

Presentation to Analyst & Investors

| THURSDAY, 09 MAY 2024



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About Transcorp

Africa's Leading diversified conglomerate with a commanding presence in the Power, Energy, and Hospitality sectors

Company Facts



Strong financial performance with an **Aggressive Growth Agenda**



2004
Incorporated



2006
Listed on the NGX



C.300,000
Shareholders



2,000+
Employees



3
Operating Segments

Performance



With a Purpose of **Improving Lives, Transforming Nigeria**

N88.6bn *(173% y-o-y growth)*
Gross Revenue
(Q1, 2024)

N35.9bn *(c.2000% y-o-y growth)*
Net Profit
(Q1, 2024)

N552.8bn
Market Capitalization
(as of May 6, 2024)

Power

- A power portfolio of two power subsidiaries with combined installed capacity of **1,938MW** accounting for **c.15%** of the total installed capacity in Nigeria
- Significant investment in an electricity distribution Company

TranscorpPower



- Thermal power plant with installed capacity of **972MW**.
- Average Available capacity **500MW**

TransafamPower

- Afam Power Plc - A thermal power plant with an installed capacity of **726MW**
 - ✓ Average Available capacity **138MW**
- Afam Three Fast Power Limited: An aeroderivative thermal power plant with installed capacity of **240MW**.

Hospitality

TranscorpHotels



- Leading hospitality business and owners of the award winning **5 Star Transcorp Hilton Abuja**
 - ❖ **670** Rooms
 - ❖ **20** Meeting Rooms
 - ❖ **7** Restaurants
- **Aura by Transcorp Hotels** is a digital platform that connects travellers to unique accommodations and experiences.

Energy

TranscorpEnergy

- Operators of **OPL 281** oil block under a Production Sharing Contract with NNPC.
- A strategic asset in achieving Transcorp's integrated energy strategy.
- Oil and gas in place - **77mn barrel & 1 TCF**

2004 - 2010

2004

- Incorporation of Transcorp

2005

- Acquisition of Transcorp Hilton Abuja.

2006

- Listing on the Nigerian Stock Exchange.
- Emerged winner of OPL281 Bid

2011 - 2016

2011

- **HEIRS HOLDINGS BECOMES CORE INVESTOR.**

2012

- Emerged preferred bidder for Ughelli Power Plc (UPP).

2013

- Execution of management agreement with Hilton for Transcorp Hilton Ikoyi

2014

- Execution of Production Sharing Contract on OPL 281.
- Listing of Transcorp Hotels
- NSE Awards Transcorp the Most Compliant Firm in Nigeria.

2015

- Issuance of Transcorp Hotels N10bn bond (Series 1).
- Issuance of Transcorp Hotels N9.758bn bond (Series 2).

2016 - 2020

2017

- Commission of GT15 a 115MW Gas Turbine by Transcorp Power.
- Divestment from Teragro Fruit juice concentrate plant.

2018

- Transcorp Power surpasses 5-Year BPE-set minimum performance target of 670MW for power generation by achieving 680.83MW.
- Membership into the West African Power Pool (WAPP).

2019

- Emerged preferred bidder for AFAM Genco
- Completion of the upgrade of Transcorp Hilton Abuja.
- Issuance of Certificate of Discharge to Transcorp Hotels by the National Council on Privatisation.

2020

- SSPA signing and 100% acquisition of Afam Power Plant.
- Settlement of Sacoil Dispute on OPL281.
- THP successful N10bn capital raise via a rights issue.
- THP fully redeemed its N9.758bnbn Series 2 bond.

2021 - 2022

2021

- Administrative handover of Afam Power Plc with available capacity of 48MW.
- Aura by Transcorp Hotels Launch.

2022

- Transcorp Power obtained three (3) ISO certifications.
- Change of name from Transnational Corporation of Nigeria Plc to “TRANSNATIONAL CORPORATION PLC”.
- THP fully redeemed its N10bn Series 1 bond.
- Commissioning of Afam Power GT20 (138MW) and return to the national grid after 15 years of being non-operational.

