difference to healthcare route-to-market

Nigeria

- 10 depots of about **17 000 m²**
- Over **1000** wholesale clients
- **50 000** retail clients
Geographic reach
Ghana
Track on the go
Tracking route & coverage
Recent accolades

• Recognised by the London Stock Exchange Group as one of the “Companies to Inspire Africa” for 2019

• Recognised by NAFDAC - the regulatory agency of Nigeria as “Best Compliant Importer (Drugs)” for the year 2018
Service offering & key relationships

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Service offering

- Joint planning & trading terms
- Place orders
- Purchase stock
- Primary transport
- Warehousing in-country
- National sales
- Order taking & processing
- Secondary distribution
- Merchandising & activations
- Invoicing & debt collection
- Customisable reporting & market intelligence

Additional services
- Regulatory support
- People hosting
- Marketing & detailing
- 3PL services

Fully integrated route-to-market solution
Key relationships
Nigeria

2002 to 2006
- GlaxoSmithKline
- Pfizer
- Boehringer Ingelheim
- Novo Nordisk
- Novartis
- Sanofi Pasteur

2007 to 2011
- Janssen-Cilag
- AstraZeneca
- Bayer
- Neimeth
- SANDOZ (a Novartis company)
- Abbott Nutrition
- Alcon (a Novartis company)
- Danone
- GDF Frosst Pharmaceuticals
- 3M (Science. Applied to Life™)
- MSD
- Strides Shasun

2012 to 2016
- Merck
- Aspen
- Shalina
- Getz Pharma
- Pharma Bexco
- Johnson & Johnson

2017 to 2021
- SANOFI
- Roche
- SANOFI
- Roche
- SANOFI
- Roche
- SANOFI
- Roche
Key relationships
Ghana


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OTC category partners
Nigeria & Ghana

2011: GlaxoSmithKline, Novartis, Roche, Reckitt Benckiser
2012: GlaxoSmithKline, Novartis, Roche, Reckitt Benckiser
2013: GlaxoSmithKline, Novartis, Roche, Reckitt Benckiser
2014: GlaxoSmithKline, Novartis, Roche, Reckitt Benckiser
2015: GlaxoSmithKline, Novartis, Roche, Reckitt Benckiser
2016: GlaxoSmithKline, Novartis, Roche, Reckitt Benckiser
2017: GlaxoSmithKline, Novartis, Roche, Reckitt Benckiser
2018: GlaxoSmithKline, Novartis, Roche, Reckitt Benckiser

Other partners:
- Pfizer
- Sanofi
- Emami
- Johnson & Johnson
Our route-to-market solution

- Francophone countries
- East Africa
- Southern Africa
- Anglophone West Africa
- Lusophone countries
- Others

Direct markets
- Kenya
- Ghana
- Nigeria
- South Africa
- Ivory Coast

Global manufacturing sites

- Nairobi
  - Tanzania
  - Uganda
  - Ethiopia

- Centurion
  - Namibia
  - Botswana
  - Zambia
  - Malawi
  - Lesotho
  - Swaziland
  - Angola
  - Mozambique
  - Cape Verde

- Accra
  - Gambia
  - Sierra Leone
  - Liberia
  - Benin
  - Togo
  - Guinea
  - G-Bissau
  - Cape Verde

- Dubai
  - Mauritius
  - Madagascar
  - Comoros
  - Seychelles
  - Rwanda
  - Djibouti

- Lelystad
  - European hub if required
Differentiators
Key differentiators

- Imperial Logistics group company with strong financial and corporate governance
- Compliance, BCP, WHO approved GDP systems and SOPs
- Highly motivated field force trained in-house and by principals
- Solid IT (Oracle R12), SFA solution for sales force effectiveness
- Proven expertise in growing brands and through knowledge of route-to-market
- Good risk management with purchase options from Dubai
- Excellent reputation with regulatory authorities
- Efficient supply chain with country-wide capabilities
Corporate citizenship

