



HANSARD
GLOBAL PLC

22 July 2021

**Hansard Global plc
New business results for the year ended 30 June 2021**

Positive new business momentum

Hansard Global plc ("Hansard" or "the Group"), the specialist long-term savings provider, issues its new business results for the financial year ended 30 June 2021 ("FY 2021").

Summary

- New business for the financial year ended 30 June 2021 was £173.0m in PVNBP ("Present Value of New Business Premiums") terms, up 8.3% from £159.8m in FY 2020.
- New business for Q4 2021 was £49.4m, 19.6% higher than £41.3m in Q4 2020.
- New business has continued to recover from the most severe Covid-19 restrictions in place last year as pent up cash savings are being invested.
- Assets under administration continue to grow strongly and totalled £1.228bn at 30 June 2021, up 4.0% from £1.181bn at 31 March 2021 and up 13.7% from £1.081bn at 30 June 2020.

Graham Sheward, Group Chief Executive Officer, commented:

"In an exceptionally challenging financial year, Hansard has delivered a positive new business result, finishing 8.3% up on financial year 2020, with signs that the outlook for savings and investment products is continuing to improve. I would like to thank all our employees and distribution partners for their hard work and resilience in delivering this result.

Having been in the Group CEO role for the past two months, I have been encouraged and enthused by the level of activity taking place to ensure Hansard's long-term success. My initial focus is on delivering the launch of our new proposition in Japan, something that continues to be dependent on the Covid-19 position improving in Japan. We continue to expect this initiative to deliver significant growth in the coming financial year and I look forward to updating our stakeholders in more detail on this and other corporate objectives when we release our full financial year 2021 results in September."

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HANSARD GLOBAL plc

NEW BUSINESS RESULTS FOR THE YEAR ENDED 30 JUNE 2021

OVERVIEW

The Group continues to focus on the distribution of regular and single premium savings and investment products in a range of jurisdictions around the world.

New business activities continue to be impacted by the challenges of Covid-19 restrictions. We have seen improved new business over the past two quarters however and we believe this represents increasing economic confidence and the switching of cash savings into investment products.

Present Value of New Business Premiums ("PVNBP") for Q4 2021 was 19.6% higher than Q4 2020 which was significantly impacted by the initial Covid-19 lockdowns. For the 12 months to 30 June 2021, PVNBP was 8.3% higher than the prior year comparative.

Our annual assessment of actuarial assumptions has improved the value of new business premiums assigned to regular premium savings plans in Q4 2021. This is outlined in more detail below.

NEW BUSINESS FLOWS

New business flows for FY 2021 are summarised as follows:

Basis	Three months ended			Year ended		
	30 June			30 June		
	2021	2020	%	2021	2020	%
	£m	£m	change	£m	£m	change
Present Value of New Business Premiums	49.4	41.3	19.6%	173.0	159.8	8.3%
Annualised Premium Equivalent	5.5	5.0	10.0%	23.1	24.0	(3.7%)

The present value of new business premiums is influenced, amongst other factors, by the Group's expectations of future premium collections on regular premium contracts issued during the year. Where these expectations at year end are different from the assumptions used in the calculation in prior quarters, the assumptions are amended in Q4 to better report the cumulative value of new business. This adjustment is reflected in the Q4 reported new business figures.

The most significant change in assumptions related to improved experience with paid-up policies, which is when contract holders cease paying further regular premiums into their policy. The total impact of assumption changes has been to increase PVNBP for the year by £10.3m compared with the assumptions used in the previous year. Excluding those updated assumptions, cumulative new business flows for FY 2021 would have been reported as £162.7m (an increase of 1.8% from FY 2020) and new business in Q4 2021 would have been reported as £39.1m (a decline of 5.3% from Q4 2020).

In Annual Premium Equivalent ("APE") terms, new business was up 10.0% for the quarter and down 3.7% for the year. APE figures are unaffected by the updated assumptions above.

New business flows on the basis of PVNBP are broken down as follows:

PVNBP by product type	Three months ended 30 June			Year ended 30 June		
	2021 £m	2020 £m	% change	2021 £m	2020 £m	% change
Regular premium	33.6	26.0	29.2%	109.6	102.0	7.5%
Single premium	15.8	15.3	3.3%	63.4	57.8	9.7%
Total	49.4	41.3	19.6%	173.0	159.8	8.3%

PVNBP by geographical area	Three months ended 30 June			Year ended 30 June		
	2021 £m	2020 £m	% change	2021 £m	2020 £m	% change
Middle East and Africa	19.0	18.6	2.2%	68.3	63.3	7.9%
Rest of World	14.3	12.4	15.3%	50.7	48.5	4.5%
Latin America	11.7	7.6	53.9%	40.3	37.3	8.0%
Far East	4.4	2.7	63.0%	13.7	10.7	28.0%
Total	49.4	41.3	19.6%	173.0	159.8	8.3%

Our largest region, Middle East and Africa, rose 2.2% in the quarter and 7.9% for the full financial year. This is reflective of the Middle East emerging comparatively well from Covid-19 and the successful acquisition of a number of high net worth single premium policies earlier in the year.