2023 - 2024

2023

- Issuance of Certificate of discharge to Transcorp Power Plc by the National Council on Privatization.
- Commissioned 180MW of the 240MW Afam III fast power plant.
- Conversion of Transcorp Power Limited to a Public Limited Liability Company
- Transcorp Hotels Plc crosses the N1 trillion market capitalization level, thus admitting the company into the SWOOT group

2024

- Listing of Transcorp Power Plc on the Nigerian Exchange Limited.
- Divestment from Transcorp Hotels Calabar



Tony O. Elumelu, CFR
Group Chairman



Dr. Foluke Abdulrazaq, OON
Vice Chairman / Independent
Non-Executive Director



Dr. Owen Omogiafo, OON
President/GCEO



Emmanuel Nnorom
Non-Executive Director



Dr. Stanley I. Lawson
Non-Executive Director



Dr. Toyin Sanni
Non-Executive Director



Victor Famuyibo
Independent
Non-Executive Director



Ahmadu Sambo
Independent
Non-Executive Director



Oliver Andrews
Independent
Non-Executive Director



Dr. Owen D. Omogiafo, OON
President/GCEO, Transcorp Plc



Peter Ikenga
MD/CEO, Transcorp
Power



Dupe Olusola
MD/CEO, Transcorp
Hotels



Vincent Ozoude
MD/CEO, Transafam
Power



Christopher Ezeafulukwe
MD/CEO, Transcorp
Energy



Festus Izevbizua
Group Chief
Finance Officer



Stanley Chikwendu
Group Company Secretary
and Legal Counsel



Olamide Malik
Head, Human Resources



Chinweugo Nwafor
Group Head, Internal Audit



Ilobekemen Idiake
Head, Strategy & Business
Transformation



Oluwaseun Oridota
Chief Information &
Technology Officer



Adeshola Shittu
Head, Marketing and Corporate
Communication

Macroeconomic Overview



Nigeria's inflation stood at 28.92% in December 2023. By January 2024, it became 29.90% and further climbed to 33.2% as at Q1 ended March 31st, 2024 (the highest in the last 5 years)



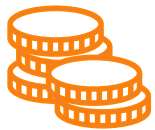
The monetary policy rate was increased by 200bps from 22.75% to 24.75% in March 2024 to curb the rising inflation and manage the volatility in the exchange rate.



In December 2023, the Nigerian naira depreciated by 145.3% to N1,099.05/\$ from N448.08/\$ in December 2022, hitting a historical all time low. As at March FX rate stood at N1,330/\$



Nigeria's Bonny Light crude average oil price increased to \$91.6 per barrel on April 25th, 2024, compared to \$79.4 per barrel in December 2023.



Nigeria's foreign exchange reserves declined by 12.46% to \$32.9bn in December 2023 compared to \$37.1bn in December 2022. Currently, FX reserve is at \$32.1bn, a 2.4% deep from December 2023.



As at March 2024, Nigeria produced 1.23m bpd compared to 1.34m bpd in December 2023.

Outlook

- GDP growth is projected at 3.3% by the end of 2024¹, while inflation is expected to remain elevated.
- The growth will be fueled by the oil sector's gradual recovery, with projected improvement in oil production and expected gains from the Federal Government reforms across various sectors.

¹ IMF, Business Day, NBS, CBN

The background of the slide features a stylized world map. The map is composed of a network of thin grey lines connecting various points, with some landmasses highlighted in light grey and others in a light orange color. A large, solid orange rectangular box is centered over the map, containing the main title in white text.

