GlaxoSmithKline Consumer Nigeria PLC.
(RC 8726)

Ahead Together

2022 Annual Report & Financial Statements

LIFE'S TOO SHORT FOR SENSITIVE TEETH

PM-NG-SENO-22-00003

*Always read the label before use

Panadol

gsk

For Effective Pain Relief

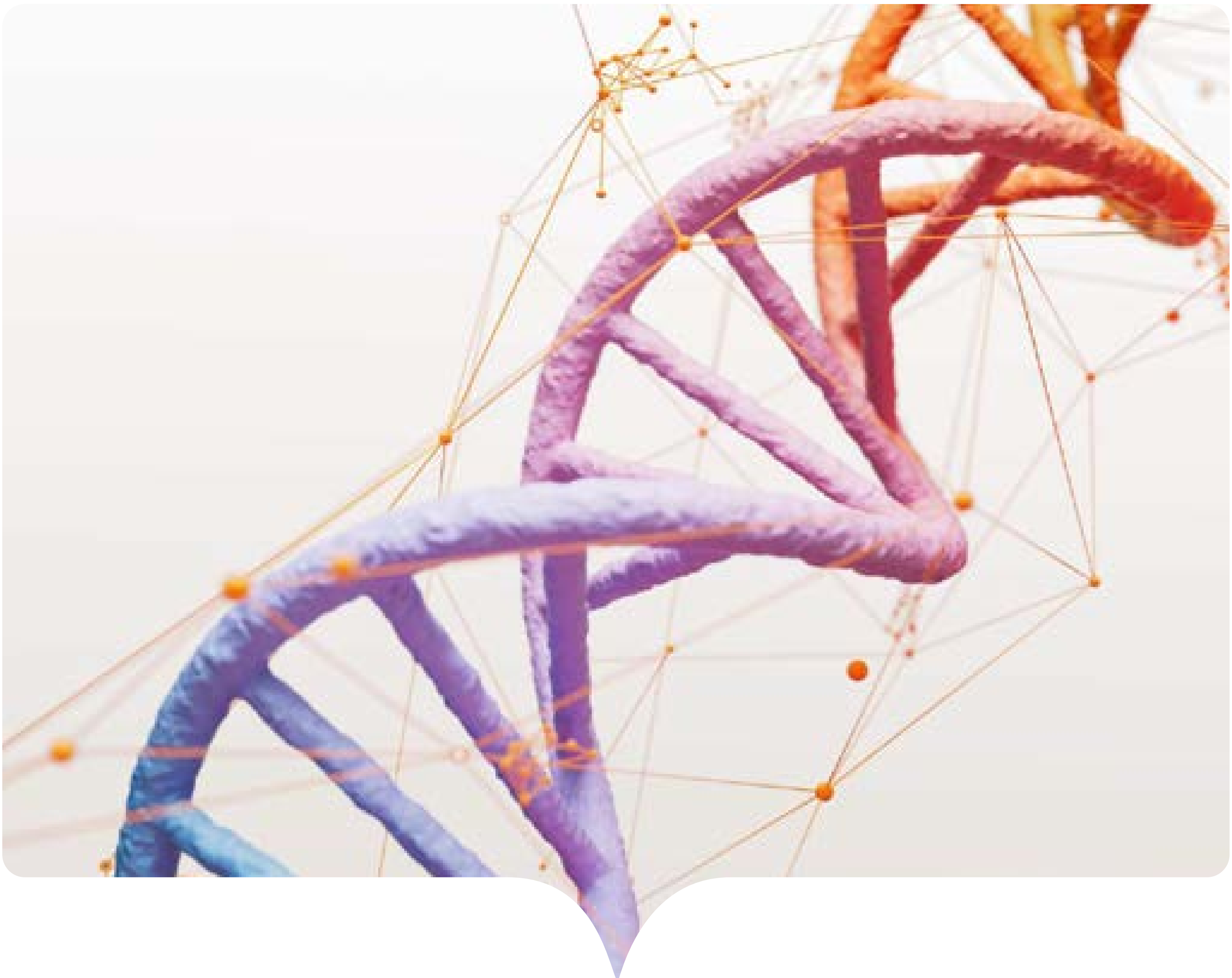
RELIEVES

• HEADACHE • JOINT ACHE • BACKACHE
• TOOTHACHE • MENSTRUAL PAIN

Always read the label. Contains Paracetamol and Caffeine. Not recommended for use during Pregnancy & For Children under 12 years. If symptoms persist after 2 days consult your doctor

PM-NG-PAN-22-00006

In this **Strategic Report**



Corporate Report

Financial Statements

Shareholders' Information

THE **GROUP**

Continuing Operations	2022 N'000	2021 N'000	% Growth
Revenue	25,382,419	22,449,824	13%
Gross profit	6,930,179	6,179,689	12%
Operating profit	935,220	837,646	12%
Profit before tax	1,241,233	945,752	31%
Current tax expense	(470,087)	(286,941)	64%
Profit after tax for the year	771,146	658,811	17%
Shareholder's funds	9,532,452	9,299,450	3%
Earnings per share (kobo)	64	55	17%
Net asset per share	8.0	7.8	3%

Notice of the **52nd Annual General Meeting**

NOTICE IS HEREBY GIVEN that the **Fifty-Second Annual General Meeting** of GlaxoSmithKline Consumer Nigeria PLC will be held at t**he Shell Nigeria Hall, MUSON Centre, 8/9 Marina, Onikan, Lagos,** on **Wednesday 7th June 2023** at **11 o'clock** in the forenoon to transact the following business:

ORDINARY BUSINESS

1. To lay before the members, the report of the Directors and the Audited Financial Statements for the year ended 31st December 2022, together with the reports of the Auditors and Audit Committee thereon.
2. To declare a Dividend.
3. To elect/re-elect Directors.
4. To authorize the Directors to fix the remuneration of the Auditors.
5. To disclose remuneration of Managers of the Company
6. To elect the members of the Audit Committee.

SPECIAL BUSINESS

7. To fix the remuneration of the Directors.
8. To consider and pass the following resolution as an ordinary resolution of the Company

   "That the general mandate given to the Company to enter into transactions with related parties for the Company's day-to-day operations, including the procurement of goods and services, on normal commercial terms in compliance with the NSE Rules Governing Transactions with Related Parties or Interested Persons, be and is hereby renewed."

VOTING BY INTERESTED PERSONS

In line with the provisions of Rule 20.8 (h) Rules Governing Related Party Transaction of Nigerian Exchange Limited, the interested persons have undertaken to ensure that their proxies, representatives or associates shall abstain from voting on resolution 8 above."

NOTES:

I. PROXY

Any member of the Company entitled to attend and vote at this Meeting is also entitled to appoint a proxy to attend and vote in his/her stead.

A proxy form is attached to the Annual Report. All instruments of proxy must be deposited at the office of the Company's Registrars, Greenwich Registrars & Data Solutions Limited, 274 Murtala Muhammed Way, Yaba, Lagos, P.M.B. 12717, Lagos or via E-mail: proxy@gtlregistrars.com not later than 48 hours before the time of the meeting. The Company has made arrangements to bear the cost of stamp duties on the instruments of proxy.

II. PAYMENT OF DIVIDEND

If the dividend recommended is approved, dividend would be paid electronically on Thursday, 8th June 2023 to holders of shares whose names appear in the Register of Members at the close of business on Thursday, 4th May 2023, and who have completed the e-dividend registration and mandated the Registrar to pay their dividends directly into their bank accounts.

III. CLOSURE OF THE REGISTER AND TRANSFER BOOKS

Notice is hereby given that the Register of Members and Transfer Books of the Company will be closed from the commencement of business on Friday, 5th May 2023 to Thursday, 11th May 2023 both days inclusive, for the purpose of qualifying for dividend and attendance at the Annual General Meeting Members.

IV. NOMINATIONS FOR THE AUDIT COMMITTEE

In accordance with Section 404(6) of the Companies and Allied Matters Act (CAMA) 2020, any member may nominate a shareholder for election as a member of the Audit Committee by giving notice in writing of such nomination to the Company Secretary at least 21 days before the Annual General Meeting. The Securities & Exchange Commission's Code of Corporate Governance for Public Companies and the CAMA have indicated that members of the Audit Committee should have basic financial literacy and should be able to read Financial Statements. We therefore request that nominations be accompanied by a copy of the nominee's curriculum vitae.

V. UNCLAIMED DIVIDENDS

Several dividend warrants remain unclaimed or are yet to be presented for payment or returned to the Registrars for revalidation. A list of such members will be circulated with the Annual Report and Financial Statements. Members affected are advised to complete the e-dividend registration or write to or call at the office of the Company's Registrars, Greenwich Registrars & Data Solutions Limited, 274 Murtala Muhammed Way, Yaba, P. M.B. 12717, Lagos during normal working hours. Shareholders are encouraged to update their mailing addresses by forwarding the latest information to the Company or its Registrars, Greenwich Registrars & Data Solutions Limited at their registered address stated above.

VI. E-DIVIDEND

Shareholders who are yet to complete the e-dividend registration are advised to download the Registrar's E-Dividend Mandate Activation Form, which is also available on our website - www.gsk.com/ng or Greenwich's website - www.gtlregistrars.com; complete and submit to the Registrar or their respective Banks.

VII. SECURITIES HOLDERS' RIGHTS

Rule 19(12) of the Rulebook of the Nigerian Stock Exchange reserves the right of Shareholders and other holders of the Company's Securities to ask questions not only at the meeting but also in writing prior to the meeting. Such Shareholders or holders of other securities may submit to the office of the Company Secretary written memoranda of their questions, observations or concerns arising from the Annual Reports & Accounts at least one week before the Annual General Meeting to ng.investors@gsk.com and forward copies to the relevant regulatory bodies.

VIII ELECTRONIC ANNUAL REPORT

The soft copy of the 2022 Annual Report can be accessed on our website and sent to our shareholders who have provided their email addresses and WhatsApp numbers to the Registrars. Shareholders who are interested in receiving the soft copy of the 2022 Annual Report should request via email to: info@gtlregistrars.com.

Dated this 13th day of April 2023.

By Order of the Board

Frederick Ichekwai
Company Secretary
FRC/2018/NBA/00000018734
GlaxoSmithKline Consumer Nigeria PLC
GSK Nigeria House, 1, Industrial Avenue, Ilupeju,
P.M.B. 21218, Ikeja, Lagos.
Dated this 13th day of April 2023.

Directors, Officers, and Professional Advisers

Directors

Mr. Edmund C. Onuzo	Chairman
Mr. Kunle Oyelana	
Mr. Samuel Kuye	
Mr. Mark Pfister	(resigned with effect from 28/7/2022)
Mr. Bosco Kirugi	
Mrs. Oludewa Edodo-Thorpe	
Mr. Oussama Abbas	(resigned with effect from 28/7/2022)
Ms. Amina Salihu	
Mr. James West	(appointed with effect from 4/4/2023)
Mr. Somer Tayyareci	(appointed with effect from 4/4/2023)

Company Secretary

Frederick Ichekwai

Senior Finance Manager & Treasurer

Adewale Vincent

Registered Office

GSK House, 1, Industrial Avenue, Ilupeju, P.M.B. 21218, Ikeja, Lagos.
Tel: +234-1-2711000, **Fax:** +234-1-2716172
Investors e-mail: ng.investors@gsk.com
Website: www.gsk.com/ng

Registrar and Transfer Office

Greenwich Registrars & Data Solutions Limited (Formerly GTL Registrars Limited)
274, Murtala Muhammed Way, Yaba, P.M.B 12717, Lagos.
Tel: +234-(0)1-01-2793160-2, +234-1-2917745, +234-(0)2917714

External Auditors' Office

Deloitte & Touche, Civil Centre Towers,
Plot GA 1, Ozumba Mbadiwe Avenue, Victoria Island, Lagos, Nigeria.
Tel: +234 (1)2717800

Bankers

Citibank Nigeria Limited
Standard Chartered Bank Limited
United Bank for Africa Plc
Stanbic-IBTC Bank Plc
Zenith Bank Plc
Access Bank Plc

Members of the Audit Committee

Mr. Kashimawo A. Taiwo	*Members' Representative (Chairman)*
Mr. Sunday O. Ogunnowo	*Members' Representative*
Mr. Yakubu T. Mosuro	*Members' Representative*
Mr. Samuel Kuye	*Director*
Mrs. Oludewa Edodo-Thorpe	*Director*

Chairman's Statement

Protocols

Distinguished Shareholders, Representatives of our Regulators, Representatives of our External Independent Auditors, our Registrars, Fellow Directors, Representatives of Management and Staff, the Press, Ladies, and Gentlemen.

