



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

April 2019



an **Imperial Logistics™** company



Health Care  
Doctor  
Hospital  
Pharmacist  
Nurse  
Dentist  
First Aid  
Surgeon  
Emergency

MEDICAL

Guanine

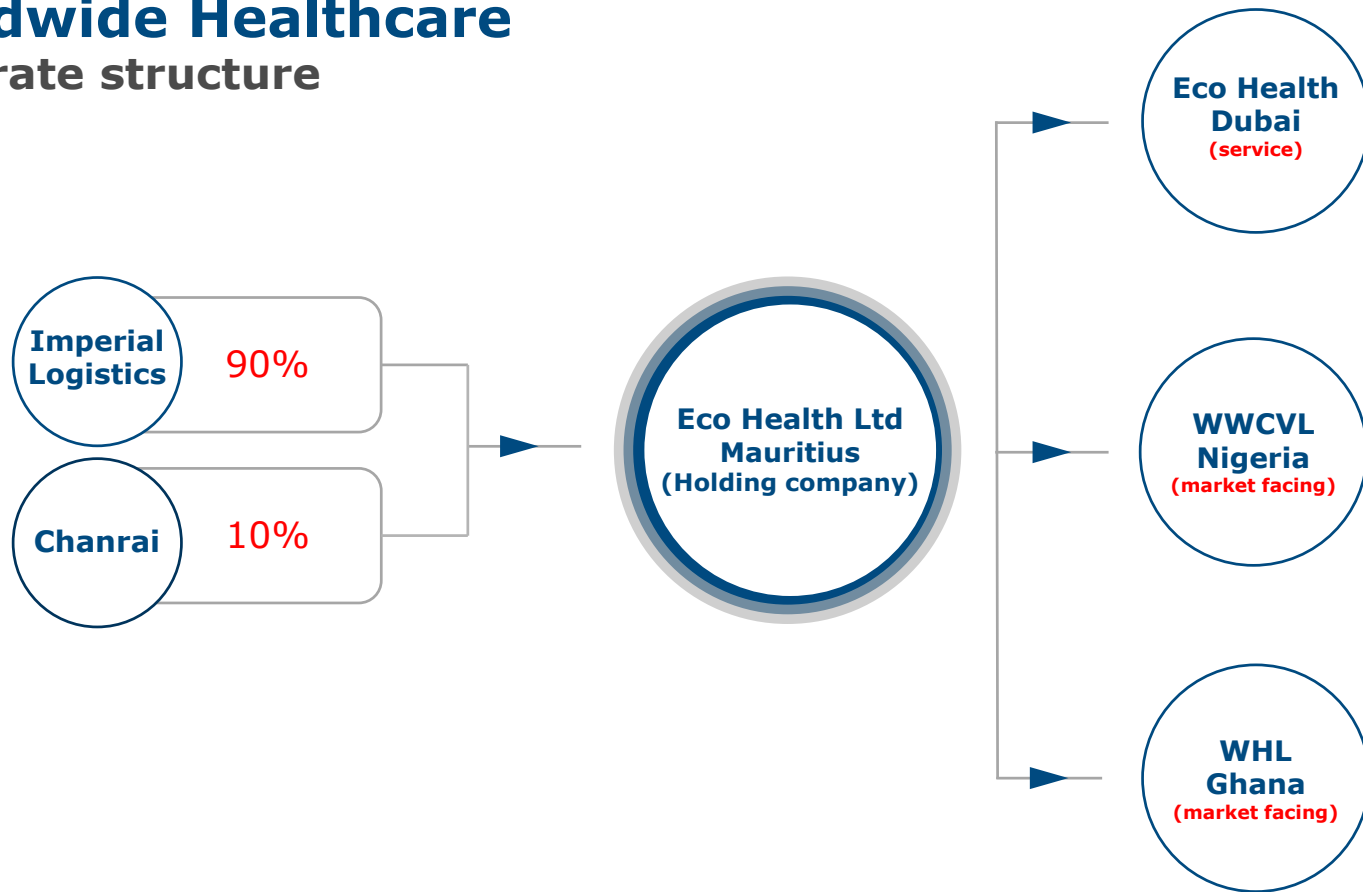
# Introducing Worldwide Healthcare

an **Imperial Logistics™** company

**Worldwide**  
Healthcare 

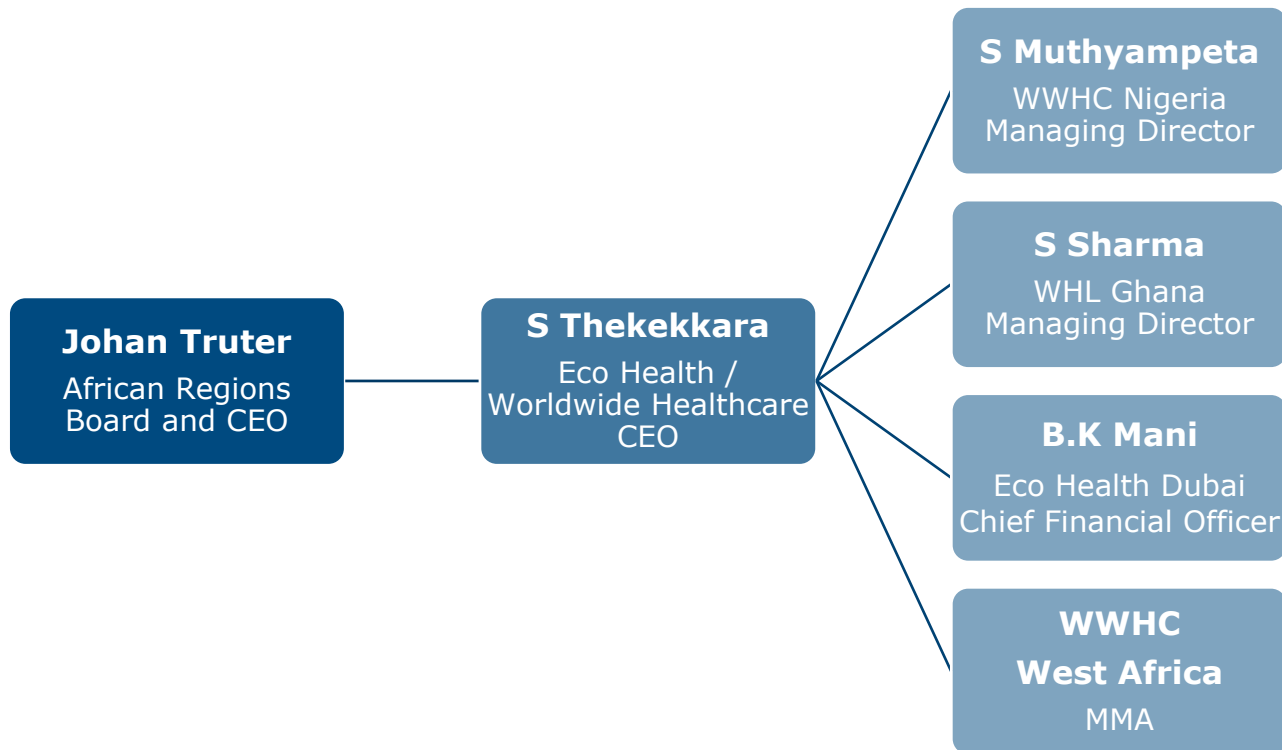
# Worldwide Healthcare

## Corporate structure



# Worldwide Healthcare

## Organisational structure



# 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  
m<sup>2</sup>

Warehouse facility in Nigeria

300 m<sup>3</sup>

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%



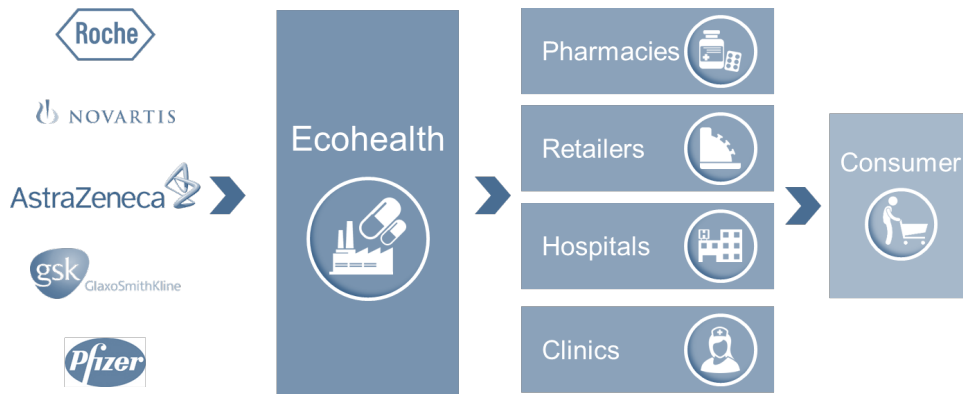
More than 1300 employees including 600 sales representatives



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:

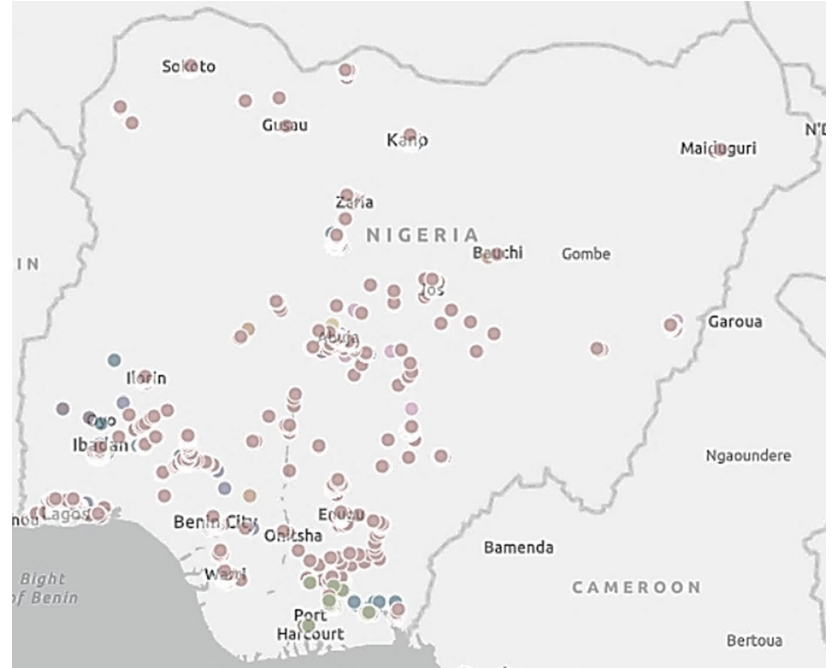
- 10 branches
- 30 agencies
- 1300 staff
- 80% market share of ethical in Nigeria and 30% in Ghana
- 30% market share of total market in Nigeria

# Geographic reach Nigeria

## Branch locations



## Coverage during a typical month

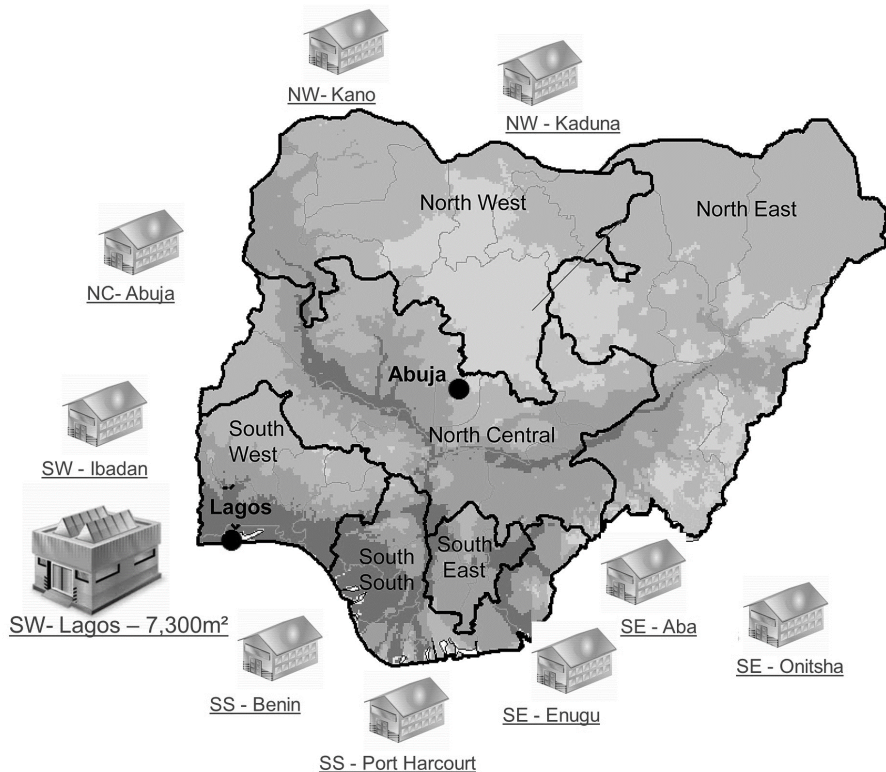




# Bringing difference to healthcare route-to-market

## Nigeria

- 10 depots of about **17 000 m<sup>2</sup>**
- Over **1000** wholesale clients
- **50 000** retail clients