an Imperial Logistics™ company
### Corporate social responsibility

Key donor of out patient unit at Tulsi Chanrai Foundation Eye Hospital

<table>
<thead>
<tr>
<th>Area</th>
<th>Bed capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Land: 5.25 acres</td>
<td>• 54 beds</td>
</tr>
<tr>
<td>• Built up: 36 000 square feet</td>
<td>• 40 free, 14 private patients</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Operation theatres</th>
<th>Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Three operating theatres</td>
<td>• Cataracts</td>
</tr>
<tr>
<td>• Two free theatres, one private</td>
<td>• R.E.</td>
</tr>
<tr>
<td></td>
<td>• Cornea</td>
</tr>
<tr>
<td></td>
<td>• Glaucoma</td>
</tr>
<tr>
<td></td>
<td>• V.R.</td>
</tr>
<tr>
<td></td>
<td>• Orbit &amp; oculoplasty</td>
</tr>
<tr>
<td></td>
<td>• Optical dispensing</td>
</tr>
<tr>
<td></td>
<td>• Paediatric ophthalmology</td>
</tr>
</tbody>
</table>
The macro economic environment

an Imperial Logistics™ company
Nigeria – Prospects 2023

Consumer spending per year
US$ billions

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nigeria</td>
<td>72,0</td>
<td>79,8</td>
<td>88,1</td>
<td>97,8</td>
<td>108,7</td>
<td>121,8</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>49,3</td>
<td>53,8</td>
<td>58,1</td>
<td>62,3</td>
<td>69,0</td>
<td>76,3</td>
</tr>
</tbody>
</table>

Consumer class, millions

<table>
<thead>
<tr>
<th>Year</th>
<th>2018f</th>
<th>2023f</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nigeria</td>
<td>22,1</td>
<td>44,4</td>
</tr>
<tr>
<td>South Africa</td>
<td>28,3</td>
<td>42,5</td>
</tr>
<tr>
<td>Kenya</td>
<td>30,9</td>
<td>36,2</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>36,0</td>
<td>36,2</td>
</tr>
</tbody>
</table>

- Ethiopia
- Kenya
- South Africa
- Nigeria
Nigeria – Prospects 2023

EXTRACTIVES ACCOUNT FOR JUST 10% OF GDP, ILLUSTRATING HOW DIVERSIFIED THE ECONOMY IS
Composition of GDP, %

- Other industries, incl. manufacturing
- Mining, oil, and gas
- Services

EXTRACTIVES ACCOUNT FOR JUST 10% OF GDP, ILLUSTRATING HOW DIVERSIFIED THE ECONOMY IS
Composition of GDP, %

2015 2016 2017

<table>
<thead>
<tr>
<th>Sector</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other industries</td>
<td>14</td>
<td>13</td>
<td>13</td>
</tr>
<tr>
<td>Mining, oil, and gas</td>
<td>10</td>
<td>9</td>
<td>10</td>
</tr>
<tr>
<td>Services</td>
<td>53</td>
<td>54</td>
<td>48</td>
</tr>
</tbody>
</table>

RELIANCE ON OIL FOR EXPORT REVENUES IS ONE OF NIGERIA’S STRUCTURAL WEAKNESSES
Composition of exports by revenue, 2015

- Crude petroleum; 77%
- Petroleum gas; 15%
- Cocoa products; 2%
- Vegetable products; 1%
- Other; 5%

Reliance on oil for export revenues is one of Nigeria’s structural weaknesses.

Composition of exports by revenue, 2015

Although the tax base is slowly broadening, the health of government finances is still directly impacted by fluctuations in oil revenues.

Source of government revenues, billions of naira

- Oil revenues increased by 177% YOY in 2017, which had a
Macroeconomic trends – Nigeria

After rather peaceful conduct of both federal and state elections, confidence is returning to markets. The opposition put up a good fight and the country has been politically polarized by North and West voting for Buhari and East going for Abubakar. Lot will depend on how the new government will include fair representation of East. Oil production which was steady around 2Mbpd 4 years back is now around 1.7Mbpd and it will be critical that any disruptions are avoided. The forex reserves are steady at 43BN which is almost 12months of cover. Policy rates of 14% have been maintained and inflation is on the decline. FAAC allocations have been in the range of 700Bn per month and this should improve liquidity conditions in the market.