On behalf of the Board of Directors, I welcome you all to the 52nd Annual General Meeting of our Company.

2022 commenced on a high-level of optimism with most Governments eliminating the remaining Covid-19 restrictions and quarantine requirements on international travels and business. However, this optimism was challenged by the Russia-Ukraine conflict which led to significant disruption of global supply chains, higher global inflation, and slower economic growth. Despite all these challenges, we were able to navigate the headwinds and deliver healthy growth.

Esteemed shareholders, permit my use of this moment to express my sincere appreciation to you all for your unflinching support. Similarly, I wish to also appreciate my colleagues who have consistently exhibited best-in-class agility, commitment, and dedication in ensuring that we ride the waves of 2022; and the staff who showed uncommon dedication and commitment aimed at delivering great performance for the year. Our company's mission which encourages and embraces innovation, agility, and responsiveness to satisfying customers and patients has kept us focused on achieving our business objectives in the year under review. We have been able to evolve and deploy customer and patient-focused solutions that have delivered efficiency, gains, and growth.

Ladies and gentlemen, I hereby present a review of the national business environment in which we operated before I give an account of our financial performance and annual report for the year ended December 2022.

Nigeria Business Environment

Like any other year, 2022 presented its ups and downs. Some of the upsides include the World Bank's approval of the Nigeria State Action on Enabling Business Reforms (SABER), and CBN's monetary policy which appears to have driven higher adoption of financial technologies among Nigerians. The annual GDP growth rate in 2022 stood at 3.1%, from the 3.4% recorded in 2021.

Cost of energy was a major challenge for most businesses. As of September 2022, the price of diesel which had earlier reduced to N290 per litre sharply increased to over N800 per litre. By Q4 of 2022, businesses had spent over US$2.2 billion on alternative energy sources. The energy cost for most businesses in Nigeria greatly affected the bottom-line.

The emergence of a new wave of migration of Nigerians to other countries caused some stir in the year under review. We recorded an increase in the number of young and talented youth leaving the country for higher education and higher paying jobs. We must accept that this migration of these young talented individuals would continue in the new year and businesses are challenged to rethink their models to accommodate this development.

It is very heart-warming to note that the Nigerian government is constantly adopting different mechanisms to diversify the economy. Whilst we appreciate the efforts of the Government, it is important to enjoin the implementers of the policies to maintain the focus on improving the operating environment with more programs aimed at providing a more conducive atmosphere for businesses to thrive.

The Capital Market

Investors sought strong dividend-yielding equities over unappealing fixed-income returns as the year began with a lot of optimism. Although much of this optimism was dampened after the first quarter by the geopolitical crisis between Russia and Ukraine, the market became more adaptable as new measures were implemented, which led to increase in commercial activities and ignited positive enthusiasm in the Nigerian capital market toward the end of the year.

The Nigerian Stock Exchange All Shares Index (NSEASI), which is an indicative performance appreciated by 19.98% to close the final trading day of the year on 30th December 2022. This showed that the market earned a total of 51.251.06 points as against 42,716.44 in the year 2021. The listing of companies such as Geregu Power and BUA Foods significantly increased the capitalization of the market further boosting liquidity and providing opportunities for wealth generation.

The market was further shaped by rising crude oil prices, inflationary pressures, exchange rate disequilibrium, interest rate movement, and improved fundamentals of listed companies.

The Nigerian Stock Exchange has recently received clearance for the Market Technology Board Listing Rules, demonstrating its continued advancement. The market's dedication to offering an effective platform that encourages capital formation for businesses in the technology sector, which is thought to promote innovation and encourage adherence to best practices in the capital market, is further demonstrated by the acceptance of the listing regulations.

The Healthcare Sector

The global pressure on the health sector remains a major challenge across different societies. Even as the impact of the Covid-19 pandemic eases, many issues such as capacity development for health workers and disease outbreaks are taking the forefront in global discussions.

In Nigeria, the exodus of medical professionals has continued unabated. The pressure on our health facilities across the country is significant evidence that the problem must be fixed and done quickly because the statistics are not encouraging. A recent 2022 immigration report shows that 13,609 Nigerian health care workers which included doctors, nurses and pharmacists were granted working visas in the year 2022 and possibly more who emigrated outside of the stated number. All hands must be on deck to avoid a state of emergency in the Nigerian health system.

It is commendable that the Nigerian government in May 2022 enacted the National Health Insurance Authority (NHIA) bill, which aims to provide universal healthcare coverage.

Esteemed stakeholders, I am pleased to tell you that the global GSK group is fully committed to getting ahead of disease and achieving its aim to positively impact the health of 2.5 billion people globally by 2030. It is focused on improved performance through the commercialisation of its portfolio of innovative specialty medicines and vaccines. For example, to further facilitate the process of achieving its objectives in this regard, GSK has partnered with notable institutions whose goals are aligned.

In 2022, UNICEF awarded a contract for the first-ever supply of a malaria vaccine to our global Company with a value of up to 170 million dollars. This comes right after WHO recommended the widespread use of the malaria vaccine among children in sub-Saharan Africa and in other regions with moderate to high Plasmodium falciparum malaria transmission.

In July, the global GSK group concluded its demerger of the consumer healthcare business globally to create two world-leading companies. The GSK Group is now focused solely on biopharmaceuticals, while Haleon, an independent company, is focused on consumer healthcare to impact human health at scale and deliver growth and performance for its shareholders. In 2022, we in GSK Nigeria locally distributed both GSK Group's pharmaceutical products and Haleon's consumer health products.

We are grateful to the management and employees of our beloved GSK Group for their unwavering collaboration and commitment to following this process through.

Performance and Operating Results

Our performance in the year under review underscores our tenacity and resilience in pushing through challenges to provide outstanding results for our shareholders and other stakeholders, challenges in securing foreign exchange for the business notwithstanding.

Our Company's revenue grew by 13% to N25.38 billion from N22.45 billion in 2021, while the cost of sales increased by 13% to N18.45 billion from N16.27 billion. Notably, the company's profit after tax for 2022 increased by 17% to N771.15 million compared to N658.81 million reported in 2021.

Despite the challenging terrain, the increase in PAT reflects a growing and profitable business. Therefore, your Board is pleased to recommend a dividend of N657.73 million, representing 55 kobo per ordinary share subject to the approval of

Shareholders. Applicable taxes will be deducted at the time of payment and paid to the appropriate State or Federal tax authorities.

Board Matters

Since the last Annual General meeting, there have been changes in the composition of the Board. Mr. Mark Pfister and Mr. Oussama Abbas resigned from the Board as Executive Director and Non-Executive Director respectively with effect from July 28, 2022. The Board also appointed Mr. Somer Tayyareci and Mr. James West as Non-Executive Directors effective 4th April 2023 and they would be presented for Shareholders ratification in the course of the meeting.

The Directors retiring by rotation, being eligible, will offer themselves for re-election during this Annual General Meeting. We sincerely appreciate the contributions of our retiring Directors to the growth of the company, and we wish them more success in their future endeavours.

Conclusion

We expect sustained economic growth in 2023 but we cannot overlook some factors which must be duly considered in this quest for economic growth and development in Nigeria. The factors include foreign exchange availability for businesses, insecurity, unemployment, high cost of doing business, coupled with the uncertainty around fuel subsidy removal.

The challenges ahead are quite significant; it continues to be very challenging with foreign exchange non-availability affecting the Group's ability to settle foreign currency denominated trade payables with product suppliers. As a result, it remains difficult to maintain consistent supply to the market. We continue to discuss with the GSK group and to take advise regarding the best way to navigate the current circumstances.

To our dear Shareholders, I want to express our immense gratitude for your support over the years. Please be assured of our commitment to deploying sustainable policies and strategies that align with our collective objectives and commonwealth.

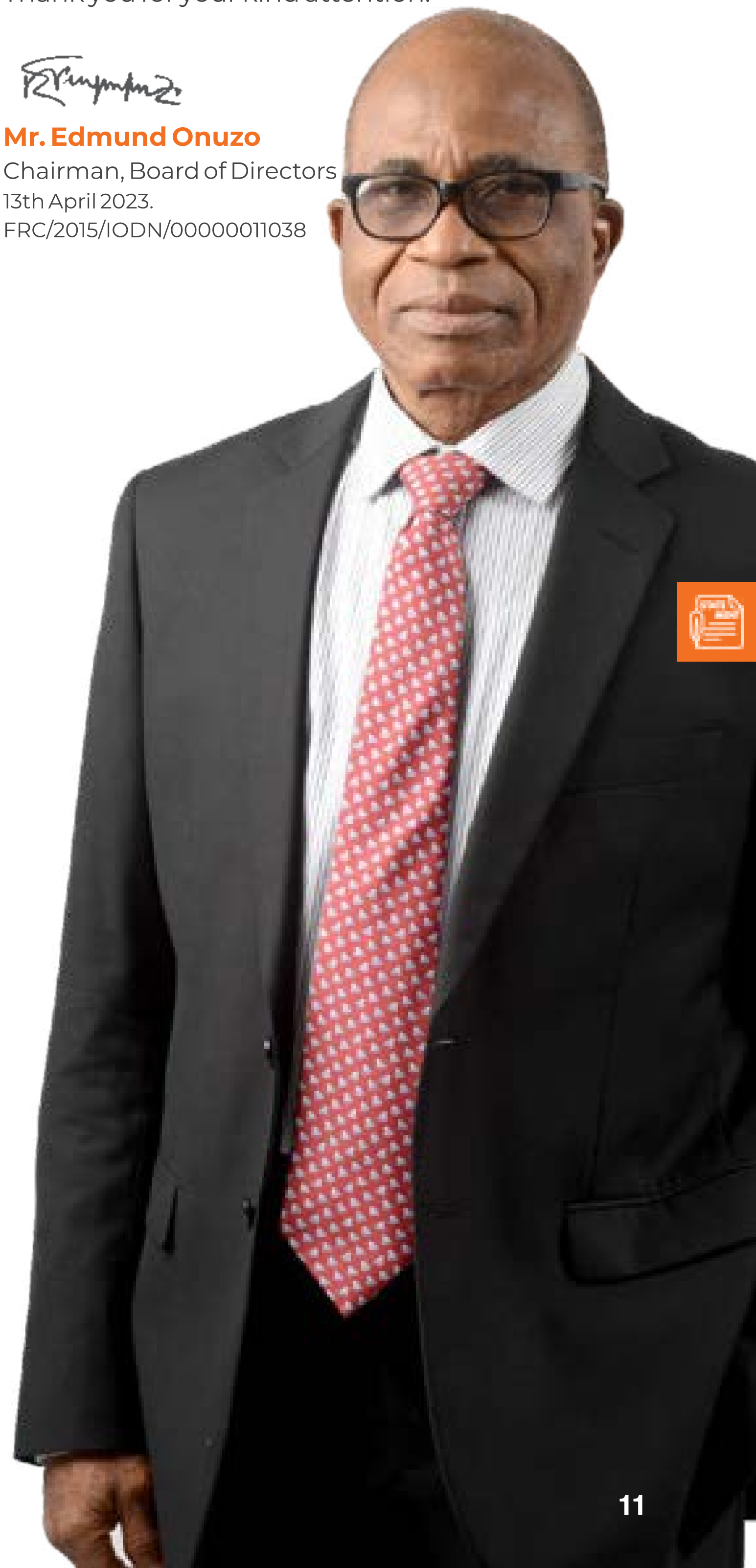
To the Board members and Management team, we would never be relevant without your dedication to seeing that we achieve our objectives as a company. I must commend and appreciate the spirit and optimism with which we carried out all our activities.