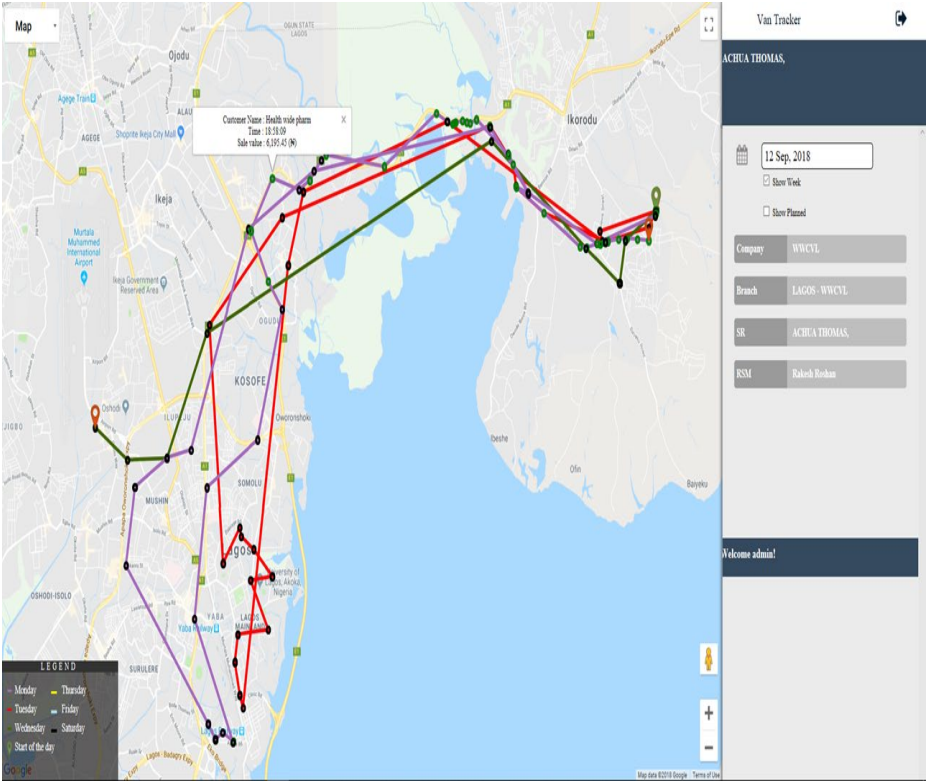
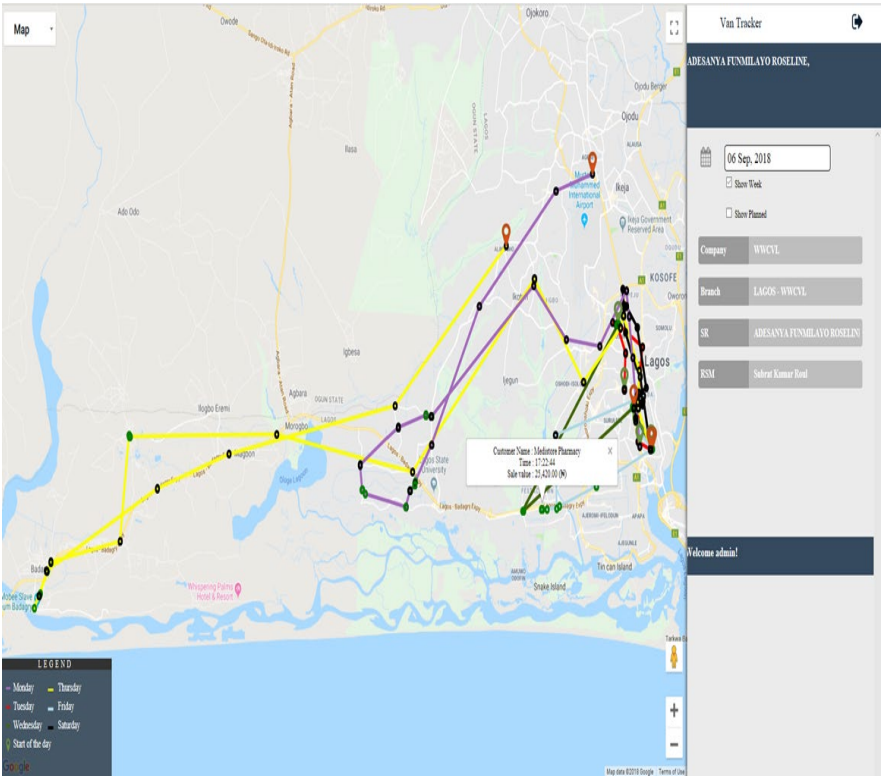