Group Financial & Operational Performance

Key Highlights

- Strong y-o-y revenue growth of 47.32%.
- Positive PBT and PAT growth by 93.55% and 92.85% respectively
- Total assets up by 19.70%.
- Total Shareholders' fund up by 21%

Profit & Loss (N in mil)

	<u>FY 23</u>	<u>FY 22</u>	Change
Gross Earnings	196,990	133,718	47.32%
Gross Profit	109,144	65,769	65.95%
Operating Expense	(30,589)	(22,654)	35.03%
Net Operating Income	81,441	46,555	74.93%
Profit Before Tax	58,806	30,383	93.55%
Profit After Tax	32,475	16,840	92.85%
Cost-to-Income Ratio	27%	37%	-10ppt
Post-Tax Return on Equity	17%	11%	+7.8ppt
Post-Tax Return on Assets	6%	4%	+2.5ppt

	<u>FY 23</u>	<u>FY 22</u>	
Total Assets	529,924	442,703	19.70%
Total Liabilities	342,626	287,929	19.00%
Shareholders' Fund	187,298	154,774	21.01%

Key Highlights

- Strong y-o-y revenue growth of 173%.
- Positive PBT and PAT growth by over 1000%.
- Total assets up by 24%.
- Total Shareholders' fund up by 43%

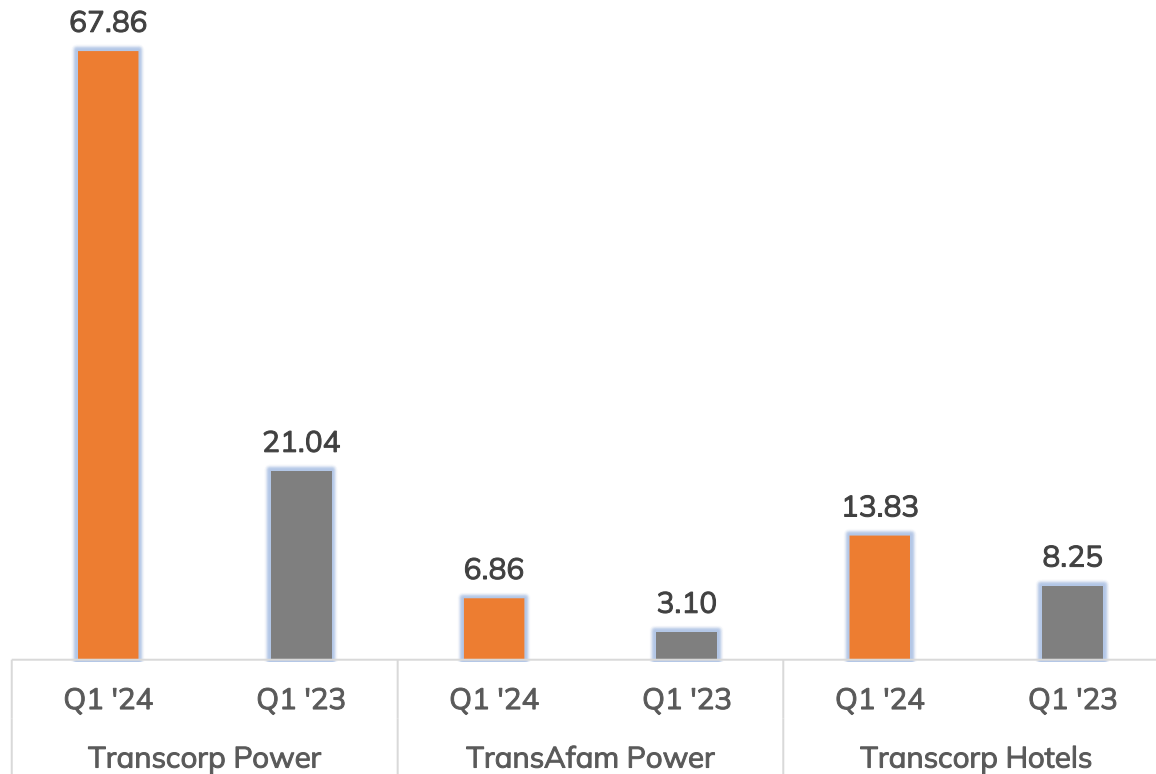
Profit & Loss (N in mil)

	<u>Q1 24</u>	<u>Q1 23</u>	Change
Gross Earnings	88,552	32,394	173%
Gross Profit	46,210	14,219	225%
Operating Expenses	(8,241)	(5,906)	40%
Net Operating income	49,154	8,492	479%
Profit Before Tax	45,685	2,853	1,501%
Profit After Tax	35,922	1,859	1,832%
Cost-to-Income Ratio	21%	42%	21ppt
Post-Tax Return on Equity	16.01%	1.18%	+15ppt
Post-Tax Return on Assets	6.26%	0.40%	+6ppt