Finally, my gratitude goes to the staff of this great company who remain ever dogged and continue to be major drivers behind the success of our organization. I am deeply grateful for your dedication to performance while still holding dear the values of our company. To our suppliers, distributors, media, and regulatory bodies, we appreciate your unending support and diligence.

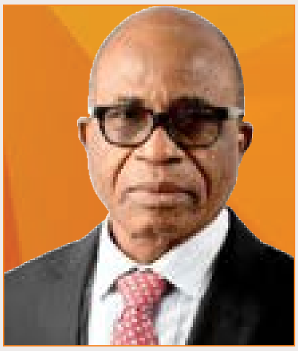
God bless GlaxoSmithKline; God bless Nigeria!

Thank you for your kind attention.

Mr. Edmund Onuzo
Chairman, Board of Directors
13th April 2023.
FRC/2015/IODN/00000011038



Board Members



MR. EDMUND C. ONUZO, 74

The Chairman of the Board of Directors, who holds a Bachelor's degree in Agric Economics, started his career in Lever Brothers Nigeria as a Sales Office Manager in 1977.

He rose to increasing levels of responsibilities until he became the General Sales Manager in 1987. He joined SmithKline Beecham in 1990 as Sales Controller. In 1995 he became the executive director, Pharmaceuticals and Consumer Healthcare and moved to Ghana in 1997 as the Managing Director of SmithKline Beecham Ltd with responsibility for the Pharma and Consumer businesses in the Anglophone West African countries.

Following the merger of SmithKline Beecham and Glaxo Wellcome in 2001, he was appointed Sales Director for GlaxoSmithKline Pharmaceutical Anglophone West Africa. Late in 2005, he took on the responsibility of managing the sales and marketing functions of GlaxoSmithKline Pharmaceutical until his retirement in December 2005.

He was first appointed to the Board as a Non-Executive director on 1st June, 2006 and the Chairman effective 12th June 2014.

MR. KUNLE OYELANA, 51

Mr. Oyelana brings over twenty years' experience in the Pharmaceutical industry in GSK where he has held roles of increasing responsibilities across Africa and Asia. He has a track record of success in the development and effective implementation of robust strategies with a keen focus on delivering sustainable growth in diverse markets. As Commercial Director for the Classic Established Product (CEP) Portfolio for GSK in DC Africa Region, he ensured prioritization and provided stimulus for the over 40 markets in the Region to surpass 20% growth of key assets in a challenging environment.

As Marketing & Commercial Excellence Director for Nigeria and earlier for Kenya, he led the rapid deployment of Commercial Trade Channel initiatives, effective utilization of multiple channels and cross functional collaboration to deliver exceptional customer engagement and sustained business growth. Kunle has a strong focus and drive to deliver outstanding business performance while strengthening controls and developing talent.He holds a Bachelor of Pharmacy and an MBA from Obafemi Awolowo University in Nigeria. He is also an alumnus of Strathmore Business School in Kenya and IMD in Switzerland.

He was appointed to the Board effective 1st June 2019.

MR. SAMUEL KUYE, 69

Mr. Kuye, Chartered Accountant and Fellow of the Institute of Chartered Accountants of Nigeria (FCA),

He is currently the Chief Executive of SEOOM Limited, a Management and Financial Consultancy firm. He started his career in Nestle Nigeria in 1974 where he held various positions in Finance and Control as well as management of the company's Pension Fund and the Nestle group.

He was the Asst. Group Controller of the Nestle Group for Southern African Region, and worked at the Nestle Group's headquarters in Switzerland as Controller, responsible for 6 countries in Asia (Philippines, Malaysia, Thailand, Indonesia, Vietnam and Singapore).

In 2000, he returned from Switzerland to Nigeria as the Finance & Control Director and Chief Financial Officer of Nestle Nigeria until 2004 when he was transferred to Egypt. After 36 years with the Nestle Group, he retired as Finance & Control Director and Chief Financial Officer of the Nestle Group for Turkey.

He was appointed to the Board as an Independent Non-Executive Director on 12th of June 2014.

MR. BOSCO KIRUGI, 42

Mr. Kirugi joined GSK in 2009 as a Senior Accountant - Receivables in Finance. Over the past ten years, he has held positions of increasing responsibilities in the Company including Finance Planning and Reporting Manager for GSK Southern Africa, Commercial Analytics and Insights Manager, and Commercial Finance Manager for GSK Kenya and Planning Manager for the Africa and Developing Countries of Asia region. In 2018 he was the acting Head of Commercial and Finance for Myanmar. Prior to joining GSK, he worked for Maersk Kenya Ltd. for four years.

Mr. Kirugi is a holder of Bachelor of Commerce - Finance from Kenyatta University and Certificate in Business Accounting from the Chartered Institute of Management Accountants. He has received several awards at GSK including a Certificate of Recognition for leadership excellence in driving performance in 2017, General Manager's Award (Kenya) in 2015 and the Sales Excellence Award (Southern Africa) in 2013.

He was appointed to the Board as the Finance Director effective 1st June 2019.

MRS. OLUDEWA EDODO-THORPE, 68

Mrs. Edodo-Thorpe, a seasoned corporate and investment lawyer is a member of the Nigerian Bar Association (NBA), Capital Market Solicitors Association and the International Bar Association (IBA).

She joined the Nigerian Industrial Development Bank Ltd, (NIDB) now Bank of Industry Limited (BOI) after her national service and rose to increasing levels of responsibility until she was appointed the Company Secretary of NIDB Trustees Ltd (BOI Trustees Ltd) before disengaging from the Bank.

Apart from running a Firm of Legal Practitioners, she also doubles as the Chief Executive Officer of a Firm of Company Secretaries which handles the corporate meetings and compliance duties of many Companies. She was, until recently, a Non-Executive Director in Lafarge Africa Plc, where she served for nine years (September 2008 to June 2017). She was a member of Risk Management & Ethics Committee, and the Property Optimization Committee. She is currently serving the Nigerian Capital Market community as a member of the Multiple Subscriptions Committee of the Securities and Exchange Commission.

She was appointed to the Board as an Independent Non-Executive Director effective 5th December 2019.

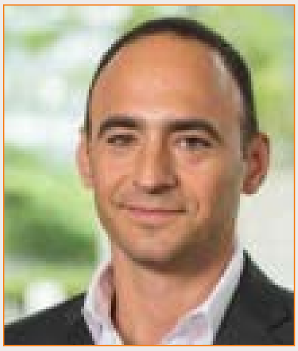
MS. AMINA SALIHU, 53

Dr Salihu is Senior Program Officer with the MacArthur Foundation Africa Office. A consultant, farmer and feminist. Dr Salihu is a social entrepreneur facilitating ideas and opportunities for agro-enterprise, voice and accountability for women, young people, persons with disabilities, and their communities, especially in Northern Nigeria. She is the technical designer and advisor to the EU RoLAC programme on Nigeria's web-based sexual offender register. Dr Salihu is a member of the Governing Council of Ekiti State University (EKSU). She is the Ministry of Finance Technical Working Group coordinator on gender, employment, and disability inclusion for the Nigeria Agenda 2050 policy development process.

Dr Salihu was a lecturer at Ahmadu Bello University, Zaria, Program Coordinator at the Centre for Democracy and Development, Senior Special Assistant to the Minister of the Federal Capital Territory, and Coordinator, DFID / UKAid's Coalitions for Change (C4C) Programme. Dr Salihu has written widely and has been a consultant on gender and policy to numerous government and development partner and civil society organisations, including INEC, Ministries of Women Affairs, Finance, Budget & Planning; DFID, United Nations, European Union; Action Aid International and FEMNET.

She was a gender technical team member for the Nigeria Vision 20 2020 policy development process and for the review of the Nigeria Gender Policy, 2006. Dr Salihu is a past Chair of the Kaduna State Rehabilitation Board for Persons with Disabilities and is an honorary adviser to numerous governments, private sector and civil society organisations on gender and policy.

She was the pioneer co-Chair of the Board of Directors and technical designer of the Nigerian Women's Trust Fund. Dr Salihu received her B.Sc. and MSc. in Political Science from Ahmadu Bello University Zaria, and PhD from the University of Abuja. She has spent time at the Aspen Institute, the Universities of Cape Town, Sussex, and Liverpool. Dr Salihu was appointed to the Board as an Independent Non-Executive Director effective 28th May 2021.



MR. SOMER TAYYARECI, 45

Mr. Somer Tayyareci until recently held the position of Head of Performance Cluster since 2019 where he led a cluster of eight countries in Performance Emerging Markets to successful commercial execution, including Ukraine, Nigeria, and Kenya.

Since joining GSK Turkey in 2009 as a brand manager for Seretide, Somer has held several commercial leadership roles of increasing responsibility including General Manager for CIS, EM Strategy and PMO, and Commercial Head for Vaccines MENA.

He holds a degree in BSc Pharmacy from Istanbul University, Turkey and an MBA , from the University of Kent, UK.

He was appointed to the Board effective 4th April 2023.

MR. JAMES WEST, 52

Mr. James West is an experienced supply chain director with a hugely successful track record in delivering exceptional customer service, whilst achieving working capital and cost reductions. He has a background within the Pharmaceutical, Cosmetic, Healthcare, Retail, Aerospace and Automotive sectors, and with senior level management consultancy experience identifying and delivering operational improvements. Passionate about driving and embedding operational change that delivers significant business benefits. A continual high achiever whose awards include top graduate and best project in the School of Engineering & Manufacturing,

He joined GSK Pharmaceuticals/Vaccines – Performance Markets Customer Supply Chain Lead in 2016 and has remained a key member of the Performance Markets business leadership team, accountable for the end-to-end supply, operational performance, demand planning (140+ FTEs, in 12 global locations) and P&L (£30m budget). Performance Markets represent 103 markets globally with £750m+ sales across the Pharmaceutical and Vaccine business. Designed and implemented the post-production supply chain strategy achieving a 23%+ cost reduction (over 3 years), working capital reduction of 12%, inventory write-off reduction of 45% whilst improving customer service and quality standards. Elements of the supply chain strategy include demand planning re-engineering, physical supply network optimisation, optimised customer service offering, portfolio rationalisation, Supply Chain team re-structuring and cost-effective team locations.

He holds a 1st Class in BEng (Hons), Mechanical Engineering from the University of Birmingham with the following prizes:

Shell Achievement Award for outstanding achievement in academic studies and contribution to university life in the second year

Ellis, Linning and Sandifer Prize for the academically most outstanding student in the final year (course average 85%).

Petro-Forge Prize – for outstanding creative capacity in the final year project (Predictive impact damage methodology for protected polymer composite aerospace components using finite element analysis).

He was appointed to the Board effective 4th April 2023.

Management Team

1 Kunle Oyelana
(Managing Director)

2 Bosco Kirugi
(Finance Director)

3 Frederick Ic.hekwai
(Company Secretary & General Counsel)

4 Omongiade Ehighebolo
(Head of Comms & Govt. Affairs)

5 Alexandra Olukunle
(Human Resources Manager)

6 Soji Awotiwon
(Head of Sales)

7 Olanike Olakanle
(Ethics and Compliance Manager)

8 Kolawole Oluboyede
(Head, Internal Audit)

9 Uwemedimo Udoma
(Regulatory Affairs Manager)

10 Dele Daniel
(Security Manager)

11 Abdulganiyu Haruna
(Head of Supply Chain)

12 Paul Adenuga
(Quality Manager)

13 Omolaja Odunuga
(Medical Affairs Director)

GSK is a fully focused biopharma company. We prioritise innovation in vaccines and specialty medicines, maximising the increasing opportunities to prevent and treat disease. At the heart of this is our R&D focus on the science of the immune system, human genetics, genomics and advanced technologies, and our world-leading capabilities in vaccines and medicines development. We focus on four therapeutic areas: infectious diseases, HIV, immunology/respiratory, and oncology.