# Geographic reach Ghana



# 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





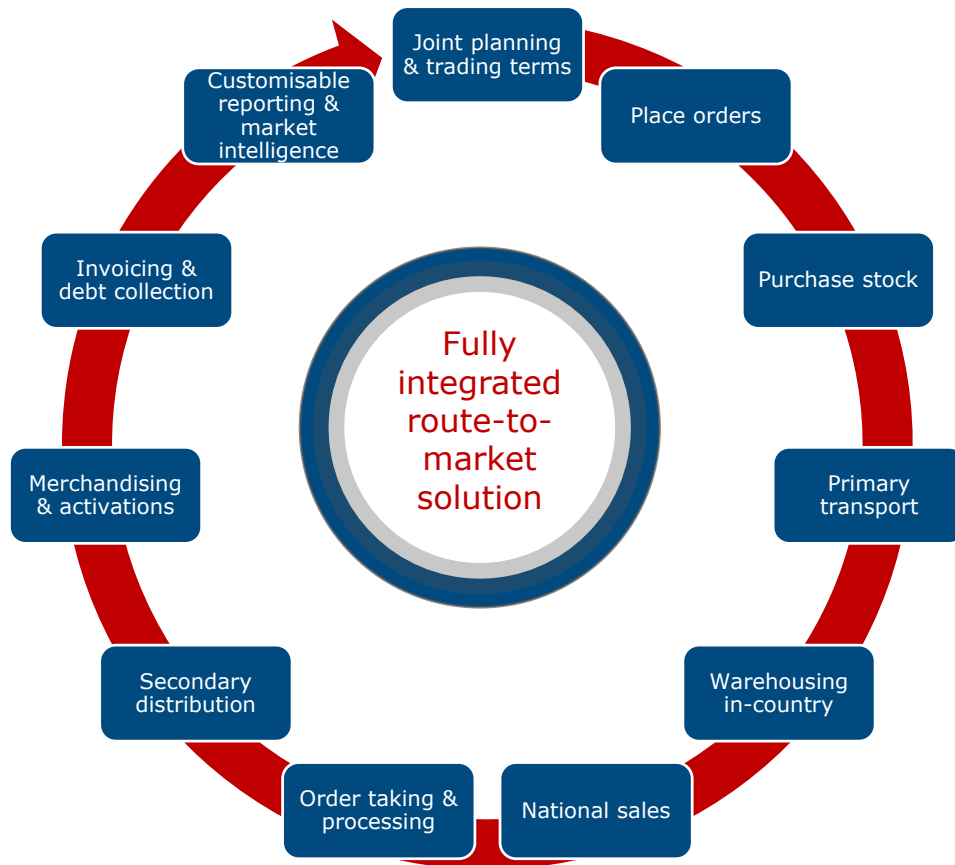
## Service offering & key relationships

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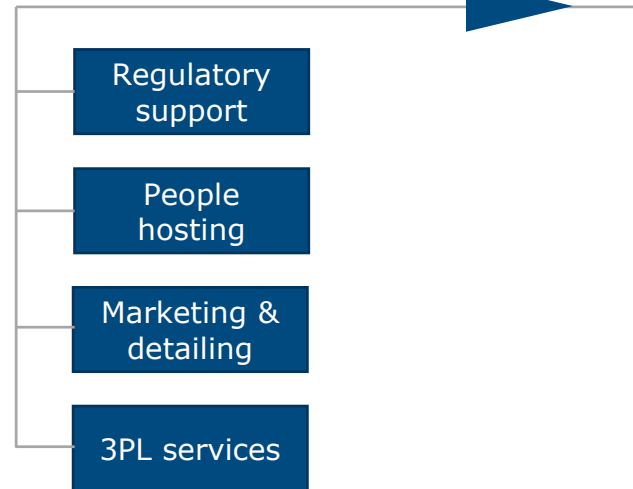
**Worldwide**  
Healthcare 