### Economic Indicators – output

<table>
<thead>
<tr>
<th>Leading Economic Indicator</th>
<th>December</th>
<th>January</th>
<th>% Change</th>
<th>Comments</th>
<th>February's Forecast*</th>
</tr>
</thead>
<tbody>
<tr>
<td>GDP Growth Rate (%)</td>
<td>1.5 (Q4’18)</td>
<td>1.61 (Q4’18)</td>
<td>0.11</td>
<td>Topple and fragile growth</td>
<td>2.2-2.4 (Q4’18)</td>
</tr>
<tr>
<td>Oil Production (mbpd)</td>
<td>1.74 (Nov)</td>
<td>1.75 (Dec)</td>
<td>0.57</td>
<td>Nigeria to cut oil production by 53,000mb/d</td>
<td>1.65-1.70 (Jan)</td>
</tr>
<tr>
<td>Power (MW; avg)</td>
<td>4,099</td>
<td>3,983</td>
<td>3.31</td>
<td>Will cripple activities across various sectors</td>
<td>3,900-4,000</td>
</tr>
<tr>
<td>PMI</td>
<td>FBN: 58.9 (Nov’19)</td>
<td>58.9 (Dec)</td>
<td>58.4</td>
<td>Likely to fall in January owing to fall in economic activities</td>
<td>56.5-58</td>
</tr>
<tr>
<td>Inflation (%)</td>
<td>11.28 (November)</td>
<td>11.44 (December)</td>
<td>0.16</td>
<td>Minimum wage review could lead to a spike in headline inflation</td>
<td>11.35 (Jan)</td>
</tr>
<tr>
<td>Oil Price (Bpd; avg)</td>
<td>56.96</td>
<td>55.02</td>
<td>5.57</td>
<td>US sanctions on Venezuela's state owned oil output could push prices up in the near term</td>
<td>60-62</td>
</tr>
<tr>
<td>Natural Gas ($/MMBtu; end)</td>
<td>2.94</td>
<td>2.95</td>
<td>0.54</td>
<td>Gas accounts for 12.6% of total exports</td>
<td>2.9-3.0</td>
</tr>
</tbody>
</table>

### Economic Indicators – market

<table>
<thead>
<tr>
<th>Leading Economic Indicator</th>
<th>December</th>
<th>January</th>
<th>% Change</th>
<th>Comments</th>
<th>February's Forecast*</th>
</tr>
</thead>
<tbody>
<tr>
<td>M2 growth (%)</td>
<td>6.06 (Nov)</td>
<td>6.17 (Dec)</td>
<td>0.07</td>
<td>0.37% lower than CBNS target of 12.40%</td>
<td>12.4</td>
</tr>
<tr>
<td>Average Opening Position (N'bn)</td>
<td>136.05</td>
<td>34.44</td>
<td>-71.6</td>
<td>Tighten liquidity as CBN mitigates demand pressures on the naira through frequent GMO sales</td>
<td>25-30</td>
</tr>
<tr>
<td>T Bills (91 days) (%) – Primary</td>
<td>10.90</td>
<td>11.10</td>
<td>-0.20</td>
<td>Will increase government debt service</td>
<td>11.6-11.2</td>
</tr>
<tr>
<td>Average NIBOR (%) (OBB, O/N)</td>
<td>24.13</td>
<td>19.85</td>
<td>-4.28</td>
<td>Despite liquidity squeeze witnessed within the banking system</td>
<td>20-22</td>
</tr>
<tr>
<td>Average Lending Rate (%) (psa)</td>
<td>25.00</td>
<td>22.00</td>
<td>-3.00</td>
<td>Expected to increase if liquidity within the banking system remains tight</td>
<td>24-26</td>
</tr>
<tr>
<td>External Reserves (Bn) (end)</td>
<td>43.12</td>
<td>43.16</td>
<td>0.09</td>
<td>Still under pressure as CBN fights to defend the naira</td>
<td>42-43</td>
</tr>
<tr>
<td>Exchange Rate (N/$; month-end)</td>
<td>Parallel: 363</td>
<td>IFEM: 367</td>
<td>IFEX: 364</td>
<td>- 0.08</td>
<td>Investors would prefer to go long on the dollar until the elections are over</td>
</tr>
<tr>
<td>Stock Market Cap (N'trn)</td>
<td>11.72</td>
<td>11.62</td>
<td>-0.15</td>
<td>Investors taking position in anticipation of FY18 corporate earnings</td>
<td>11.5-11.8</td>
</tr>
</tbody>
</table>
Unlike earlier election periods, CBN succeeded in avoiding any panic in the Forex Market and there was even a slight appreciation in the wholesale market. Portfolio flows into I&E window have increased substantially in Jan and Feb (USD3.5Bn) which is 90% more than same period last quarter. We have been securing dollars at an average of 344 Naira to a dollar in the current year.
Macro economic updates