Health for All

Project INSPIRING- Partnership with Save the Children

In 2022, GSK Nigeria and S.CI donated medical equipment, instruments, and consumables to 30 public health facilities in Ikorodu LGA of Lagos state and 35 health facilities in Jigawa state. The donation includes medical equipment, such as incubators, C-pap machines, radiant warmers, LED phototherapy machines, respiratory timers, pulse oximeters, weighing scales, BP apparatus, stethoscopes, and respiratory timers, among others.

The INSPIRING Project also conducted several trainings on Integrated Management of Childhood Illnesses (IMCI), Nutrition, Immunization, and Infection Prevention and Control (IPC). The training targeted different cadres of healthcare providers across supported facilities in Kiyawa, and Dutse Local Government Areas (LGAs).

The INSPIRING Project provides technical and financial support to trained Routine Immunization providers (RI) to reach underserved children living in hard-to-reach communities in Kiyawa LGA of Jigawa state. This is to ensure that all eligible children do not miss out on immunization coverage. Between January and June 2022, the project supported the vaccination of 11,259 children through outreach and mobile services.

GSK Trains 8,500 persons on Various Empowerment Skills in Jigawa

GSK Pharmaceuticals in partnership with Save the Children International distributed empowerment packages to over 8,500 champions of the war against pneumonia campaign in the Kiyawa local government area of Jigawa State.

In the last two years, GSK has shown its commitment with a series of training and capacity building that has been given to members on how to identify pneumonia and where to seek timely medical intervention.

GSK donated materials and medical equipment worth over hundreds of millions of Naira. Some of the empowerment packages distributed include Agricultural Farm inputs, livestock for rearing, groundnut oil-making materials, cap-making, and barbing equipment amongst others.

Also, empowerment packages were given to certain beneficiaries to improve their source of

Donation of medical equipment to health care facilities in in Ikorodu LGA in Lagos State

Donation of Income generation support equipment to community women and men support groups in Jigawa state

Donation of medical equipment to health care facilities in Jigawa State

livelihood for income generation. This was done with the primary objective of helping people do more, feel better and live longer.

Our Behaviour

Uphold our commitment to ethical, values-based business, we must prioritize the needs of patients and customers. We understand that being transparent about what we do, how we do it, and the difficulties we encounter is important. Our hiring procedures are meant to foster an environment where every GSK employee feels appreciated, respected, empowered, and motivated to succeed. We are dedicated to always acting honourably and legally while abiding by the letter and spirit of all laws, rules, and policies.

We hold our suppliers, contractors, and business partners to the same high standards as outlined in our robust global policy and compliance programs. These programs are known to and followed by our staff members, who are also bound by these guidelines. Through our Ethical Leadership Certification Program and the Anti-Bribery and Corruption Programme (ABAC), which is a crucial component of our coordinated response to the threat and risk of bribery and corruption, we continue to repeat our message of Zero-tolerance for unethical behaviour.

Our People

By making smart investments in our company, investing in the advancement of our employees, and producing perfect outcomes, we hope to achieve growth that leads the industry. We are aware of the importance of our employees in attaining this growth. Considering this, we continue to offer spaces for creative innovation to allow the expression of values and passions so that our employees can feel more a part of the company they work for and are motivated to come up with new and improved ways to carry out their duties.

Global Commitment to ESG

Being a responsible business means getting ahead of disease together in the right way. We, therefore, need to consider ESG impacts across everything we do, from the lab to the patient. That's why ESG is embedded in our strategy and supports our sustainable performance and long-term growth. It helps us build trust with and deliver returns to our stakeholders, reduce risk to our operations and deliver positive social impact.

Our Six ESG Focus Areas

We can only deliver on our purpose if we embed ESG into everything that we do. We have identified six ESG focus areas that address what is most material to our business and the issues that matter to our stakeholders. These focus areas are core to our strategy and are the areas where we can have the greatest positive impact on some of society's most urgent challenges. These focus areas are: – Access to healthcare – Global health and health security – Environment – Diversity, equity and inclusion – Ethical standards – Product governance Our approach is guided by extensive stakeholder engagement and the key issues relevant to our industry and company. The results of our most recent materiality assessment reaffirmed that the most material issues for our business were well aligned with our six ESG focus areas. We are aware, however, that being a responsible business is not a static requirement and our operating environment continues to change at pace. We will continue to adapt, respond and proactively change our approach, to ensure GSK continues to deliver strong ESG performance.

Our ESG Performance Rating

To support the integration of ESG into strategy delivery and to make our ESG performance measurable and verifiable, we have introduced a new ESG Performance Rating. The rating is one of our corporate KPIs and measures progress against key metrics aligned with each of our six focus areas. In 2022, this included 23 metrics, and we cover our performance against these in this section of the report.

The metrics were developed with stakeholder input and our understanding of the key issues for our industry and our company. We are committed to ensuring that our ESG Performance Rating responds to stakeholder expectations, so we will continue to review the metrics as our business and external expectations change.

To create the ESG Performance Rating, management sought metrics that:

- Are well defined to ensure we have a standardised approach
- Can be used consistently in future years
- Are ambitious and achievable
- Can be externally assured
- Are meaningful for stakeholders

How we assess performance GLT is accountable for delivering progress against the metrics and regularly reviews performance along with the Board's Corporate Responsibility Committee (CRC). Each metric is assessed as either: on track (metric met or exceeded); on track with work to do (at least 80% of metric has been achieved); or off track (metric missed by more than 20%). In addition, to calculate the overall ESG Performance Rating, performance across all metrics is aggregated to a single score to illustrate whether we are on track, on track with work to do, or off track. This rating is defined below:

- On track: 70% of all metrics are on track.
- On track with work to do: more than 50% of all metrics are either on track or on track with work to do.
- Off track: more than 50% of all metrics are off track.

2022 ESG Performance Rating Our 2022 ESG Performance Rating is on track, based on 83% of all performance metrics being met or exceeded. Assessment of performance against our annual targets has been reviewed, and the overall ESG Performance Rating score has been externally assured for 2022.

Corporate Governance Report

GlaxoSmithKline Consumer Nigeria PLC continues to operate on high ethical and governance standards with a high commitment to engaging effectively and communicating with all our stakeholders and the wider society through compliance and sound governance. With good corporate governance, we create and uphold trust with our employees, investors, customers, governments and other stakeholders.

The Board, Management and Staff are obligated to carry out their functions in compliance with the regulatory requirements of the Securities and Exchange Commission (SEC), the Nigerian Exchange Limited (NGX), the Financial Reporting Council of Nigeria (FRC), the Corporate Affairs Commission, GSK Policies and in line with the Nigerian Code of Corporate Governance (NCCG) and global corporate governance best practices.

1. The Board and its Committees

The Board has overall responsibility for ensuring that the Company is effectively managed and achieves its strategic objectives as agreed by the Board and mandated by the 2011 SEC Code of Corporate Governance for Public Companies and the 2018 Nigerian Code of Corporate Governance (NCCG) (collectively referred to as "the Code".) To enable it to exercise this responsibility, the Board requires from Management the appropriate information concerning the business, including relevant information on risk exposures, internal controls and external developments.

The Company's Articles of Association provide that the Company's Board shall consist of not more than eight directors. As at date, the Board comprises 8 directors, 3 of which are Independent Non-Executive Directors, 3 Non-Executive Directors and 2 Executive Directors including the Managing Director and the Finance Director. The Board is headed by a Non-Executive Chairman who provides leadership.

2. The Board Appointment Process

The process for the appointment of new directors is as follows: Appointees are identified and short-listed by the Governance, Nomination & Remuneration Committee in line with the required skill and experience; presented to the Board for approval and then to the shareholders at a general meeting for final approval.

3. The Role of the Board

Specific issues reserved to the Board or its Committees amongst other roles as contained in the Code, include:

- Composition of the Board and its Committees.
- The appropriation and distribution of profits.
- Approval of strategic plans. The Board is responsible for monitoring the implementation of the Company's strategy as approved.
- The Board has supervisory responsibility for overall budgetary planning, major treasury planning and scientific and commercial strategies.
- Oversight over Risk Management including defining the Company's risk appetite, receiving regular reports on major risks and exposures as well as appropriate mitigants.
- Acquisitions, disposals, licensing transactions, mergers and joint ventures, capital investments, and major organisation changes.
- Periodic and regular review of actual business performance relative to established objectives.
- Review and approval of internal controls and risk management policies and processes.
- Overseeing the effectiveness and adequacy of internal control system.
- Ensuring the integrity of financial report.

The Board, which is headed by a non-executive Chairman, exercised its oversight function for the period under review.

4. Board Membership

Name	Designation
Mr. Edmund C. Onuzo	Chairman
Mr. Kunle Oyelana	Managing Director
Mr. Samuel Kuye	Independent Non-Executive Director
Mr. Mark Pfister (South African)	Executive Director, (Resigned wef 28th July 2022)
Mr. Bosco Kirugi (Kenyan)	Executive Director, Finance
Mrs. Oludewa Edodo-Thorpe	Independent Non-Executive Director
Mr. Oussama Abbas (French)	Non- Executive Director, (Resigned wef 28th July 2022)
Ms. Amina Salihu	Independent Non-Executive Director

Name	Designation
Mr. James West	Non-Executive Director (Appointed wef 4th April 2023)
Mr. Somer Tayyareci	Non-Executive Director (Appointed wef 4th April 2023)

5. Record of Directors' Attendance

The Board held a total of 5 (Five) duly scheduled meetings during the year. In accordance with Section 284(2) of the Companies and Allied Matters Act 2020, the record of Directors' attendance at meetings during year 2022 is available for inspection at the Annual General Meeting. Membership and attendance of Board meetings are set out below:

Name	29/01/2022	23/03/2022	25/05/2022	28/07/2022	27/10/2022
Mr. Edmund C. Onuzo	✓	✓	✓	✓	✓
Mr. Kunle Oyelana	✓	✓	✓	✓	✓
Mr. Samuel Kuye	✓	✓	✓	✓	✓
Mr. Mark Pfister	✓	✓	✓	✓	CM
Mr. Bosco Kirugi	✓	✓	✓	✓	✓
Mrs. Oludewa Edodo-Thorpe	✓	✓	✓	✓	✓
Mr. Oussama Abbas	✓	✓	X	✓	CM
Ms. Amina Salihu	X	✓	✓	✓	✓

KEYS: = present X = absent with apology AAD = Attended by alternate director CM = Ceased to be a Member NYM= Not yet a member

6. Company Secretary

The Company has a functional Company Secretariat department that supports and assists the Board and Management in implementing the code and developing good corporate governance practices and culture. The Company Secretary is Mr. Frederick Ichekwai.

7. Committees of the Board

a. Governance, Nomination and Remuneration Committee

The Committee is mandated to review and make recommendations to the Board of eligible persons for appointment as Directors based on the guidelines set by the Board as well as reviewing executive remuneration and determining specific remuneration packages for Directors. The Committee is also responsible for ensuring the development of corporate governance policies and procedures in the Company in accordance with national and international best practices.

The table below shows the composition of members and meeting attendance record of those who served on the committee in 2022.