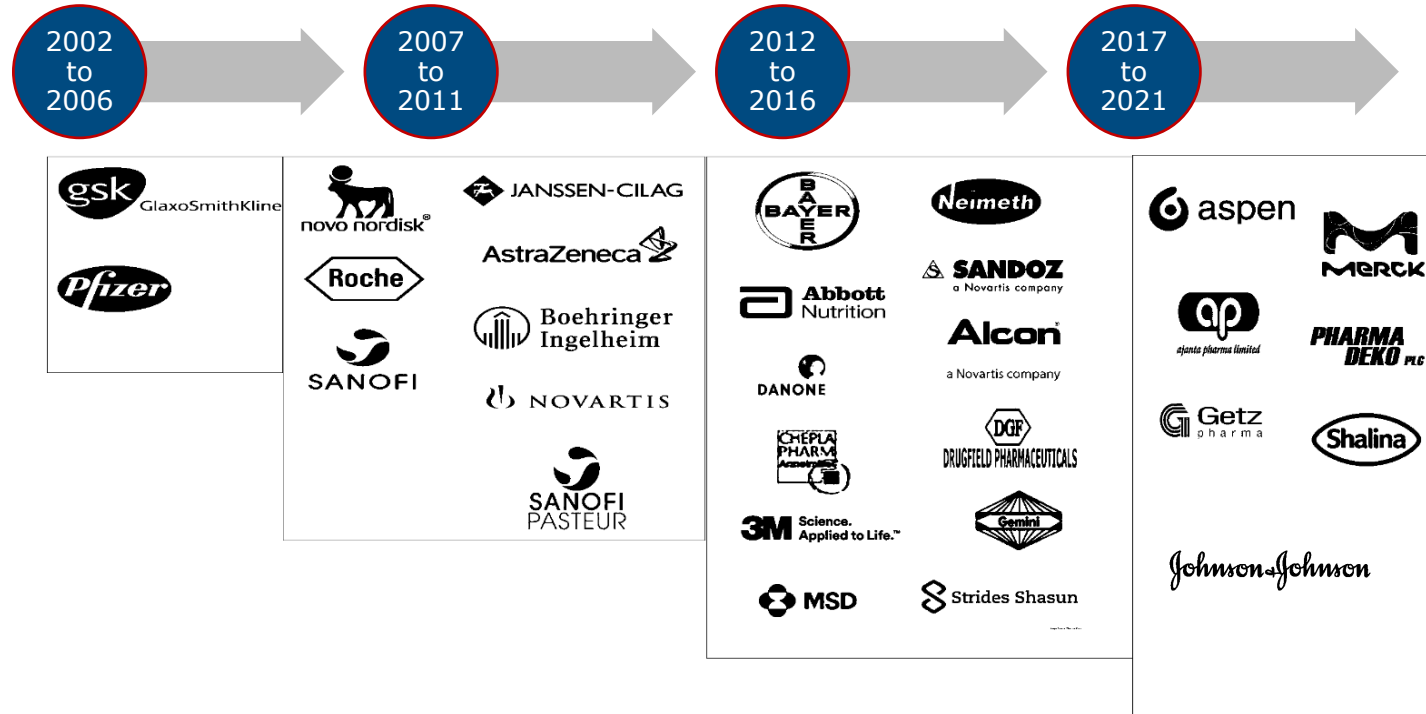
# Service offering



## Additional services



# Key relationships Nigeria



# Key relationships

## Ghana



2011

2012

2013

2014

2015

2016

2017

2018





# OTC category partners

## Nigeria & Ghana



2011

2012

2013

2014

2015

2016

2017

2018

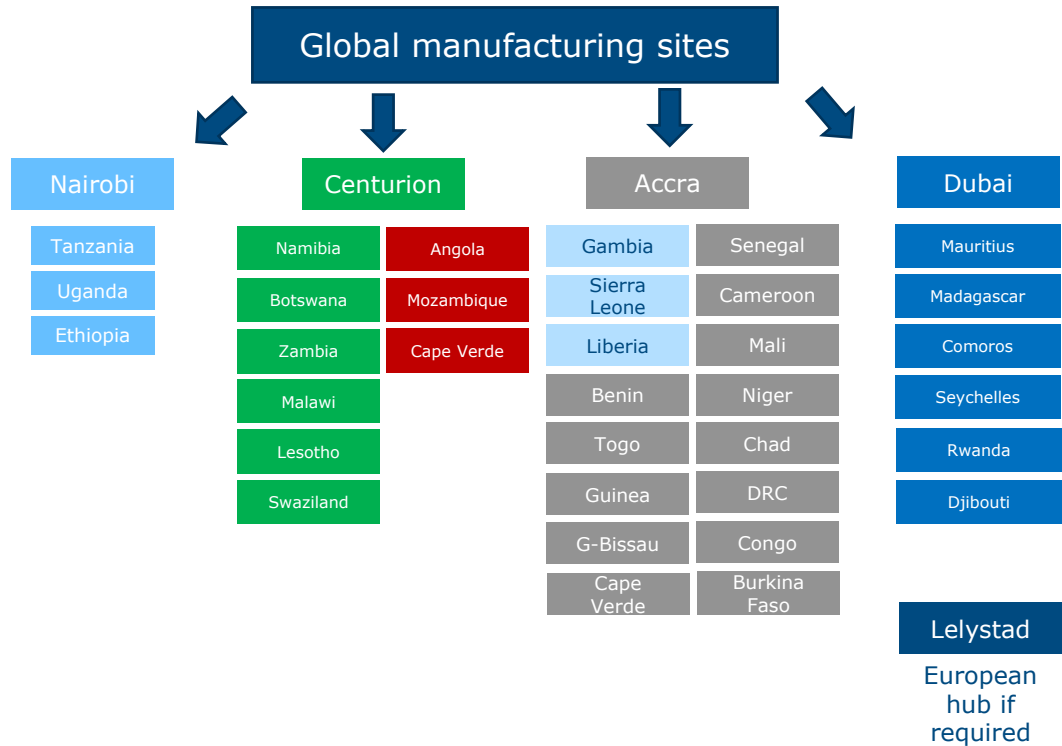


# Our route-to-market solution

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

## Direct markets

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





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# Differentiators

an **Imperial Logistics™** company

**Worldwide**  
Healthcare 

# 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





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# Corporate citizenship

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Healthcare 

# Corporate social responsibility

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

Area	Bed capacity	
<ul style="list-style-type: none"><li>Land: 5.25 acres</li><li>Built up: 36 000 square feet</li></ul>	<ul style="list-style-type: none"><li>54 beds</li><li>40 free, 14 private patients</li></ul>	