	<u>Q1 24</u>	<u>Q1 23</u>	
Total Assets	573,989	464,480	24%
Total Liabilities	349,635	307,486	14%
Shareholders' Fund	224,354	156,994	43%

Revenue Growth [N'bn]

Revenue (N'billions)



- Sustained revenue growth driven by:
 - Hospitality Business
 - ADR improved by 59% to N189,165 in Q1 2024 from N119,216 in Q1 2023.
 - Increased patronage in the hotel business resulting in improved occupancy rate up to 82%.
 - Power Business-Transcorp Power & TransAfam Power recorded significant improvement due to an increase in power generation and sales tariff.

A faint, stylized world map is visible in the background. It consists of a network of thin grey lines connecting various points, with some landmasses shaded in light grey. A large orange rectangle is centered over the map, containing the title text.

Business Segment Review

The background of the slide is a light grey world map. The map is composed of a network of thin grey lines connecting various points, creating a web-like pattern. The continents are shaded in a light grey color. A large orange rectangle is centered over the map, containing the text "Power Business".

Power Business

Transcorp Power Plc Result at a glance

	Q1 24	Q1 23	YoY
Financial information (N'mn)			
Gross Earnings	67,862	21,040	+223%
Gross Profit	34,778	7,697	+352%
Operating Expenses	(5,368)	(953)	+463%
Net Operating Income	29,410	6,744	+336%
Profit Before Tax	28,772	3,289	+775%
Profit After Tax	20,141	2,631	+665%
Cost-to-Income Ratio	15.4%	12.4%	+14ppt
Post Tax Return on Equity	25.82%	4.57%	+23ppt
Post Tax Return on Asset	7.29%	1.17%	+6ppt
	Q1 24	FY 23	
Total Assets	276,274	223,390	24%
Total Liabilities	198,271	165,528	20%
Shareholders' Fund	78,003	57,862	35%

TransAfam Power Result at a glance

	Q1 24	Q1 23	YoY
Financial information (N'mn)			
Gross Earnings	6,860	3,104	+121%
Gross Profit	1,508	719	+110%
Operating Expenses	(561)	(568)	-1%
Net Operating Income	947	151	+526%
Profit/(loss) Before Tax	515	(7)	+7457%
Profit/(loss) After Tax	515	(7)	+7457%
Cost-to-Income Ratio	37%	79%	+42ppt
Post Tax Return on Equity	1.43%	(7%)	+522ppt
Post Tax Return on Asset	0.3%	0.0%	+0.3ppt
	Q1 24	FY 23	
Total Assets	149,142	143,658	4%
Total Liabilities	113,085	108,116	5%
Shareholders' Fund	36,037	35,542	1%