Directors	02/03/2022	26/10/2022
Mrs. Oludewa Edodo-Thorpe	✓	✓
Mr. Oussama Abbas	✓	CM
Ms. Amina Salihu	✓	✓

KEYS: = present X = absent with apology CM = Ceased to be a Member NYM= Not yet a member

b. Statutory Audit Committee

The Committee comprised five members, three of whom are shareholders representatives, one of which is the Chairman, Mr. K. A. Taiwo. In accordance with section 404(3) of the Companies and

Allied Matters Act 2020, the following members and directors were elected and nominated pursuant to Section 404(3) of the said Act and will serve on the committee up to the conclusion of the 52nd Annual General Meeting. The meetings of the Committee were held five times during the period under review (January – October 2022).

Directors	25/01/2022	16/03/2022	23/03/2022	28/07/2022	27/10/2022
Mr. K.A. Taiwo, FCA	✓	✓	✓	✓	✓
Chief. S.O. Ogunnowo	✓	✓	✓	✓	✓
Mr. Y. T. Mosuro	✓	✓	✓	✓	✓
Mr. Samuel Kuye	✓	✓	✓	✓	✓
Mrs. Oludewa Edodo-Thorpe	✓	✓	✓	✓	✓

KEYS: = present X = absent with apology CM = Ceased to be a Member NYM= Not yet a member

The functions of the Committee as set out in its mandate are in accordance with the provisions of Section 404(7) of the Companies and Allied Matters Act 2020 and Principle 11 Recommended Practices 11.4.6 of the NCCG Code 2018.

c. Board Audit & Risk Management Committee

The Committee is mandated to review and recommend to the Board the risk management framework for the company and monitor the development of compliance with and periodic review of the Company's corporate governance policies and practices (including the Code of Conduct). The Committee met twice during the year. The table below shows the members who served on the committee in 2022 and their attendance at the meetings.

Directors	02/03/2022	26/10/2022
Mr. Samuel Kuye	✓	✓
Mrs. Oludewa Edodo-Thorpe	✓	✓
Mr. Oussama Abbas	✓	CM
Mr. Mark Pfister	✓	CM
Mr. Bosco Kirugi	✓	✓

KEYS: = present X = absent with apology CM = Ceased to be a Member NYM= Not yet a member

d. Finance Committee

The Committee is mandated to review and make recommendations to the Board of Directors with respect to the Company's annual and long-term financial strategies and objectives and periodic performances. The Committee met 4 (Four) times during the year. The table below shows the members who served on the committee in 2022 and their attendance at the meetings.

Directors	09/03/21	22/04/21	26/07/21	20/10/21
Mr. Samuel Kuye	✓	✓	✓	✓
Mr. Kunle Oyelana	✓	✓	✓	✓
Mr. Mark Pfister	✓	✓	✓	CM
Mr. Bosco Kirugi	✓	✓	✓	✓
Ms. Amina Salihu	✓	✓	✓	✓

KEYS: = present X = absent with apology CM = Ceased to be a Member NYM= Not yet a member

e. Administrative Committee

The Committee consists of the Managing Director, Mr. Kunle Oyelana, and Mr. Bosco Kirugi, the

Finance Director. The Committee meets on an ad-hoc basis to approve the affixing of the Company's Seal to documents and authorize the change of signatories in respect of bank accounts operated by the Company in the normal course of business. These decisions are subject to ratification by the Board of Directors.

8. Separation of the position of the Chairman and CEO

The positions of the Managing Director and that of the Chairman of the Board are occupied by different persons and the Managing Director is responsible for implementation of the Company's business strategy and the day-to-day management of the business.

9. Board Evaluation

For the year under review, GSK had engaged the services of an external consultant, DCSL Corporate Services Limited who carried out an external evaluation of the Board and its findings were satisfactory while highlighting areas of improvement.

10. Directors standing for re-election and their biographical details

The Directors to retire by rotation at this Annual General Meeting in accordance with Section 285 of the Companies and Allied Matters Act 2020, as well as Article 91 of the company's Articles of Association are Mr. Edmund Onuzo and Ms. Amina Salihu, who, being eligible, offer themselves for re-election. Details of their biographical details are contained in Page 12 of the Annual Report.

From the completion of the last Annual General Meeting, the Board accepted the resignations of Mr. Mark Pfister and Mr. Oussama Abbas from the Board with effect from 28th July 2022. The Board appointed two new Directors as replacements namely Mr. James West and Mr. Somer Tayyareci. Details of their biographical details are contained in Page 12 of the annual reports.

11. Management Team

The day to day management of the business is the responsibility of the Managing Director who is assisted by a Management Team made up of Heads of all the departments in the Company. The Management Team holds regular meetings to deliberate on critical issues affecting the day to day running of the organization. The Company has in place a documented succession plan for every executive and senior management role within the Company. The composition of the Management Team is as set out in Page 13 of the Annual Report.

12. Risk Management, Internal Control and Compliance

The Board is responsible for maintaining a sound system of internal control to safeguard shareholders' investments and the Company's assets in line with the NCCG Code 2018 and the SEC Corporate Governance Guidelines, the relevant statutes and GSK policies. The system of internal control is to provide reasonable assurance against material misstatements or loss.

There exists an effective internal control and Compliance function within the Company which gives reasonable assurance against any material misstatement or loss. The Board's responsibilities in this regard include oversight of internal audit and control, risk assessment and compliance, continuity and contingency planning, and formalization and improvement of the Company's business processes. The Board ensures the existence of robust risk management policies and mechanisms to ensure identification of risks and effective control through regular reports and reviews at Board and Board Audit and Risk Management Committee meetings.

13. Insiders Trading

The company has adopted a Securities Trading Policy regarding securities transactions by its directors. The company has made specific enquiries of all directors and there have not been any non-compliance with the listing rules and the Issuer's code of conduct regarding securities transactions by directors.

The Board ultimately has the responsibility for the Company's compliance with the rules relating to insider trading. The Company's directors, executives and senior employees are prohibited from dealing with the Company's shares in accordance with the Investments & Securities Act, 2007. As required by law, the shares held by directors are disclosed in the annual report.

14. The Anti Bribery & Corruption (ABAC) Program

According to Emma Walmsley, the global CEO of GSK, "there is no greater priority for GSK than the ethical conduct of its people. GSK exists to improve patients' lives, everything we do must be in the best interest of the patient. No matter where we operate in the world, in our interactions with patients, prescribers, payers and governments, we must live our values of respect for people, transparency, integrity and patient focused." Nowhere is GSK's commitment to ethical conduct more evident than in the area of corruption prevention and detection. At GSK, our attitude towards corruption in all its forms is simple: it is one of zero tolerance.

To fully support its zero – tolerance attitude to corruption and un-ethical practices, the Company has rolled out the ABAC programme which are in line with GSK's corporate values and expectations. These help to analyse corruption as a risk by asking the following:

- Legitimacy of intent: our activities, interactions and transactions have a valid purpose and are conducted in line with our values and expectations.
- Transparency: everything we do is open, transparent, and properly documented.
- Proportionality: transfers of value made, and resources invested meet but do not exceed the needs of the interaction or transaction.
- No conflict of interest or undue influence: we do not exercise undue influence over those who interact with us. We avoid situations that create or appear to create conflicts of interest.

The programme sets out procedures and guidance on how to manage the risk of corruption when dealing with third parties:

- To ensure compliance with ***GSK-POL-007 - Preventing Corrupt Practices and Maintaining Standards of Documentation (the "GSK Anti-Bribery and Corruption Policy")***.
- To ensure that GSK hold itself and its business partners to the highest standards of integrity and adherence with all relevant laws and regulations.
- To provide the protective contractual provisions for use when contracting with third parties and to provide guidance on ongoing monitoring
- To identify potential corruption red flags and mitigate potential exposure to corruption risks that GSK encounters through our third party interactions.
- To ensure that key decisions related to third party selection and payment are appropriately documented.

15. Code of Conduct & Whistle Blowing

Our Code of Conduct and accompanying training, seeks to ensure everyone at GSK understands how to put our values into practice. Mandatory training on the Code helps our employees gain the confidence to make the right decisions and report any concerns through our Speak up programme.

Our Speak up programme offers people within and outside GSK a range of channels to voice concerns and report misconduct without fear of reprisal. These include telephone and internet channels run by independent external operators to enable anonymous reporting.

The Code of Conduct in regularly updated to reinforce the critical role our values play in protecting our reputation and commercial successes.

16. Complaints Management Policy

GlaxoSmithKline Consumer Nigeria PLC has in place a Complaints Management Policy ("the Policy) in accordance with the requirements of the Securities and Exchange Commission. The Policy sets out the broad framework for handling shareholder compliant in a fair, impartial, efficient and timely manner. The Policy can be accessed via the company's website.

17. Remuneration Policy

The Company has a Remuneration Policy in place in accordance with the requirements of the NCCG 2018 Code and the Companies and Allied Matters Act, 2020. The remuneration and benefits paid to the directors of GlaxoSmithKline Consumer Nigeria PLC are fully disclosed in Note 30.2 to the Financial Statements in the Annual Report.

18. Regulatory Returns to the Securities & Exchange Commission (SEC), The Nigerian Stock Exchange (NSE) and the Corporate Affairs Commission (CAC)

The Company is in compliance with the following regulatory requirements:

SEC:

- Return on Code of Corporate Governance in Nigeria
- Return on Monitoring of Unclaimed Dividend by Public Companies
- Submission of Quarterly Un-audited trading Results
- Submission of Full Year Audited Statement of Accounts

NSE:

- Interim Financial Reporting
- Submission of Quarterly Un-audited trading Results
- Submission of Full Year Audited Statement of Accounts

CAC:

- Annual Returns on Audited Financial Statements
- Changes in Company officers
- Changes in Share structure

Contraventions if any during the year and details of sanction(s) imposed

The Company during the year was not found in contravention of any regulations of government or any regulatory Authorities and no sanctions were imposed on the company by any government or regulatory agencies

19. Accountability, Reporting and Corporate Communication.

The Board ensures timely, accurate and continuous disclosure of information and activities of the Company to all shareholders, stakeholders, regulators and the general public so as to provide a balanced and fair view of the company including its non-financial matters. The Company has a functional website at www.gsk.com/ng.

20. Unclaimed Dividend Fund

Total unclaimed dividend fund in the Company stood at N1,458,153,843.57 as at 31st December 2022. Kindly note that a significant portion of this unclaimed dividend is related to payment due to GSK Plc UK, our parent company, as the unavailability of foreign exchange from the authorised market has hindered our ability to remit the dividends to them.

In recent times, the Company has taken steps to ensure that all Shareholders can retrieve all their unclaimed dividends. The steps are highlighted below:

- *A list of Unclaimed Dividend was circulated along with the 2022 Annual Report.*
- *Shareholders Data Update Form for e-dividend and e-bonus has been included in the Annual Report for Shareholders to complete and return.*
- *The issue of unclaimed dividend was highlighted in the Notice of the AGM as well as in the 2022 Annual Report.*
- *Our Registrars (Greenwich Registrars and Data Solutions Limited, formerly GTL Registrars) has opened additional branches outside Lagos State to better serve as a distribution point for shareholders.*
- *Some of the shareholders who have completed and returned their forms to the Registrars were paid their Dividends through the e- payment platform by the Registrars in the current year.*
- *·The Registrars carried out Shareholder's engagements in some locations outside Lagos State for enlightenment and e-mandating of un-mandated shareholders*

The Company and the Registrars are working together to ensure that there is an increase in the number of shareholders who subscribe to the e-dividend process for dividend payment in 2023 and going forward. All shareholders are encouraged to fill out the e-dividend mandate form attached to the Annual Report and return same to the Registrars for processing. Shareholders are strongly advised to contact the Company's Registrars or the Company Secretary to retrieve their unclaimed dividends.

Frederick Ichekwai
Company Secretary
FRC/2018/NBA/00000018734
GlaxoSmithKline Consumer Nigeria PLC
GSK Nigeria House, 1, Industrial Avenue, Ilupeju,
P.M.B. 21218, Ikeja, Lagos.
17th April 2022.