Operation theatres	Services	
<ul style="list-style-type: none"><li>Three operating theatres</li><li>Two free theatres, one private</li></ul>	<ul style="list-style-type: none"><li>Cataracts</li><li>R.E.</li><li>Cornea</li><li>Glaucoma</li><li>V.R.</li></ul>	<ul style="list-style-type: none"><li>Orbit &amp; oculoplasty</li><li>Optical dispensing</li><li>Paediatric ophthalmology</li></ul>





# The macro economic environment

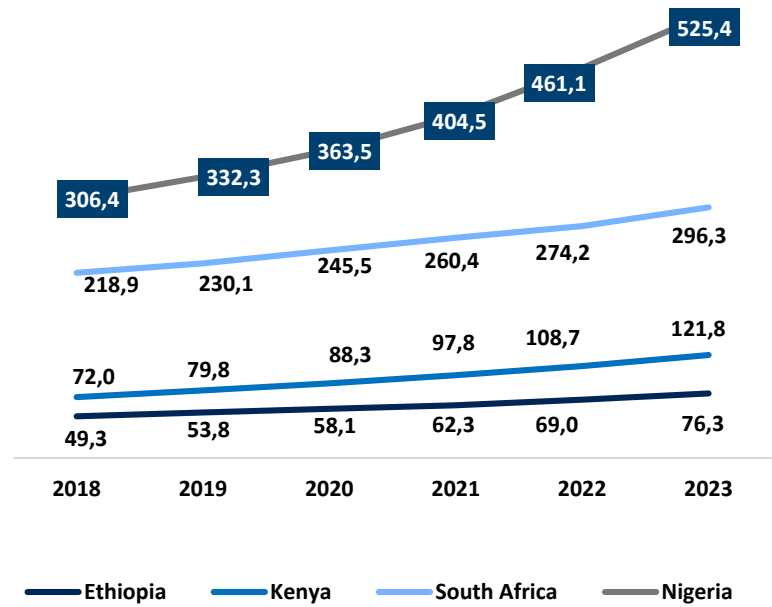
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**Worldwide**  
Healthcare 

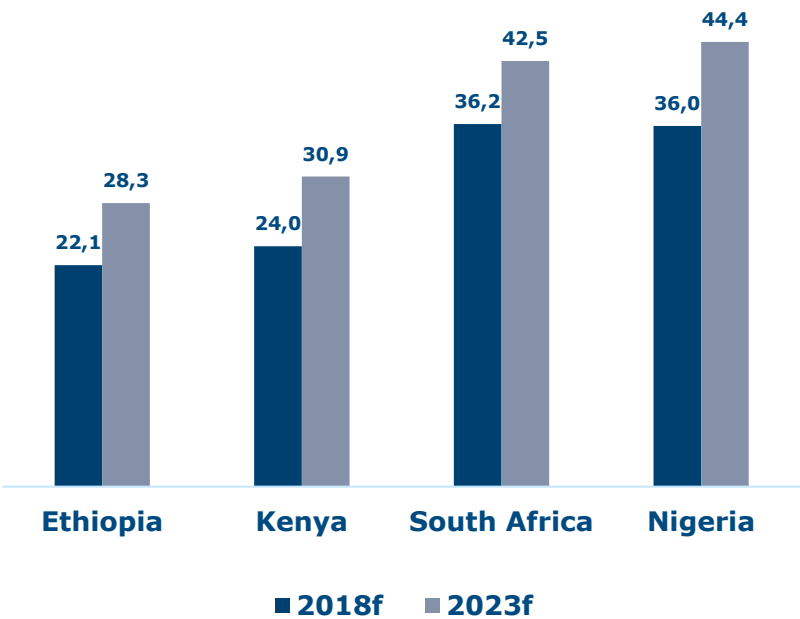


# Nigeria – Prospects 2023

Consumer spending per year  
US\$ billions

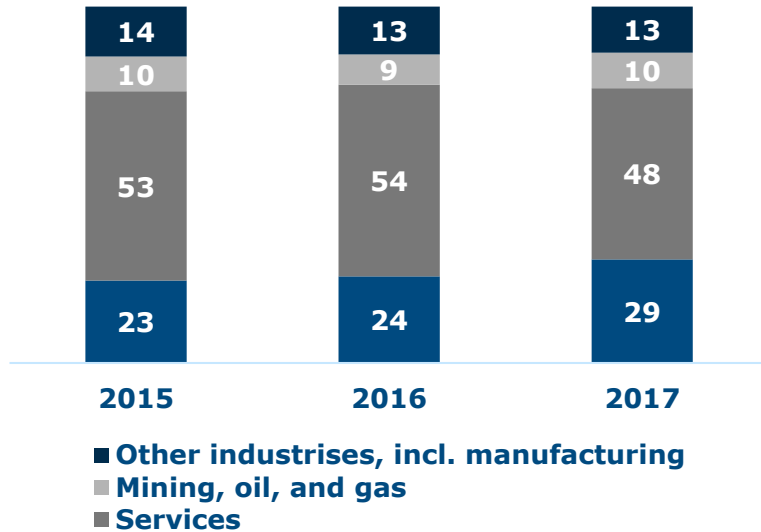


Consumer class, millions

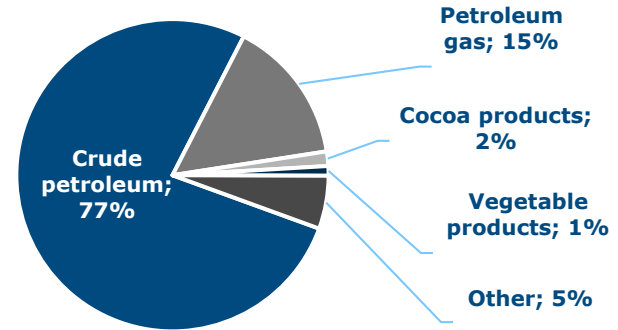


# Nigeria – Prospects 2023

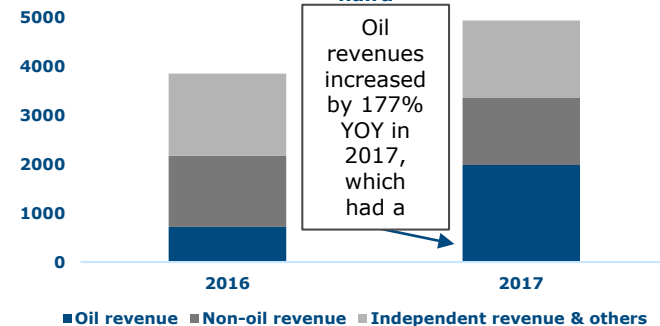
**EXTRACTIVES ACCOUNT FOR JUST 10% OF GDP, ILLUSTRATING HOW DIVERSIFIED THE ECONOMY IS**  
Composition of GDP, %