Efficient and effective stakeholder management

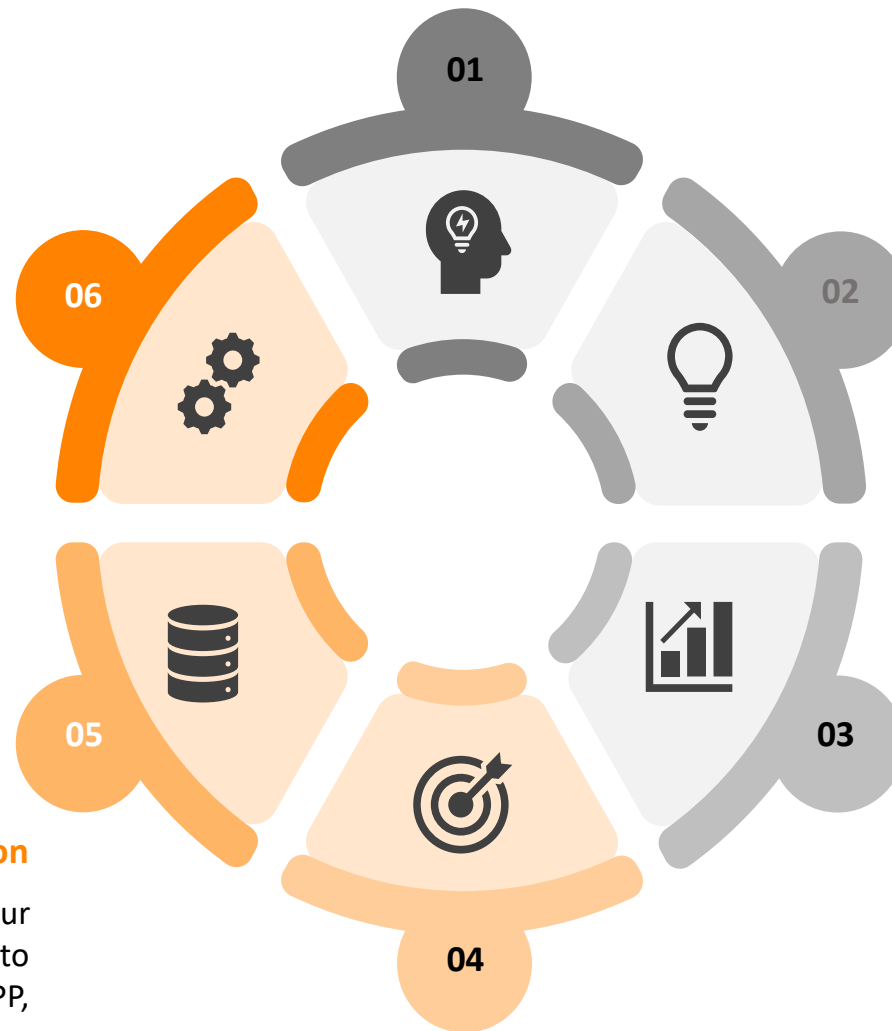
Continuous engagement with key stakeholders to ensure stronger relationships, particularly the host communities, TCN, NCC, NERC, Gas Suppliers, NGC .

Optimisation of available capacity

Leverage strategic relationships to generate and sell our stranded available capacity through the WAPP, Strategic Partnership with Discos, Eligible customers etc.

Continuous improvement in revenue collection

Continuous engagement with NBET to ensure our invoices are settled in a timely manner to improve liquidity and leverage WAPP, Partnership with DisCos, and Eligible customers



Increase and maintain existing generating capacity

The current combined installed capacity is about 2,000MW. Our plants are undergoing some upgrade and maintenance that will enable us ramp up and maintain available capacity.

Solve transmission related challenges

Extensive engagement with TCN towards resolving several transmission challenges which are affecting our generation and evacuation capabilities.

Ensure adequate supply of gas

We have executed firm contracts with a number of gas suppliers. The plan is to ensure we continuously engage our gas suppliers to ensure delivery of quality gas as well as identify alternative back up sources to continuously maintain our generation capacity.