Information in Respect of General Mandate

The aggregate value of all transactions entered into with related parties during the financial year as stated on page 77 of this Annual Report and Accounts is more than 5% of the net tangible assets or the issued share capital of the Company.

In order to ensure smooth operation, the Company will continue to procure goods and services that are necessary for its operations from related companies in the next financial year and hereby seeks a general mandate from shareholders for the related company transactions of trading nature and those necessary for the day-to-day operations, that are more than 5% of the latest net tangible assets or the issued Share Capital of the Company.

Relevant terms for the consideration of the Shareholders are stated below:

i. The class of related parties/interested persons with which the company will be transacting during the next financial year are subsidiaries of GlaxoSmithKline PLC UK;

ii. The transactions with the related Companies are transactions of trading nature and those necessary for the day-to-day operations;

iii. The rationale for the transactions is that they are indispensable to the operations of the company, cost effective and makes the products of the Company to be competitive;

iv. The method and procedure for determining transaction prices are based on international and local transfer pricing policies;

v. KPMG Advisory Services, the transfer pricing consultant of the Company, gave opinion based on the transfer pricing compliance exercise it earlier conducted that the method and procedure for determining in (iv) are sufficient to ensure that the transactions are carried out on normal commercial terms and shall not be prejudicial to the interests of the issuer and its minority shareholders;

vi. The Audit Committee of the Company confirms that the transfer pricing method and procedure for determining the transaction prices as earlier reviewed by KPMG Advisory Services are adequate;

vii. Nominees of the related party/interested person had recused themselves and did not participate in the decision of the Board in making this recommendation for the approval of the Shareholders;

viii. The Company shall obtain a fresh mandate from shareholders if the method and procedure in (iv) become inappropriate; and

ix. The interested person shall abstain and has undertaken to ensure that its associates shall abstain from voting on the resolution approving the general mandate.

Financial Statements

In this section

The Board of Directors of GlaxoSmithKline Consumer Nigeria Plc ("the Company") and its subsidiary (collectively referred to as "GSK" or "the Group") is pleased to present the annual report together with the Group's annual financial statements for the year ended 31 December 2022 which discloses the state of affairs of the Group.

1 Principal activities

The Group is engaged in the marketing and distribution of a wide range of healthcare brands that are well established in Nigeria. These include Consumer Healthcare brands such as Panadol, Sensodyne, Andrews Liver Salt and Macleans and a range of internationally acclaimed pharmaceuticals, including Augmentin, Ampiclox and Amoxil (antibiotics); Zentel (the anthelmintic), and vaccines.

2 Operating results

The following is a summary of the operating results for the year:

In Thousands of Naira	Group		Company	
	2022	2021	2022	2021
Revenue	25,382,419	22,449,824	25,382,419	22,449,824
Profit for the year before taxation	1,241,233	945,752	1,246,446	948,266
Taxation	(470,087)	(286,941)	(470,087)	(286,941)
Profit for the year attributable to owners of the parent	771,146	658,811	776,359	661,325

3 Dividend

The Board is pleased to recommend to members a dividend of N657.7 million to be paid for the year to shareholders, representing 55 kobo per ordinary share subject to the approval of shareholders. The dividend will be payable on 8th June 2023. Withholding tax at the applicable rate will be deducted at the time of payment and will be paid to the appropriate state or federal tax authorities.

4 Directors

The Directors who served during the year and to the date of this report are:

Mr. Edmund Onuzo	Chairman
Mr. Samuel Kuye	Independent Non Executive Director
Mrs. Oludewa Edodo-Thorpe	Independent Non Executive Director
Dr. Ms. Amina Salihu	Independent Non Executive Director
Mr. Oussama Abbas	Non Executive Director
Mr. Kunle Oyelana	Managing Director
Mr. Mark Pfister	Executive Director
Mr. Bosco Kirugi	Finance Director

5 Board changes

Since the last Annual General Meeting, there have been some changes in the composition of the Board. Mr. Mark Pfister and Mr. Oussama Abbas resigned from the Board as Executive Director and Non-Executive Director respectively with effect from 28th July 2022.

6 Directors to retire by rotation

The Directors to retire by rotation at the Annual General Meeting in accordance with Article 91 of the company's Articles of Association are Mr Edmund Onuzo and Dr. Ms. Amina Salihu who, being eligible, offer themselves for re-election. Their biographical details are contained in the directors section of the annual report.

7 Directors' interest in contracts

None of the directors had notified the Group for the purpose of Section 303 of the Companies and Allied Matters Act, of any declarable interest in contracts with which the Group is involved as at 31 December 2022.

8 Directors' interest in share capital

The directors' interest in the Group's ordinary shares were as follows:

	2022		2021	
Name	Direct holding	Indirect	Direct holding	Indirect
Mr. Edmund C. Onuzo	337,912	11,170	337,912	11,170
Mr. Samuel Kuye	923	93,750	923	93,750
Mrs. Oludewa Edodo-Thorpe	31	-	31	-
Mr. Oussama Abbas	-	-	-	-
Ms. Amina Salihu	-	-	-	-
Mr. Kunle Oyelana	900	-	900	-
Mr. Mark Pfister	-	-	-	-
Mr. Bosco Kirugi	-	-	-	-

9 Beneficial ownership

None of the directors has any beneficial interest in shares of the Group except as stated in paragraph 8 above. Mr. Edmund C. Onuzo is a joint beneficial owner of the 11,170 ordinary shares held by Edmund and Charity Onuzo while Mr. Samuel Kuye is a joint beneficial owner of the 93,750 ordinary shares held by Stanbic IBTC Asset Management Limited.

10 Value of assets

Particulars of the changes arising from additions and disposal of fixed assets during the year are contained in Note 15 to the financial statements. Details of the other assets of the Group as at 31 December 2022 are given in Notes 16-23 to the financial statements.

11 Analysis of shareholding

The issued and fully paid-up share capital of the Group (at both current and prior year reporting date) is N597,938,244 divided into 1,195,876,488 ordinary shares of 50 kobo each. Of this, 640,794,563 shares equivalent to 53.6% are held by Nigerian shareholders, while 555,081,925 shares equivalent to 46.4% are held by GlaxoSmithKline plc UK through its wholly owned subsidiaries, Setfirst Limited and SmithKline Beecham Limited.

In compliance with Section 124 of the Companies and Allied Matters Act No 3 of 2020 (as amended) and Regulation 13 of the Companies Regulation 2021, shareholders at an extraordinary general meeting on 8 December 2022, authorized and approved the cancellation of 304,123,512 unissued ordinary shares of 50 kobo each which comprise the total number of unissued shares in the share capital of the Group.

31 December 2022 **Range**	**Number of shareholders**	**Holders %**	**Number of holdings**	**% shareholding**
1-1000	10,628	36.9%	4,212,447	0.4%
1,001-5,000	10,534	36.6%	26,511,960	2.2%
5,001- 10,000	3,306	11.5%	22,806,120	1.9%
10,001- 50,000	3,307	11.5%	68,228,072	5.7%
50,001 – 100,000	477	1.7%	33,882,548	2.8%
100,001 – 500,000	426	1.5%	84,647,974	7.1%
500,001 – 1,000,000	58	0.2%	42,359,026	3.5%
1,000,001 – Above	71	0.2%	913,228,341	76.4%
Total	**28,807**	100.0%	**1,195,876,488**	100.0%

31 December 2021 **Range**	**Number of shareholders**	**Holders %**	**Number of holdings**	**% shareholding**
1-1000	9,866	36.09	4,015,232	0.34
1,001-5,000	10,397	38.03	26,019,737	2.18
5,001- 10,000	3,211	11.75	21,849,001	1.83
10,001- 50,000	3,101	11.34	62,500,897	5.23
50,001 – 100,000	359	1.31	24,586,119	2.06
100,001 – 500,000	294	1.08	57,256,838	4.79
500,001 – 1,000,000	47	0.17	33,854,515	2.83
1,000,001 – Above	62	0.23	965,794,149	80.76
Total	**27,337**	100.00	**1,195,876,488**	100.00

12 Substantial interest in shares

According to the Register of Members, the following shareholders of the Group held more than 5% of the issued share capital of the Group as at year end.

	31 December 2022		**31 December 2021**	
Shareholder	**Number of shares held**	**% Holders**	**Number of shares held**	**% Holders**
Setfirst Limited	326,593,793	27.31%	326,593,793	27.31%
Smithkline Beecham Limited	228,488,132	19.11%	228,488,132	19.11%
Stanbic Nominees Limited	107,730,891	9.01%	106,932,609	8.94%

13 Unclaimed dividends

The unclaimed dividend in the books of the Group as at 31 December 2022 was N1.28 billion (2021: N1.27 billion). They were in respect of Payments 31 to 46 of the shareholders of GlaxoSmithKline Consumer Nigeria Plc and its legacy companies. The Group continues to take steps in conjunction with the Registrars, to ensure the Shareholders receive their dividend.

14 Donations

Our resolve borders around partnership with underprivileged communities across the country, putting our weight behind innovative, sustainable programs and paving way for real benefits to these communities. We are committed to strengthening community fabric by delivering health and education initiatives and supporting local civic and cultural institutions to improve quality of life.

The Group made no financial donations in the current year. In 2021, GlaxoSmithKline (GSK) & Save the Children International (SCI) partnered through the INSPIRING project and donated medical equipment, instruments, and consumables worth over 100 million naira to 30 health facilities in

Ikorodu LGA of Lagos state and 35 health facilities in Jigawa state. GSK Nigeria in 2021 also made a direct donation of PPEs to the Nigeria Association of Resident Doctors (NARD) and Medical Guild Lagos to provide much needed protection to health workers.

In compliance with section 43 (2) of the Companies and Allied Matters Act, 2020 the Group did not make any donation or gift to any political party, political association or for any political purpose during the year under review.

15 Human resources development

During the year, the Group invested in the training and development of its workforce through internal and external trainings. Training areas include Leadership, Information Technology, Legal and Technical skills, as well as team-building initiatives.

The Group carried out periodic talent assessment to identify and accelerate development of key talents and strengthen the succession pipeline. In 2022, a number of key talents were exposed to development opportunities within and outside Nigeria through secondments, stretch assignments, projects and mentorships. Deepening and strengthening the talent pool remains a strong imperative for the business in view of its aggressive growth agenda.

As a Group with a very strong ethical culture, during the year we rolled out extensive compliance and ethics training with emphasis on strong ethical and compliance behaviour. It is a fundamental belief that our performance at GSK must be backed by integrity.

In recognition of the fact that seamless communication within the team is integral to high performance, GSK's communication channels are designed to keep employees informed, engaged and involved in activities across all areas of our organization. The Group encourages two-way, open and honest communication with employees. Employees are encouraged to speak up whenever they have concerns. The Group has in place, a very strong and elaborate confidential line reporting structure that enables employees to raise their concerns without fear of victimization or reprisal.

The Group's code of conduct for employees is based on the Group's culture of being ambitious for patients, accountable for impact and doing the right thing. Above all, the conduct of every employee is expected to achieve the Group's purpose of uniting science, technology and talent to get ahead of disease together.

Employment of physically challenged persons

The Group continued to pursue its policy of non-discrimination in matters of employment and is committed to offering people with disabilities access to the full range of recruitment and career opportunities to develop to their fullest potential.

16 Diversity and inclusion

GSK is committed to employment policies free from discrimination against existing or potential employees on the grounds of age, race, ethnic and national origin, gender, sexual orientation, faith or disability. The Group's workforce consists of a fair proportion of the genders and is drawn from diverse tribes and cultures within and outside Nigeria. The Group continues to recognize the need for diversity and inclusion in leadership including the need to promote gender equality and equity in leadership.