The level of new business from the Rest of World region was up 15.3% in the quarter as a number of higher value regular premium policies were acquired, resulting in new business up 4.5% for the full financial year.

New business in Latin America rose significantly in the quarter by 53.9%, driven by high net worth single and regular premium policies despite experiencing some of the most challenging global Covid-19 conditions. Overall new business for the full financial year ended up 8.0%.

New business in the Far East rebounded significantly from the low levels seen in the earlier part of this financial year.

ASSETS UNDER ADMINISTRATION (“AUA”)

The composition and value of AuA is based upon the assets selected by or on behalf of contract holders to meet their savings and investment needs. Reflecting the wide geographical spread of the Group’s customer base, the majority of premium contributions and of AuA are designated in currencies other than sterling. Over 60% of Group AuA are denominated in US dollars.

The total of such assets is affected by the level of new premium contributions received from new and existing policy contracts, the amount of assets withdrawn by contract holders, charges and the effect of investment market and currency movements. These factors ultimately affect the level of fund-based income earned by the Group.

Net withdrawals are typically experienced in Hansard Europe dac (“Hansard Europe”), which closed to new business in 2013.

During Q4 2021 AuA increased by £47.2m or 4.0%. For the 12 months ended 30 June 2021, AuA were up £147.8m or 13.7%, reflecting positive global stock markets offset by a weaker US Dollar versus Sterling.

	Three months ended 30 June		Year ended 30 June	
	2021 £m	2020 £m	2021 £m	2020 £m
Deposits to investment contracts – regular premiums	21.5	21.4	84.8	85.8
Deposits to investment contracts – single premiums	16.1	14.7	63.8	57.2
Withdrawals from contracts and charges	(52.3)	(28.6)	(168.9)	(142.3)
Effect of market and currency movements	61.9	119.5	168.1	0.1
Increase in period	47.2	127.0	147.8	0.8
Opening balance	1,181.1	953.5	1,080.5	1,079.7
Assets under Administration at 30 June	1,228.3	1,080.5	1,228.3	1,080.5

The movement in AuA is split as follows between Hansard International (incorporating business reinsured from Hansard Worldwide) and Hansard Europe:

	Year ended 30 June	
	2021 £m	2020 £m
Hansard International	152.4	21.1
Hansard Europe	(4.6)	(20.3)
Increase in period	147.8	0.8

RESULTS FOR YEAR ENDED 30 JUNE 2021

Full trading results for the year are scheduled to be announced on 23 September 2021.

OUTLOOK

As noted in our Q3 update, the outlook for savings and investment products appears to be improving as the global economy begins to emerge from Covid-19 lock-downs and economic challenges. We continue to invest for the future through the on-going development of our Japanese proposition and the upgrade of our systems environment. While the launch of our Japanese proposition is contingent on an improvement in the Covid-19 environment in Japan, we continue to expect this initiative to deliver significant growth in the coming financial year.

Notes to editors:

- Hansard Global plc is the holding company of the Hansard Group of companies. The Company was listed on the London Stock Exchange in December 2006. The Group is a specialist long-term savings provider, based in the Isle of Man.
- The Group offers a range of flexible and tax-efficient investment products within a life assurance policy wrapper, designed to appeal to affluent, international investors.
- The Group utilises a controlled cost distribution model via a network of independent financial advisors, and the retail operations of certain financial institutions who provide access to their clients in more than 170 countries. The Group's distribution model is supported by Hansard OnLine, a multi-language internet platform, and is scalable.
- The principal geographic markets in which the Group currently services contract holders and financial advisors are the Middle East & Africa, the Far East and Latin America. These markets are served by Hansard International Limited and Hansard Worldwide Limited.
- Hansard Europe dac previously operated in Western Europe but closed to new business with effect from 30 June 2013.
- The Group's objective is to grow by attracting new business and positioning itself to adapt rapidly to market trends and conditions. The scalability and flexibility of the Group's operations allow it to enter or develop new geographic markets and exploit growth opportunities within existing markets without the need for significant further investment.

Forward-looking statements:

This announcement may contain certain forward-looking statements with respect to certain of Hansard Global plc's plans and its current goals and expectations relating to future financial condition, performance and results. By their nature forward-looking statements involve risk and uncertainties because they relate to future events and circumstances which are beyond Hansard Global plc's control. As a result, Hansard Global plc's actual future condition, performance and results may differ materially from the plans, goals and expectations set out in Hansard Global plc's forward-looking statements. Hansard Global plc does not undertake to update forward-looking statements contained in this announcement or any other forward-looking statement it may make. No statement in this announcement is intended to be a profit forecast or be relied upon as a guide for future performance.

This announcement contains inside information which is disclosed in accordance with the Market Abuse Regime.

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