**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



# Macro economic updates

## 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

Leading Economic Indicator	December	January	% Change	Comments	February's Forecast*
<b>GDP Growth Rate (%)</b>	1.5 (Q2'18)	1.81 (Q3'18)	0.31	<ul style="list-style-type: none"> <li>Tepid and fragile growth</li> <li>Remains below population growth of 2.6%</li> </ul>	2.2-2.4 (Q4'18)
<b>Oil Production (mbpd)</b>	1.74 (Nov)	1.75 (Dec)	0.57	<ul style="list-style-type: none"> <li>Nigeria to cut oil production by 53,000mbpd</li> <li>Negative for oil revenue</li> </ul>	1.65-1.70 (Jan)
<b>Power (MW; avg)</b>	4,089	3,953	-3.33	Will cripple activities across various sectors	3,900-4,000
<b>PMI</b>	FBN: 58.9 (Nov'18) CBN: 57.9	FBN: 60.2 (Dec'18) CBN: 61.1	2.21 5.53	Likely to fall in January owing to lull in economic activities	56-58 55-58
<b>Inflation (%)</b>	11.28 (November)	11.44 (December)	0.16	Minimum wage review could lead to a spike in headline inflation	11.35 (Jan)
<b>Oil Price (\$pb; avg)</b>	56.96	60.02	5.37	<ul style="list-style-type: none"> <li>US sanctions on Venezuela's state owned oil output could push prices up in the near term</li> <li>Positive for fiscal and external revenue</li> </ul>	60-62
<b>Natural Gas (\$/MMBtu; end)</b>	2.94	2.93	-0.34	<ul style="list-style-type: none"> <li>Gas accounts for 12.6% of total exports</li> <li>Would reduce Nigeria's export revenue</li> </ul>	2.9-3.0

## Economic Indicators – market

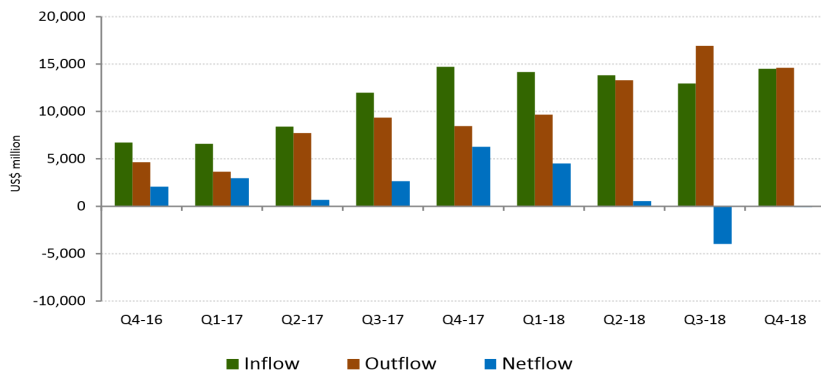
Leading Economic Indicator	December	January	% Change	Comments	February's Forecast*
<b>M2 growth (%)</b>	6.08 (Nov)	12.17 (Dec)	0.67	0.31% lower than CBN's target of 12.48%	12.4
<b>Average Opening Position (N'bn)</b>	136.05	34.44	-74.69	Tight naira liquidity as CBN mitigates demand pressures on the naira through frequent OMO sales	25-30
<b>T Bills (91 days) (%) – Primary</b>	10.90	11.10	+0.20	Will increase government debt service	11.0-11.2 13.1-13.2
<b>T Bills (182 days) (%) – Primary</b>	13.10	13.10	-		
<b>Average NIBOR (%) (OBB, O/N)</b>	24.15	19.85	-4.30	Despite the liquidity squeeze witnessed within the banking system	20-22
<b>Average Lending Rate (%) (pa)</b>	25.00	22.00	-3.00	Expected to increase if liquidity within the banking system remains tight	24-26
<b>External Reserves (\$bn) (end)</b>	43.12	43.16	0.09	Still under pressure as CBN fights to defend the naira	42-43
<b>Exchange Rate (N/\$; month-end)</b>	Parallel: 363 IFEM: 307 IEFX: 364	Parallel : 363 IFEM: 306.75 IEFX: 363.34	- 0.08 0.18	Investors would prefer to go long on the dollar until the elections are over	Parallel: 365-367 IFEM: 306-307 IEFX: 363-364
<b>Stock Market Cap (N'trn)</b>	11.72	11.62	-0.85	<ul style="list-style-type: none"> <li>Investors taking position in anticipation of FY'18 corporate earnings</li> </ul>	11.5-11.8

# Macro economic updates

## Macroeconomic trends – Nigeria

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.

Figure 16: Foreign Exchange Flows Through the CBN

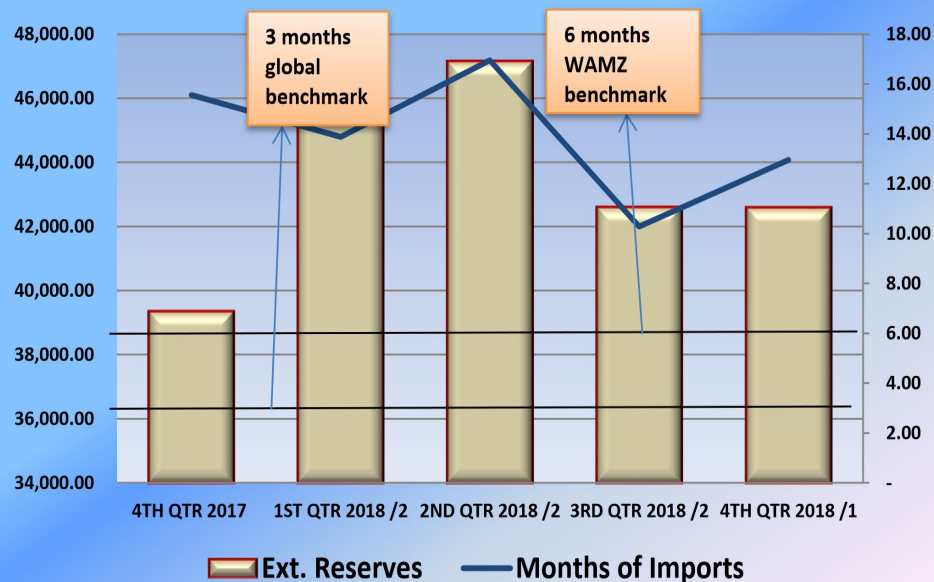


15: Foreign Exchange Flows Through the CBN (US\$ million)