17 Environment health and safety

The Group operated in an environmentally responsible manner. To meet our mission and implement our strategy, employee health and performance initiatives focus on the health factors that enable employees to perform at the highest level by sustaining energy and engagement. The programmes developed to deliver this health strategy range from the traditional – such as immunisations, smoking control, and weight management – to cutting-edge programmes in the areas of team and personal resilience, ergonomics and Energy for Performance. They are complimented by our commitment to flexible working that enables employees to do their best work in an environment that helps them integrate their work and personal lives. The Group had invested heavily to improve the work environment to make it more stimulating and fun. The health and safety of our employees, visitors and contractors is a high priority for GSK and hazards associated with our operations are continually identified, assessed and managed to eliminate or reduce risks. The Group regularly updates its staff on current issues as they relate to diseases including HIV/AIDS, Ebola, Asthma, Lassa Fever, Malaria, Cancer, Corona Virus and other serious diseases through health talks, health assessments and information sharing.

18 Major distributors

The Group's products are distributed through Key distributors who cover the entire country. The list containing names of such distributors is available at the commercial department of the Company.

19 Suppliers

The Group purchases from both overseas and local suppliers. Amongst its overseas suppliers are companies in the GlaxoSmithKline Group. The list containing names of such suppliers is available at the finance department of the Company.

20 Acquisition of own shares

The Group did not purchase its own shares during the year (2021: Nil).

21 Independent auditors

In accordance with Section 401(2) of the Companies and Allied Matters Act, Messrs. Deloitte & Touche have indicated their willingness to continue in office and pursuant to Section 408(1) (b) of that Act, a resolution will be proposed at the Annual General Meeting to empower the directors to determine their remuneration.

By Order of the Board

Frederick Ichekwai
Company Secretary
FRC/2018/NBA/00000018734

Registered office:
GlaxoSmithKline Consumer Nigeria plc
GSK House, 1 Industrial Avenue,
Ilupeju, Lagos.
30 March 2023

Statement of **Directors' Responsibilities**

The Directors of GlaxoSmithKline Consumer Nigeria Plc accept responsibility for the preparation and approval of the consolidated and separate financial statements that give a true and fair view of the financial position of the Group and Company as at 31 December 2022, and the results of its operations, cash flows and changes in equity for the year then ended, in compliance with International Financial Reporting Standards ("IFRS") and in the manner required by the Companies and Allied Matters Act, 2020 of Nigeria, and the Financial Reporting Council of Nigeria Act, 2011.

In preparing the consolidated and separate financial statements, the Directors are responsible for:

- properly selecting and applying accounting policies;
- presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- providing additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group and Company's financial position and financial performance.

Going concern:
The Directors have made an assessment of the Group and Company's ability to continue as a going concern and have no reason to believe the Group and Company will not remain a going concern in the year ahead.

Mr. Edmund C. Onuzo
Chairman
FRC/2015/IODN/00000011038

Mr. Kunle Oyelana
Managing Director
FRC/2020/003/00000020395

Certification of Financial Statement

In accordance with section 405 of the Companies and Allied Matters Act of Nigeria, the Chief Executive Officer and the Chief Financial Officer certify that the financial statements have been reviewed and based on our knowledge,

(i) the audited financial statements do not contain any untrue statement of material fact or omit to state a material fact, which would make the statements misleading, in the light of the circumstances under which such statement was made, and

(ii) the audited financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the Group as of and for, the periods covered by the audited financial statements;

We state that management and directors:

(i) are responsible for establishing and maintaining internal controls and has designed such internal controls to ensure that material information relating to the Group is made known to the officer by other officers of the Group, particularly during the period in which the audited financial statement report is being prepared,

(ii) has evaluated the effectiveness of the Group's internal controls within 90 days prior to the date of its audited financial statements, and

(iii) certifies that the Group's internal controls are effective as of that date;

We have disclosed:

(i) all significant deficiencies in the design or operation of internal controls which could adversely affect the Group's ability to record, process, summarise and report financial data, and has identified for the Group's auditors any material weaknesses in internal controls, and

(ii) whether or not, there is any fraud that involves management or other employees who have a significant role in the Group's internal control; and

(iii) whether or not, there is any fraud that involves management or other employees who have a significant role in the Group's internal control; and

(iv) as indicated in the report, whether or not, there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

The financial statements of the Group for the year ended 31 December 2022 were approved by the directors on 30 March 2023.

Mr. Kunle Oyelana
Managing Director
FRC/2020/003/00000020395

Mr. Bosco Kirugi
Finance Director
FRC/2022/PRO/DIR/003/956071

Deloitte.

To the Shareholders of
GlaxoSmithKline Consumer Nigeria Plc

Opinion

We have audited the consolidated and separate financial statements of GlaxoSmithKline Consumer Nigeria Plc and its subsidiaries (the Group and Company) set out on pages 5 to 56, which comprise the consolidated and separate statements of financial position as at 31 December 2022, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity, consolidated and separate statements of cash flows for the year then ended and the notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of GlaxoSmithKline Consumer Nigeria Plc as at 31 December 2022, and its consolidated and separate financial performance and consolidated and separate statement of cash flows for the year then ended in accordance with International Financial Reporting Standards, the requirements of the Companies and Allied Matters Act (CAMA) 2020 and Financial Reporting Council Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group and Company in accordance with the requirements of the International Ethics Standards Board for Accountants' (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA code) and other independence requirements applicable to performing audits of financial statements in Nigeria. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and other ethical requirements that are relevant to our audit of Financial Statements in Nigeria.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit matter

Key audit matter is the matter that, in our professional judgement, was of most significance in our audit of the consolidated and separate financial statements of the current year. This matter was addressed in the context of our audit of the Group's financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Key Audit Matters	How the matter was addressed in the audit
Classification and valuation of Assets Held for Sale	
As disclosed in Notes 4.1a and 18 to the financial statements, during the year ended 31 December 2021 certain non-current assets were classified as held for sale. These assets included Plant and machinery, Furniture, fitting and equipment and Motor vehicles, previously used by the Group for manufacturing of its locally manufactured products at the Agbara plant in Ogun state, Nigeria. During the year ended 31 December 2021, the Group contracted the production of all its locally manufactured products to a third party and shut down its manufacturing facility at Agbara. The Directors approved the sale of these assets, the assets were available for immediate sale and the sale was considered highly probable. Consequently, assets with carrying value of N715 million, were classified as held for sale as at 31 December 2021. As at 31 December 2022, assets with a carrying value of N315 million classified as held for sale were not yet sold. In line with IFRS 5 Assets held for sale and discontinued operations, management performed an assessment to ensure that the classification as held for sale and the value at which the assets were carried remained appropriate. An impairment loss of N290 million was recognised following a formal valuation performed by an independent external valuation expert. We considered the classification and valuation of Assets held for Sale as a key audit matter due to: • The judgement exercised by the Directors in evaluating whether the assets should remain classified as held for sale at year-end. • The estimates and judgements made in determining the fair value less costs to sell.	We performed the following procedures: • We obtained and evaluated the assessment made by the Directors in retaining the assets not sold after 12 months as Assets held for Sale in line with IFRS 5. This included obtaining an understanding of the circumstances that occurred during the year which extended the period to complete sales beyond one year and the actions the Directors took to respond to those conditions. • We inspected relevant evidence verifying that the Group remains committed to its plan to sell the assets, an active programme to locate buyers and complete the sale is continuing and the assets are being actively marketed for sale at a price that is reasonable in relation to its current fair value. We reviewed the correspondence, contracts and invoices with current and potential purchasers. • We obtained and reviewed the expert's valuation report. We assessed their professional qualifications, experience and independence. We also assessed the method, assumptions and data used to ensure that they are appropriate, reasonable and in accordance with IFRS 13 Fair value. • We recalculated the impairment allowance using the carrying value and the values determined by management's valuation expert and compared with impairment allowance recorded in the financial statements. • We assessed the adequacy of disclosures in the financial statements relating to Assets Held for Sales. Based on the audit procedures performed, adequate evidence was obtained to support the Director's basis for the classification and valuation of Assets Held for Sale.

Other Information

The directors are responsible for the other information. The other information comprises the Directors' Report, Chairman's Statement, Corporate Governance Report, Corporate Responsibility Report, Statement of Directors responsibilities for the preparation and approval of the financial statements, Certification of Financial Statements, Report of the Statutory Audit Committee and the Company Secretary's Report, which we obtained prior to the date of this report. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements do not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards, the requirements of the Companies and Allied Matters Act (CAMA) 2020, the Financial Reporting Council of Nigeria Act and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit

procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the Fifth schedule of Companies and Allied Matters Act (CAMA) 2020 we expressly state that:

i) We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit.

ii) The Group has kept proper books of account, so far as appears from our examination of those books.

iii) The Group and Company's financial position and its statement of profit or loss and other comprehensive income are in agreement with the books of account and returns.

Stella Mba
FRC/2013/ICAN/00000001348

For:
Deloitte & Touche Chartered Accountants
Lagos, Nigeria.
11th April, 2023.

REPORT OF THE AUDIT COMMITTEE TO THE MEMBERS OF GLAXOSMITHKLINE CONSUMER NIGERIA PLC

In accordance with the provisions of Section 404(7) of the Companies and Allied Matters Act, 2020 ("the Act"), we, the members of the Audit Committee of GlaxoSmithKline Consumer Nigeria Plc, confirm that we have examined the Auditors' Report for the year ended 31 December 2022.

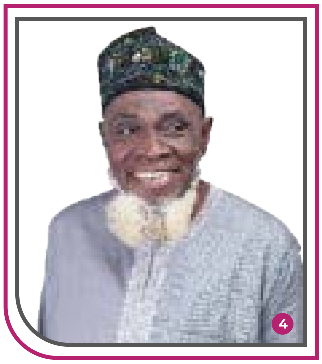
In our opinion, the accounting and reporting policies of the Company are in accordance with legal requirements and agreed ethical practices.

We have reviewed the scope and planning of the audit and the External Auditors' Management Letter for the year under review as well as Management responses thereon.

We are satisfied with the responses to our questions and the state of affairs of GlaxoSmithKline Consumer Nigeria Plc.

Mr. K.A. Taiwo FCA
Chairman, Audit Committee
FRC/2013/1CAN/00000002890

Dated this **30 March 2023**



Audit Committee

1. **Mr. K.A. Taiwo** (Chairman)
2. **Mr. S.O. Kuye**
3. **Chief S.O. Ogunnowo**
4. **Mr. Y.T. Mosuro**
5. **Mrs. O.E-Thorpe**

Consolidated and Separate

Statement of **Profit or Loss and other Comprehensive Income**

As at 31 December 2022

In Thousands of Naira	Notes	Group 2022	Group 2021	Company 2022	Company 2021
Revenue	6	25,382,419	22,449,824	25,382,419	22,449,824
Cost of sales	7	(18,452,240)	(16,270,135)	(18,452,240)	(16,270,135)
Gross profit		6,930,179	6,179,689	6,930,179	6,179,689
Selling and distribution costs	8	(3,368,813)	(3,542,294)	(3,368,813)	(3,542,294)
Administrative expenses	8	(2,626,146)	(1,799,749)	(2,623,632)	(1,797,235)
Operating profit		935,220	837,646	937,734	840,160
Finance income	9	319,508	93,545	319,508	93,545
Finance costs	10	-	(4,669)	-	(4,669)
Other gains and losses	11	(7,578)	43,729	(4,879)	43,729
Impairment of financial assets	21.3	(5,917)	(24,499)	(5,917)	(24,499)
Profit before tax		1,241,233	945,752	1,246,446	948,266
Current tax expense	13.1	(470,087)	(286,941)	(470,087)	(286,941)
Profit for the year		**771,146**	**658,811**	**776,359**	**661,325**
Other comprehensive income net of income tax:					
Items that will not be reclassified to profit or loss:		-	-	-	-
Other comprehensive income for the year, net of tax		-	-	-	-
Total comprehensive income for the year, net of tax		**771,146**	**658,811**	**776,359**	**661,325**
Profit for the year attributable to:					
Shareholders of the Company		771,146	658,811	776,359	661,325
Non-controlling interest		-	-	-	-
		771,146	658,811	776,359	661,325
Total comprehensive income for the year attributable to:					
Shareholders of the Company		771,146	658,811	776,359	661,325
Non-controlling interest		-	-	-	-
		771,146	658,811	776,359	661,325
Basic and diluted earnings per share (Kobo)	14	64	55	65	55

The accompanying notes and other national disclosures form an integral part of these consolidated and separate financial statements.

