



HANSARD
GLOBAL PLC

24 January 2020

Hansard Global plc
New business results for the six months ended 31 December 2019

Hansard Global plc ("Hansard" or "the Group"), the specialist long-term savings provider, issues its new business results for the six months ended 31 December 2019, the first half of its 2020 financial year ("H1 2020"). The three months ended 31 December 2019 are referred to as "Q2 2020" throughout this document.

Summary

- New business for the Group for Q2 2020 was £44.3m in PVNBP ("Present Value of New Business Premiums") terms. This represents an increase of 6.7% on Q2 2019 and 23.7% on Q1 2020;
- New business for H1 2020 was £80.1m, 8.1% higher than H1 2019;
- Our Latin American region has been the fastest area of growth as our Hansard Worldwide proposition and award-winning levels of customer service continue to be well received;
- Assets under administration were £1.09 billion at 31 December 2019, unchanged from Q1 2020.

Gordon Marr, Group Chief Executive Officer, commented:

"There is a growing momentum in the business with particularly good performances in Latin America and the Middle East. Our focus on key distribution relationships, technology and customer service has assisted our growth in sales and we are pleased to have built further upon our strong start to the financial year."

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HANSARD GLOBAL plc
NEW BUSINESS RESULTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2019

OVERVIEW

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

In Present Value of New Business Premiums ("PVNBP") terms, new business for Q2 2020 was 6.7% higher than Q2 2019. The primary driver of this growth came from Latin America, up 80.3%.

New business for the six months to 31 December 2019 was £80.1m, up 8.1% on H1 2019, with Latin America and Middle East & Africa continuing their positive performance.

NEW BUSINESS FLOWS

New business flows for Hansard International for the quarter and the half-year are summarised as follows:

Basis	Three months ended 31 December			Six months ended 31 December		
	2019 £m	2018 £m	% change	2019 £m	2018 £m	% change
Present Value of New Business Premiums	44.3	41.5	6.7%	80.1	74.1	8.1%
Annualised Premium Equivalent	7.3	6.8	7.4%	12.8	11.8	8.5%

Present Value of New Business Premiums ("PVNBP")

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

PVNBP by product type	Three months ended 31 December			Six months ended 31 December		
	2019 £m	2018 £m	% change	2019 £m	2018 £m	% change
Regular premium	29.0	21.8	33.0%	51.6	37.4	38.0%
Single premium	15.3	19.7	(22.3%)	28.5	36.7	(22.3%)
Total	44.3	41.5	6.7%	80.1	74.1	8.1%

PVNBP by geographical area	Three months ended 31 December			Six months ended 31 December		
	2019 £m	2018 £m	% change	2019 £m	2018 £m	% change
Middle East & Africa	15.5	15.8	(1.9%)	30.8	24.7	24.7%
Rest of World	14.5	13.9	4.3%	24.1	26.1	(7.7%)
Latin America	11.0	6.1	80.3%	19.7	13.1	50.4%
Far East	3.3	5.7	(42.1%)	5.5	10.2	(46.1%)
Total	44.3	41.5	6.7%	80.1	74.1	8.1%

New business in Latin America grew over 80% in Q2 2020 compared to Q2 2019 and is up over 50% for the six months ended 31 December 2019. Our subsidiary in The Bahamas, Hansard Worldwide Limited, has been well received since its launch in 2019 and has allowed us to build on our key distribution relationships and deploy targeted initiatives to encourage adoption.

Our Middle East & Africa region continued to do well, driven primarily by our strategic relationship in the UAE. While down marginally quarter on quarter, the region remains up 24.7% for the six months ended 31 December 2019.

The Rest of World region was up 4.3% in Q2 2020 compared to Q2 2019, although remains lower for the six months ended 31 December 2019 as we wrote less single premium business this year.

Our current focus in the Far East region is to develop and bring our new Japanese proposition to market. This continues to progress at a detailed operational level with a focus on delivering formal distribution agreements. We also are working with our distribution network to grow business through our licence in Labuan, Malaysia.

In terms of business mix, we continued to focus on higher margin regular premium savings rather than pursue increasingly competitive single premium business. This resulted in our regular premiums rising 33.0% and single premiums falling 22.3% in Q2 2020 compared to Q2 2019.

AWARDS

During Q2 we were delighted to win awards from International Investor for 'Excellence in Customer Service' both for the Latin American region and as overall global winner. Hansard also won 'Best Digital Proposition' from International Advisor during the period. These were significant achievements in areas of key strategic focus, winning against a number of major global brands.

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") as it closed to new business in 2013.

AuA were relatively unchanged during the three months ended 31 December 2019, with modest market and currency fluctuations driving a £7.0m (0.6%) decrease. For the six months ended 31 December 2019, AuA were up £5.7m (0.5%).

	Three months ended 31 December		Six months ended 31 December	
	2019	2018	2019	2018
	£m	£m	£m	£m
Deposits to investment contracts – regular premiums	20.7	20.1	42.0	39.7
Deposits to investment contracts – single premiums	16.5	19.9	29.6	37.0
Withdrawals from contracts and charges	(39.1)	(36.3)	(77.9)	(77.7)
Effect of market and currency movements	(5.1)	(71.0)	12.0	(59.5)
Increase / (decrease) in period	(7.0)	(67.3)	5.7	(60.5)
Opening balance	1,092.4	1,042.8	1,079.7	1,036.0
Assets under Administration at 31 December	1,085.4	975.5	1,085.4	975.5

The movement in AuA is split as follows between Hansard International and Hansard Europe:

	Six months ended 31 December	
	2019	2018
	£m	£m
Hansard International	12.0	(47.8)
Hansard Europe	(6.3)	(12.7)
Increase / (decrease) in period	5.7	(60.5)

RESULTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

Trading results for the half-year are expected to be announced on 5 March 2020.

OUTLOOK

We expect to see current regional sales trends continue throughout the course of our financial year. We continue to work hard at progressing our new Japanese proposition and will update the market when we achieve our next key milestone, the signing of formal distribution agreements.

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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