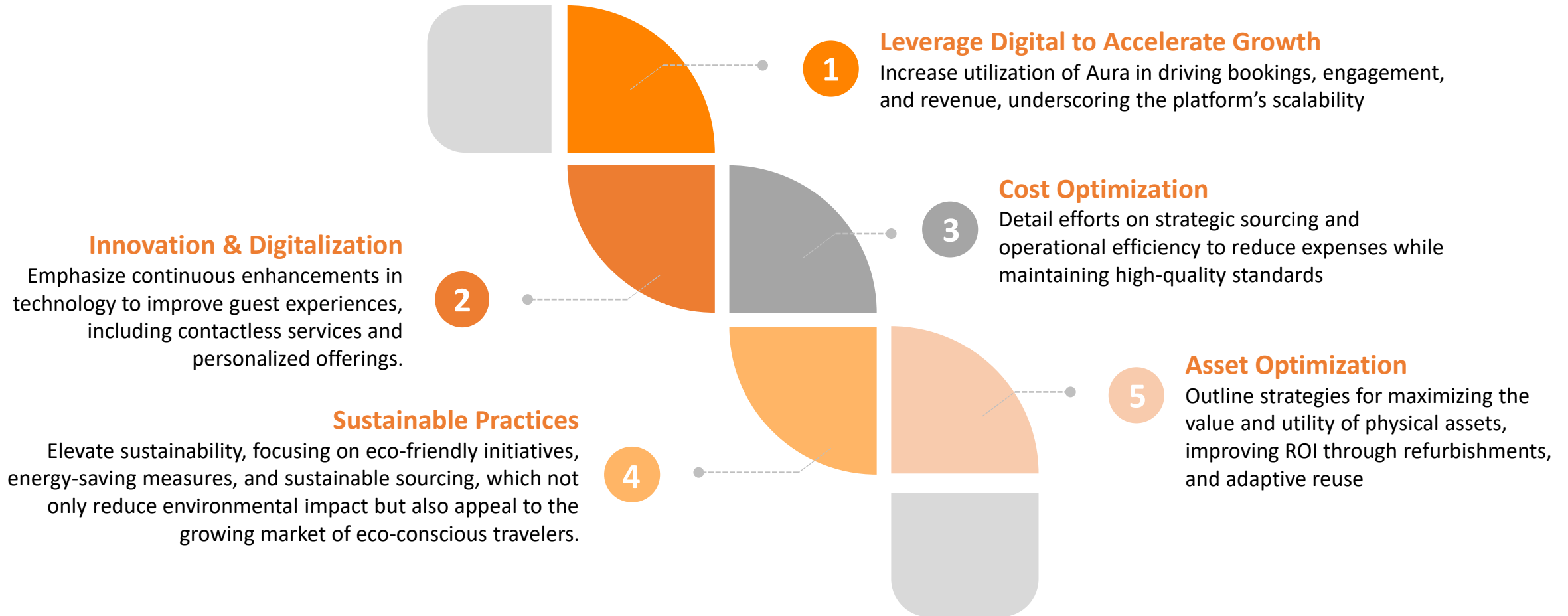
A faint, stylized world map is visible in the background, overlaid with a network of grey lines and dots representing global connectivity. The map is centered behind the main title banner.

Hospitality Business

Result at a glance

	Q1 -24	Q1 -23	YoY
Financial information (₦ Bn)			
Gross Earnings	13,831	8,034	+72%
Gross profit	9,924	5,670	+75%
Operating Expenses	(6,080)	(3,933)	+55%
Net Operating Income	6,909	1,899	+264%
Profit Before Tax	6,085	912	+567%
Profit After Tax	5,017	532	+843%
Cost- to- Income Ratio	56%	89%	+33 ppts
Post-Tax-Return on Equity	7%	1%	+6 ppts
Post-Tax Return on Assets	4%	0%	+4 ppts
Total Assets	130,741	126,095	+4%
Total Liabilities	58,928	59,299	-0.6%
Shareholder's Fund	71,813	66,796	+7.5%
Key Performance Indicators			
ADR (₦)	189,165	142,000	33%
RevPar (₦)	155,715	111,885	39%
Occupancy Rate	82%	79%	3.6ppts

- Revenue grew by 72% to N13.8 billion in Q1 2024 from N8billion in 2023. Gross profit grew 75% to N9.9 billion in Q1 2024 from N5.7 billion during the same period in 2023.
- Despite the adverse impact of inflation and Naira devaluation on the cost of operations, our operating expenses were well managed, recording a 55% year-on-year increase.
- Consequently, the cost to income ratio improved significantly from 89% in Q1 2023 to 56% in Q1 2024.
- We ended the quarter with a profit after tax of N5bn from N532mn recorded same period in 2023. This represents an 843% increase.



Sustainability



Environment

TPP's ISO 14001
(Environment
Management System)
Certification

Water Conservation
Project

Transcorp Transforms

Soap for Hope Initiative



Social

DIVERSITY & INCLUSION

c. 33% of the directors are
female

c. 40% of the key management
staff are female

COMMUNITY IMPACT & EMPOWERMENT

Vocational Skill Training
and Entrepreneur
Empowerment program

Business
Empowerment
Program for
Women (BEPW)

Quality and affordable
Nursery to Secondary
School education for the
community

WELLNESS, HEALTH & SAFETY

Two (2) healthcare
facilities in Ughelli and
Afam where we provide
affordable healthcare for
the community.