	Q1-17	Q2-17	Q3-17	Q4-17	Q1-18	Q2-18	Q3-18	Q4-18
Inflow	6,597.73	9,355.29	11,984.05	14,708.45	14,159.09	13,822.78	12,949.01	14,512.91
Outflow	3,646.89	9,048.62	9,343.06	8,444.27	9,652.66	13,290.53	16,931.36	14,600.13
Netflow	2,950.84	306.67	2,640.99	6,264.18	4,506.43	532.25	(3,982.36)	(87.22)

Source: CBN

Chart 5: External Reserves and Months of Import Cover



# Macro economic updates

## Macro Indicators

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

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

## Equity Markets

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

Naira -settled OTC FX Futures Indicative Rates				
Contract Expiry	Rate		Contract Expiry	Rate
27-Mar-19	361.75		18-Sep-19	362.65
24-Apr-19	361.90		30-Oct-19	362.80
29-May-19	362.05		27-Nov-19	362.95
26-Jun-19	362.20		24-Dec-19	363.10
24-Jul-19	362.35		29-Jan-20	363.25
21-Aug-19	362.50		26-Feb-20	363.40

# Macroeconomic trends – Ghana

- 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!!!

Leading Economic Indicators	2016	2017 Actual	2018	2019	Current
	Actual		Actual	Budget	
Real GDP Growth (%)	3.7	8.5	5.4	7.6	7.4 <sup>*</sup>
Annual Inflation (%)	15.4	11.8	9.4	8.0	9.0 <sup>2</sup>
Fiscal Deficit / Surplus (% GDP)	(9.3)	(5.9)	(5.9)	(4.2)	(3.0)
Primary Balance (% GDP)	(1.4)	0.6	0.5	1.2	0.5
Gross Public Debt (% GDP)	73.1	69.8	57.4	<70.0	57.9 <sup>*</sup>
Current Account Balance (% GDP)	(6.6)	(4.6)	(4.6)	n/a	(3.2)
Gross International Reserves (USD bn)	6.2	7.6	7.6	n/a	7.0
Gross International Reserves (Mths)	3.5	4.3	3.6	≥3.5	3.7
Bank of Ghana Policy Rate (%)	25.5	20.0	17.0	n/a	16.0
Ghana Reference Rate (%)	n/a	n/a	n/a	n/a	16.13
Interbank Overnight Rates (%)	25.26	19.20	16.12	n/a	15.23
91 Day T-Bill period end (%)	16.80	13.32	14.59	n/a	14.71
182 Day T-Bill period end (%)	17.94	13.56	15.03	n/a	15.15

Notes:

<sup>2</sup> Jan

<sup>\*</sup> Rebased GDP

Major Currencies		GHS Indicative Spot Rates		USD/GHS Forward Rates	
	Bid	Offer		Bid	Offer
GBP/USD	1.3206	1.3207	USD/GHS	5.1900	5.6100
				O/N	5.1908
					5.6172