### Macro Indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Current</th>
<th>Previous*</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>GDP (y/y %)- Q4 2018</td>
<td>2.38</td>
<td>1.81</td>
<td>0.57</td>
</tr>
<tr>
<td>Inflation (y/y %) February 2019</td>
<td>11.31</td>
<td>11.37</td>
<td>-0.53%</td>
</tr>
<tr>
<td>MPR - July 2016</td>
<td>14.00</td>
<td>14.30</td>
<td>2.10%</td>
</tr>
<tr>
<td>Ext Reserves - March 14, 2019</td>
<td>42.99</td>
<td>42.86</td>
<td>0.30%</td>
</tr>
<tr>
<td>Brent Crude $/barrel</td>
<td>66.85</td>
<td>67.16</td>
<td>-0.46%</td>
</tr>
<tr>
<td>Gold $/ounce</td>
<td>1,304.67</td>
<td>1,302.40</td>
<td>0.17%</td>
</tr>
</tbody>
</table>

*Previous refers to value 1 day prior for commodities, and 1 month prior for all others.*

### Equity Markets

<table>
<thead>
<tr>
<th>Index</th>
<th>Changes (%)</th>
<th>1 day</th>
<th>1 month</th>
<th>1 year</th>
</tr>
</thead>
<tbody>
<tr>
<td>NSE Index</td>
<td>31,143</td>
<td>-0.23%</td>
<td>-4.04%</td>
<td>-25.74%</td>
</tr>
<tr>
<td>FTSE 100</td>
<td>7,228</td>
<td>0.60%</td>
<td>0.43%</td>
<td>0.30%</td>
</tr>
<tr>
<td>NIKKEI 225</td>
<td>21,451</td>
<td>0.77%</td>
<td>1.47%</td>
<td>-1.04%</td>
</tr>
<tr>
<td>S&amp;P 500</td>
<td>2,822</td>
<td>0.50%</td>
<td>2.80%</td>
<td>2.56%</td>
</tr>
</tbody>
</table>

### Naira -settled OTC FX Futures Indicative Rates

<table>
<thead>
<tr>
<th>Contract Expiry</th>
<th>Rate</th>
<th>Contract Expiry</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>27-Mar-19</td>
<td>361.75</td>
<td>18-Sep-19</td>
<td>362.65</td>
</tr>
<tr>
<td>24-Apr-19</td>
<td>361.90</td>
<td>30-Oct-19</td>
<td>362.80</td>
</tr>
<tr>
<td>29-May-19</td>
<td>362.05</td>
<td>27-Nov-19</td>
<td>362.95</td>
</tr>
<tr>
<td>26-Jun-19</td>
<td>362.20</td>
<td>24-Dec-19</td>
<td>363.10</td>
</tr>
<tr>
<td>24-Jul-19</td>
<td>362.35</td>
<td>29-Jan-20</td>
<td>363.25</td>
</tr>
<tr>
<td>21-Aug-19</td>
<td>362.50</td>
<td>26-Feb-20</td>
<td>363.40</td>
</tr>
</tbody>
</table>
Ghana is facing some uphill challenges. The government in its effort to curb inflation and reduce the budget deficit (interest service to budget was more than 25%), started aggressively cutting policy rates, down 10% in last 3 years.

This has resulted in the lack of interest in FPI into debt market.

Coupled with the withdrawal from IMF program, the currency has taken a severe beating of 13% in one month.

They are attempting to raise a USD3n Eurobond, which will raise external debt to about 22Bn (46% of GDP).