Promote maternal
healthcare through
provision of
antenatal services

Safe working
environment, strong
level of incidence and
injury free operations.



Corporate Governance

50% equal split of NEDs
and INEDs on the Board

Corporate Governance
Rating System (CGRS)
certified by the NGX.

Strong Code of Conduct,
Ethics & Compliance

Nigerian Data Protection
Audit compliant for 2023

World Environment Day



The Earth Hour



Transcorp Transforms: School Recycling Campaign



Community Engagement



Walk for Cancer





TRANSNATIONAL CORPORATION PLC

NDPR Audit
COMPLIANT 2023



Regulatory Compliance:

- Transcorp and its subsidiaries completed the 2023 Data Protection Audit as per NDPA requirements
- The Group was awarded Certificates of Compliance for the review period sustaining the outcome achieved in 2022.

Code of Conduct & Ethics:

- Upholds a culture of professionalism and competency among employees and directors
- Adheres to established ethical and code of conduct frameworks
- Implements targeted programs to ensure staff operate in alignment with approved standards
- Conducts regular sensitization sessions to foster awareness
- Reinforces accountability among employees.

Complaints Management & Whistleblowing:

- Meticulously investigates whistleblowing reports and imposes appropriate sanctions where necessary
- Prioritizes integrity, transparency, and accountability in the workplace, demonstrating commitment to transparent and ethical environment emphasizing dedication to ethical governance.

Awards & Recognition



Booking.com Traveller Review Awards 2024

- This award recognizes our exceptional service, as reflected in the review scores left by guests.

Transcorp Group was awarded '**the Best Diversified Conglomerate**' at the 2024 Global Brands Magazine Awards for conglomerates involved in multiple sectors who have continuously performed exceptionally while sustaining growth.

Seven Star Media Corporation awarded Transcorp Hilton Abuja as the Best Luxury Business Hotel in Africa.

Transcorp Group and Transcorp Hotels received the Diversity Equity and Inclusion (DEI) Award from Hofstede Insights for the third year in a row. Both Companies were named as part of Nigeria's leading companies for our extraordinary dedication to promoting a diverse, equitable, and inclusive workplace.

Strategy & Outlook

Improve & Sustain Generating Capacity



- Increase and sustain power generating capacity.
- Engage Gas Suppliers to ensure adequate and consistent gas supply

Continuous delivery of world-class services



- Continue innovation and optimization to improve customer experience in our hospitality business.

Improved Maintenance Framework



- Robust maintenance plan to ensure that our businesses operate optimally and efficiently through out the year

Group Synergy



- Drive continued synergies across the Group

Stakeholder Management



- Maintain Strong relationship with host community & other stakeholders

People & Process



- Leveraging human capital to deliver superior results
- Business process improvements & great focus on operational efficiency

“Our overall strategic objective is to continue to maintain our position as market leaders in the various sectors we operate in, leverage synergies within our businesses, improve operational efficiency and effectiveness across the organization to enhance productivity, reduce costs, and deliver superior customer value”

Transcorp Power Plc	Transafam Power Limited	Transcorp Hilton Abuja	Transcorp Energy Limited
Increase available and generating capacity		Redefining hospitality standards in Nigeria	Commence the actualization of our gas to power strategy
618 Target Average Available Capacity (MW) with a year-end target of 720MW	245 Target Average Available Capacity (MW) with a year-end target of 365MW	₦147,721 ADR	Field Development Planning ongoing to harness the hydrocarbon resources in the “OPL 281” asset.
510 Target Generating Capacity (MW) with a peak generation of 611MW	177 Target Generating Capacity (MW) with a peak generation of 292MW	85% Occupancy	
		₦126,262 RevPAR	
		Launch of the 5,000-seater event center	
Enter in bilateral contracts with Discos and Eligible Customers.		Increase our presence across Africa leveraging our asset light strategy	



Question and Answers

THANK
YOU!



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