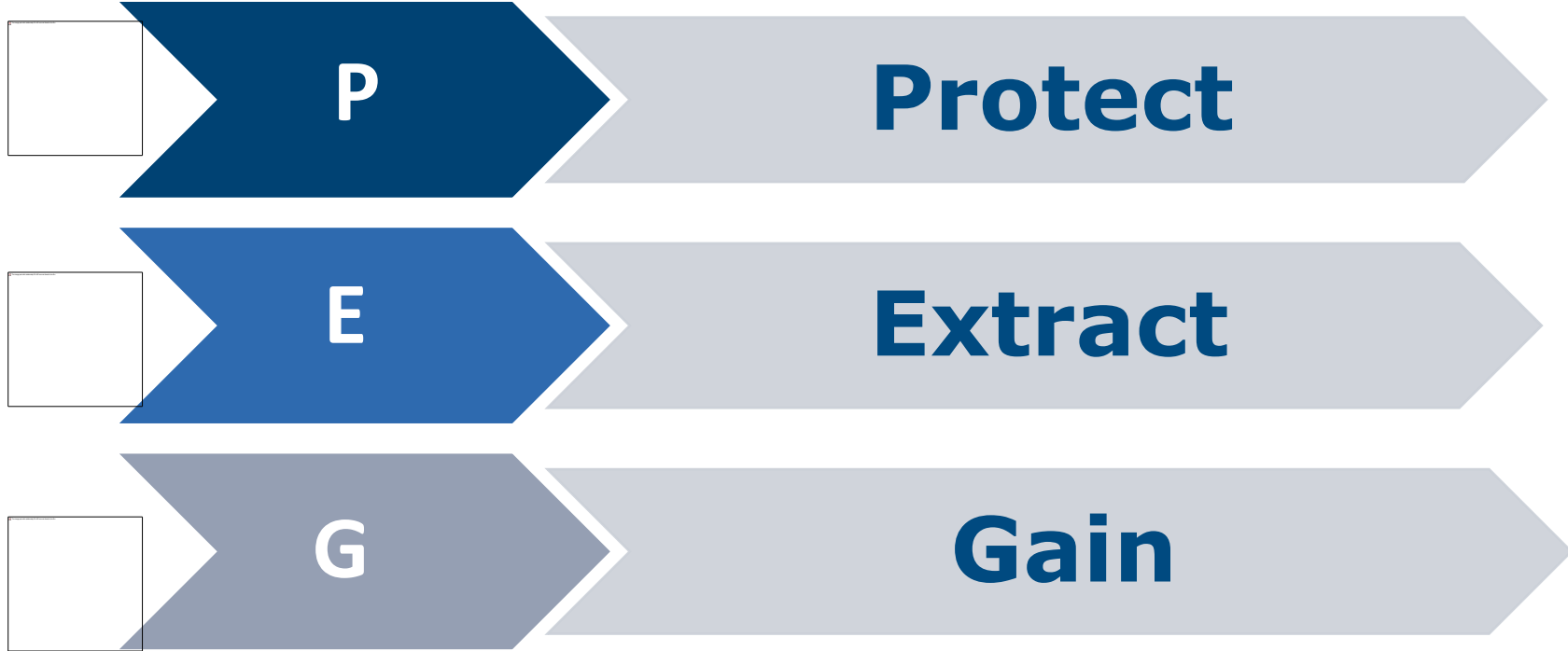
# Strategies for growth

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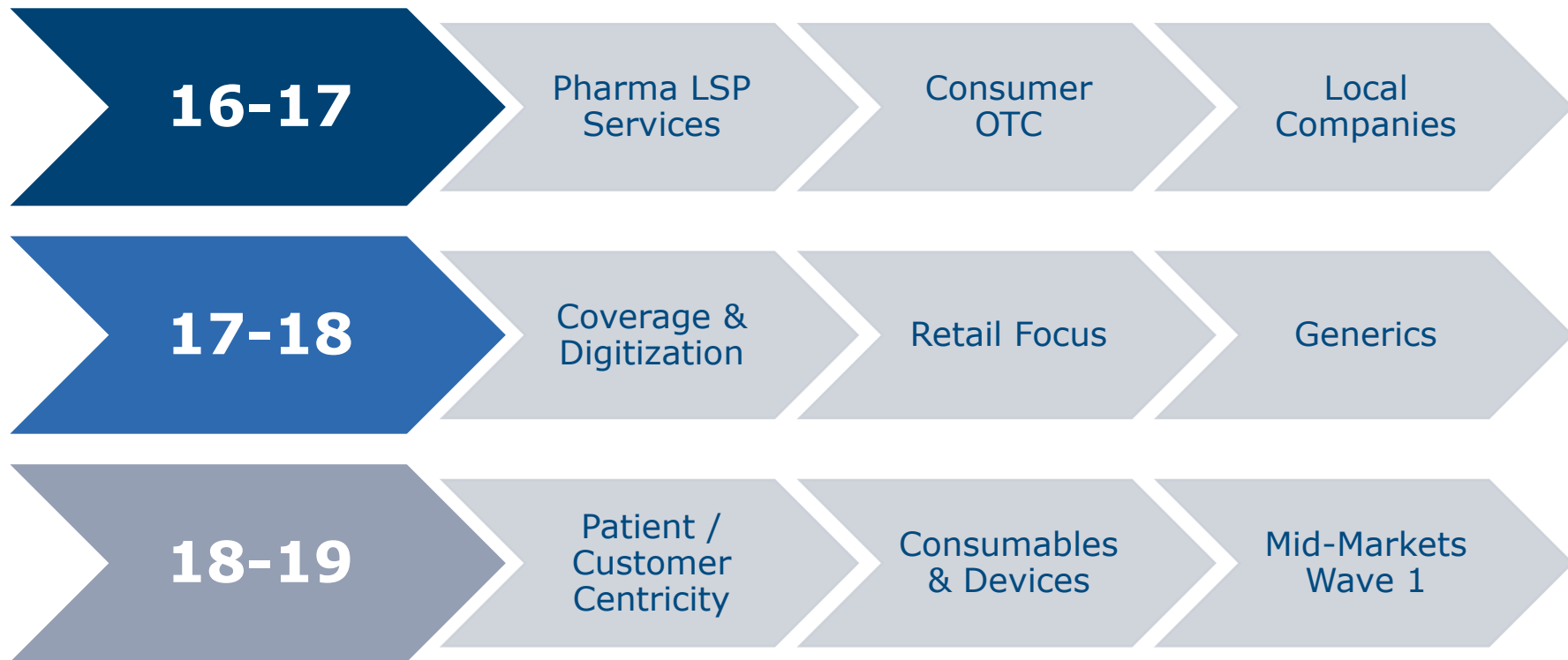
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# Strat 2022 = Protect + Extract + Gain



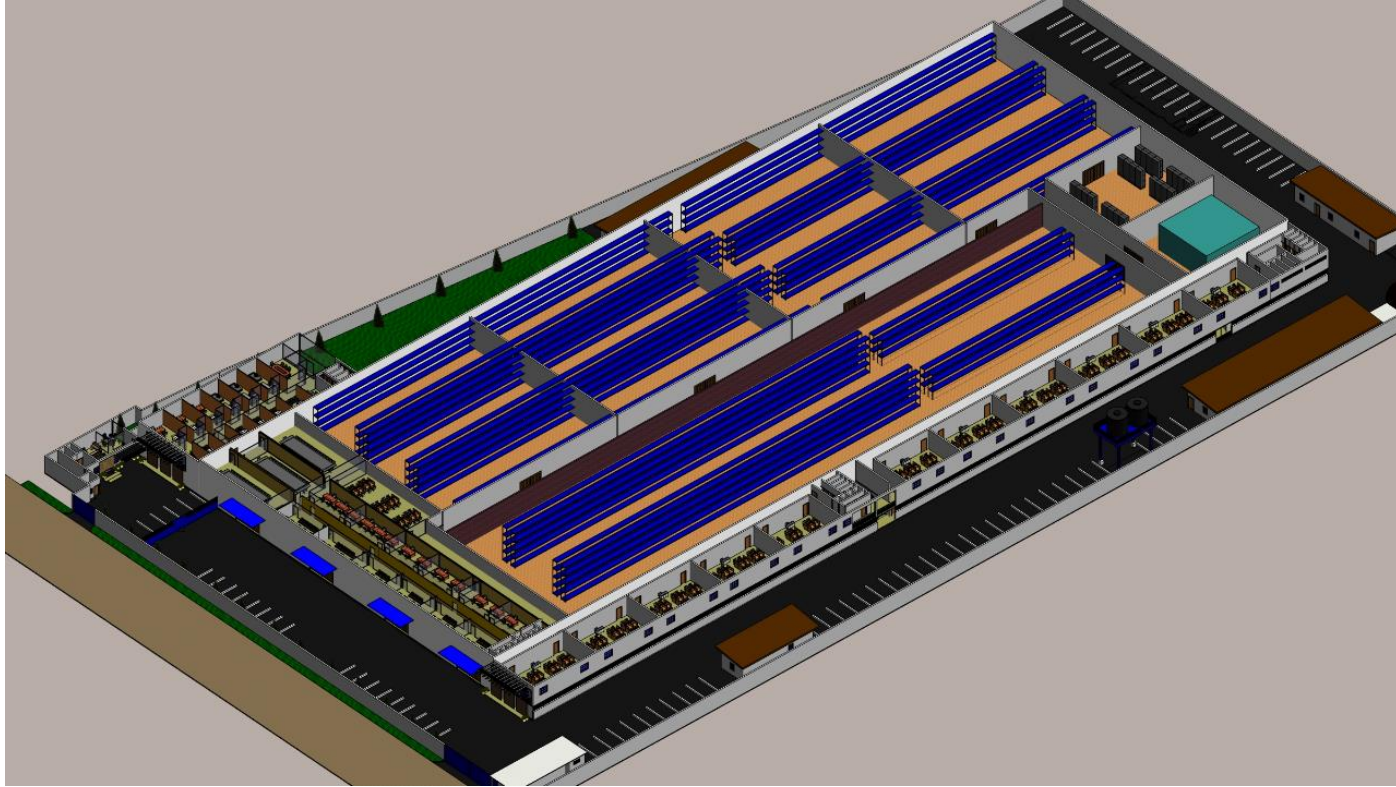
# Strat 2022- Great ideas are greater when delivered



# Strat 2022 – Great ideas are greater when delivered!



# Proposed office & warehouse at new site



**Thank You**



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