



**LAGOS, NIGERIA**

**30<sup>TH</sup> APRIL 2020**

### **THE TREND AND OUTLOOK ON COVID- 19**

Nigeria like the rest of the world is dealing with unprecedented disruption and hardship on account of the Pandemic. The Federal Government of Nigeria and several state governments have taken urgent action, restricting the movement of people and goods and enforcing social distancing. These necessary measures have resulted in the closure of businesses and a reduction in economic activity which have impacted Nigerian companies.

At UACN Property Development Company PLC (“UPDC” or the “Company”), based on trends observed in countries that experienced the Pandemic earlier, we took early action assessing risk and our strategy to cater for the present uncertainty. We will continue our efforts to ensure that the business continues as a going concern even in these trying times and is positioned for growth thereafter.

#### **The Impact of the Pandemic**

There has been a lockdown on movement in major states in Nigeria as a result of the Pandemic. This is expected to impact economic activities, including restricting site visits, which are usually required for the sale of property stock. We anticipated this limitation to site visits and have therefore focused on implementing the following initiatives:

- Engaging already existing customers in order to recover receivables as well as to close new sales.
- Partnering with mortgage companies in order to secure funding for both existing and new customers,
- Offering discounts on cash payments, and
- Negotiating interest rates on interest bearing loans.

In times of economic uncertainty, consumers defer non-essential purchases of which real estate is one. We, thus, anticipate a decline in revenue and continue to focus aggressively on our costs to ensure our cash reserves are sufficient to meet our liquidity requirements.

**uacn property development company plc** RC.321582

**uac house:** 1 – 5 odunlami street, p.o. box 156 lagos, nigeria.

e-mail: careline@updcplc.com, care line: +234 1 7389363, website: www.updcplc.com

**Directors: B. Kasali (Chairman), F. B. Aiyesimoju (CEO), D. Nicol-Omeruah (Mrs.) (Deputy CEO), F. Fadahunsi (Mrs) (CFO), A.O. Awojobi, Prof O. A. Ansa, A. Ajumogobia (Mrs), K. Osilaja.**

### **Debt Obligations**

UPDC has outstanding debt obligations including a N4.2bn bond, loans due to related parties and a guarantee issued for the borrowings of a UPDC affiliate. The Company requires a minimum volume of asset sales to meet these obligations and is focused on aggressively driving sales with a view to positioning the Company to meet its obligations as and when due.

### **Management's Response to the uncertainties from Covid-19 Disruptions**

Our board and management have remained agile during this Covid-19 disruption. Our business continuity plan was activated as soon as the Federal Government announced a lock down, therefore, our operations, while disrupted will continue during the lockdown.

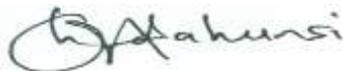
We deployed a remote operation supported by technology tools which were fully activated upon the lockdown. The safety of our employees and other stakeholders remains a top priority, thus, the work from home method is still in place. Also, we have not relented in keeping our communication with our key stake holders active.

We have made adjustments in our business continuity endeavour to remain nimble while proactively monitoring our internal and external environments for changes in key economic, performance and risk indicators.

We will aim to participate in any available palliatives provided by different levels of Government such as tax deferrals and concessionary funding.

Yours faithfully

**For: UACN Property Development Company Plc.**



**Folakemi Fadahunsi**  
**Chief Financial Officer**



**Folake Kalaro**  
**Company Secretary/Legal Adviser**