This bond is not a substitution, but is expected to meet the budget deficit!!!

### Macroeconomic trends – Ghana

<table>
<thead>
<tr>
<th>Leading Economic Indicators</th>
<th>2016 Actual</th>
<th>2017 Actual</th>
<th>2018 Actual</th>
<th>2019 Budget</th>
<th>Current</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real GDP Growth (%)</td>
<td>3.7</td>
<td>8.5</td>
<td>5.4</td>
<td>7.6</td>
<td>7.4^</td>
</tr>
<tr>
<td>Annual Inflation (%)</td>
<td>15.4</td>
<td>11.8</td>
<td>9.4</td>
<td>8.0</td>
<td>9.0^</td>
</tr>
<tr>
<td>Fiscal Deficit / Surplus (% GDP)</td>
<td>(9.3)</td>
<td>(5.9)</td>
<td>(5.9)</td>
<td>(4.2)</td>
<td>(3.0)</td>
</tr>
<tr>
<td>Primary Balance (% GDP)</td>
<td>(1.4)</td>
<td>0.6</td>
<td>0.5</td>
<td>1.2</td>
<td>0.5</td>
</tr>
<tr>
<td>Gross Public Debt (% GDP)</td>
<td>73.1</td>
<td>69.8</td>
<td>57.4</td>
<td>&lt;70.0</td>
<td>57.9^</td>
</tr>
<tr>
<td>Current Account Balance (% GDP)</td>
<td>(6.6)</td>
<td>(4.6)</td>
<td>(4.6)</td>
<td>n/a</td>
<td>(3.2)</td>
</tr>
<tr>
<td>Gross International Reserves (USD bn)</td>
<td>6.2</td>
<td>7.6</td>
<td>7.6</td>
<td>n/a</td>
<td>7.0</td>
</tr>
<tr>
<td>Gross International Reserves (Mths)</td>
<td>3.5</td>
<td>4.3</td>
<td>3.6</td>
<td>≥3.5</td>
<td>3.7</td>
</tr>
<tr>
<td>Bank of Ghana Policy Rate (%)</td>
<td>25.5</td>
<td>20.0</td>
<td>17.0</td>
<td>n/a</td>
<td>16.0</td>
</tr>
<tr>
<td>Ghana Reference Rate (%)</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>16.13</td>
</tr>
<tr>
<td>Interbank Overnight Rates (%)</td>
<td>25.26</td>
<td>19.20</td>
<td>16.12</td>
<td>n/a</td>
<td>15.23</td>
</tr>
<tr>
<td>91 Day T-Bill period end (%)</td>
<td>16.80</td>
<td>13.32</td>
<td>14.59</td>
<td>n/a</td>
<td>14.71</td>
</tr>
<tr>
<td>182 Day T-Bill period end (%)</td>
<td>17.94</td>
<td>13.56</td>
<td>15.03</td>
<td>n/a</td>
<td>15.15</td>
</tr>
</tbody>
</table>

Notes: ^ Jan * Rebased GDP

<table>
<thead>
<tr>
<th>Major Currencies</th>
<th>GHS Indicative Spot Rates</th>
<th>USD/GHS Forward Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Bid</td>
<td>Offer</td>
</tr>
<tr>
<td>GBP/USD</td>
<td>1.3206</td>
<td>1.3207</td>
</tr>
</tbody>
</table>
Strategies for growth

an Imperial Logistics™ company
Strat 2022 = Protect + Extract + Gain
Strat 2022 - Great ideas are greater when delivered

16-17
- Pharma LSP Services
- Local Companies

17-18
- Coverage & Digitization
- Retail Focus
- Generics

18-19
- Patient / Customer Centricity
- Consumables & Devices
- Mid-Markets Wave 1
Strat 2022 – Great ideas are greater when delivered!

19-20
Marketing & Regulatory Service
Equipment & Hospital Products
Mid-Market Wave-2

20-21
Value Added Logistics (Source, Supply, Package)
API’s / Specialty Chemicals
NHS, Donor Markets

21-22
Retail Presence
Veterinary & Crop Sciences
Acquisition

an Imperial Logistics™ company
Proposed office & warehouse at new site