Consolidated and Separate

Statement of **Financial Position**

As at 31 December 2022

In Thousands of Naira	Notes	Group 2022	Group 2021	Company 2022	Company 2021
Assets					
Non-current assets					
Property, plant and equipment	15	441,245	540,339	441,245	540,339
Deferred tax asset	13.3	413,802	231,223	413,802	231,223
Investment property	16	529,302	585,532	529,302	585,532
Right of use assets	17	-	14,481	-	14,481
Investment in subsidiary	19	-	-	-	160
		1,384,349	1,371,575	1,384,349	1,371,735
Current assets					
Inventories	20	3,739,540	6,045,400	3,739,540	6,045,400
Trade and other receivables	21	3,847,810	5,170,886	3,847,810	5,170,886
Other assets	22	63,167	202,846	63,167	202,846
Cash and bank balances	23	19,976,023	12,746,570	19,976,023	12,746,570
		27,626,540	24,165,702	27,626,540	24,165,702
Assets classified as asset held for sale	18	375,315	715,455	375,315	715,455
		28,001,855	24,881,157	28,001,855	24,881,157
Total assets		**29,386,204**	**26,252,732**	**29,386,204**	**26,252,892**
Equity and liabilities					
Equity					
Issued share capital	24.1	597,939	597,939	597,939	597,939
Share premium	24.2	51,395	51,395	51,395	51,395
Retained earnings		8,883,118	8,650,116	8,718,987	8,480,771
Total equity		9,532,452	9,299,450	9,368,321	9,130,105
Non-current liabilities					
Liability for share-based payments	27	8,768	26,279	8,768	26,279
Total non-current liabilities		8,768	26,279	8,768	26,279
Current liabilities					
Trade and other payables	25	19,145,605	16,740,095	19,323,482	16,923,345
Contract liabilities	26	11,065	82,595	11,065	82,595
Lease liabilities	28	-	1,500	-	1,500
Income tax payable	13.2	688,314	102,813	674,568	89,067
Total current liabilities		19,844,984	16,927,003	20,009,115	17,096,507
Total liabilities		**19,853,752**	**16,953,281**	**20,017,883**	**17,122,786**
Total equity and liabilities		**29,386,204**	**26,252,732**	**29,386,204**	**26,252,892**

The consolidated and separate financial statements were approved and authorised for issue by the Board of Directors on 30 March 2023 and signed on its behalf by:

Mr. Edmund C. Onuzo	Mr. Kunle Oyelana	Mr. Bosco Kirugi
Chairman	Managing Director	Finance Director
FRC/2015/IODN/00000011038	FRC/2020/003/00000020395	FRC/2022/PRO/DIR/003/956071

The accompanying notes and other national disclosures form an integral part of these consolidated and separate financial statements.

Consolidated and Separate
Statement of **Changes in Equity**

As at 31 December 2022

In Thousands of Naira	Share Capital	Share Premium	Retained Earnings	Total
Group				
At 1 January 2021	597,939	51,395	8,469,656	9,118,990
Profit for the year	-	-	658,811	658,811
Dividend declared	-	-	(478,351)	(478,351)
At 31 December 2021	**597,939**	**51,395**	**8,650,116**	**9,299,450**
At 1 January 2022	597,939	51,395	8,650,116	9,299,450
Profit for the year	-	-	771,146	771,146
Dividend declared	-	-	(538,144)	(538,144)
At 31 December 2022	**597,939**	**51,395**	**8,883,118**	**9,532,452**

In Thousands of Naira	Share Capital	Share Premium	Retained Earnings	Total
Company				
At 1 January 2021	597,939	51,395	8,297,798	8,947,132
Profit for the year	-	-	661,325	661,325
Dividend declared	-	-	(478,351)	(478,351)
At 31 December 2021	**597,939**	**51,395**	**8,480,771**	**9,130,105**
At 1 January 2022	597,939	51,395	8,480,772	9,130,106
Profit for the year	-	-	776,359	776,359
Dividend declared	-	-	(538,144)	(538,144)
At 31 December 2022	**597,939**	**51,395**	**8,718,987**	**9,368,321**

The accompanying notes and other national disclosures form an integral part of these consolidated and separate financial statements.

Consolidated and Separate

Statement of **Cash Flows**

As at 31 December 2022

In Thousands of Naira	Notes	Group 2022	Group 2021	Company 2022	Company 2021
Cash flows from operating activities					
Profit for the year		771,146	658,811	776,359	661,325
Adjustment for:					
Impairment of non-current assets	8.1	353,246	-	353,246	-
Depreciation	8.3	122,116	434,233	122,116	434,233
Finance income	9	(319,508)	(93,545)	(319,508)	(93,545)
Finance cost	10	-	4,669	-	4,669
Profit from sale of non-current assets	11	(7,323)	(6,183)	(7,323)	(6,183)
Rental income from investment property	11	(49,004)	-	(49,004)	-
Income from sale of materials and scraps	11	(65,245)	(36,792)	(65,245)	(36,792)
Unrealised exchange loss / (gain)	11	919	(3,641)	919	(3,641)
Current tax expense	13.1	470,087	286,941	470,087	286,941
Other adjustments to property, plant and equipment	15	-	18,475	-	18,475
Impairment of investment in subsidiaries	19	-	-	160	-
Share based payment expense	27	1,423	6,027	1,423	6,027
Working capital adjustments:					
Changes in inventories	21.1	2,305,860	(2,762,961)	2,305,860	(2,762,961)
Changes in trade and other receivables		1,332,281	(520,930)	1,332,281	(520,930)
Changes in other assets		139,679	170,928	139,679	170,926
Changes in contract liabilities	25.1	(71,530)	(14,765)	(71,530)	(14,765)
Changes in trade and other payables		2,190,542	2,935,140	2,185,169	2,932,628
		7,174,690	1,076,407	7,174,689	1,076,407
Income tax paid	13.2	(67,165)	(747,318)	(67,165)	(747,318)
Net cash generated by operating activities		7,107,525	329,089	7,107,524	329,089
Cash flows from investing activities					
Proceeds from sale of fixed assets		41,907	6,183	41,907	6,183
Interest received on investments		310,303	93,545	310,303	93,545
Proceeds received on investment property		36,185	-	36,185	-
Proceeds from sale of materials and scraps	15	65,245	36,792	65,245	36,792
Purchase of property, plant and equipment		-	(183,277)	-	(183,277)
Net cash flows generated by / (used in) investing activities		453,640	(46,757)	453,640	(46,757)
Cash flows from financing activities					
Share based payment settlement	27	(18,934)	(10,478)	(18,934)	(10,478)
Dividends paid during the year	25.2	(313,336)	(256,322)	(313,336)	(256,322)
Lease liability paid	28	(1,500)	(153,220)	(1,500)	(153,220)
Net cash flows used in financing activities		(333,770)	(420,020)	(333,770)	(420,020)
Net increase / (decrease) in cash and cash equivalents		7,227,395	(137,688)	7,227,394	(137,688)
Cash and cash equivalents at 1 January		12,746,570	12,885,581	12,746,570	12,885,581
Effect of foreign exchange rate changes	23	2,058	(1,323)	2,059	(1,323)
Cash and cash equivalents at 31 December		19,976,023	12,746,570	19,976,023	12,746,570

1 Corporate information

GlaxoSmithKline Consumer Nigeria Plc (the Company) is a public limited liability company incorporated in 1971 and domiciled in Nigeria where its shares are publicly traded. 46.4% of the shares of the Company are held by Setfirst Limited and Smithkline Beecham Limited (both incorporated in the United Kingdom); and 53.6% by Nigerian shareholders. The ultimate parent and ultimate controlling party is GlaxoSmithKline Plc, United Kingdom (GSK Plc UK). GSK Plc UK controls the Company through Setfirst Limited and Smithkline Beecham Limited.

The registered office of the Company is located at 1 Industrial Avenue, Ilupeju, Lagos.

The principal activities of the Company and its subsidiary are marketing and distribution of consumer healthcare and pharmaceutical products.

The consolidated financial statements of the Group for the year ended 31 December 2022 comprise the result and the financial position of GlaxoSmithKline Consumer Nigeria Plc ("the Company") and its wholly owned subsidiary – Winster Pharmaceuticals Limited which has no turnover for the current period following the sale of its only product to a third party on 30 April 2012.

Securities Trading Policy

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule), the Company maintains effective Security Trading Policy which guides Directors, Audit Committee members, employees and all individuals categorized as insiders as to their dealing in the Company's shares. The Policy is regularly reviewed and updated by the Board. The Company has made specific inquiries of all the directors and other insiders and is not aware of any infringement of the policy during the year.

These consolidated and separate financial statements for the year ended 31 December 2022 have been approved for issue by the directors on 30 March 2023.

2 Basis of accounting

2.1 Basis of preparation

The consolidated and separate financial statements have been prepared on a going concern basis. It has also been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Board (IASB) and the requirements of the Companies and Allied Matters Act (CAMA) of Nigeria and Finance Reporting Council (FRC) Act of Nigeria.

2.2 Basis of measurement

The consolidated and separate financial statements have been prepared on a historical cost basis except where otherwise stated in the significant accounting policies.

2.3 Functional and presentation currency

The Group measures the items in its financial statements using the currency of the primary economic environment in which it operates (the functional currency). The financial statements are presented in Nigerian Naira ("NGN" or "N") which is the Group and Company's functional currency. All values are rounded to the nearest thousand (N'000), unless otherwise indicated.

3 Summary of significant accounting policies

The Group has consistently applied the following accounting policies to all periods presented in these consolidated and separate financial statements, except if mentioned otherwise.

3.1 Basis of consolidation

The consolidated and separate financial statements comprise the financial statements of the Company and its subsidiary (Winster Pharmaceutical Limited) as at 31 December 2022. Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred. If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies. Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

3.2 Foreign currencies

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date.

All differences are recognised in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

3.3 Revenue recognition

Revenue is recognised by applying a five-step approach as follows:

i. Identify the contract

Any agreement that creates enforceable rights and obligations is a contract. This covers revenue arising from contracts for:

- Sale of the Groups products to retail customers, wholesalers or distributors;
- Sale of products under contract manufacturing agreements;
- Licences of GSK intellectual property;
- Divestments of PP&E and intangible assets.

It does not cover revenue arising on sales of businesses or from collaboration agreements.

ii. Identify the separate performance obligations in the contract

Performance obligations are the explicit or implicit promises made to the customer or licensee in a contract. In a multi-element arrangement, it is necessary to determine if the promises made are distinct from each other or should be accounted for together as a bundle.

iii. Determine the transaction price

The transaction price is the amount of consideration that GSK is entitled to for the transfer of goods or services. The price may include variable consideration where either:

Variable consideration is estimated and recognised as revenue when it is highly probable that a significant reversal of the cumulative revenue recognised will not occur in future periods."

- uncollected revenue is contingent on future events occurring, such as meeting a sales milestone; or
- GSK's ability to retain revenue already invoiced or collected is contingent on future events not
- occurring, such as retrospective rebates being awarded by GSK or products being returned by the customer.

Variable consideration is estimated and recognised as revenue when it is highly probable that a significant reversal of the cumulative revenue recognised will not occur in future periods.

iv. Allocate the transaction price to separate performance obligations

The total consideration in a contract is divided between each of the distinct performance obligations in that contract on the basis of the standalone selling price of each.

v. Recognise revenue when (or as) each performance obligation is satisfied

Revenue is recognised when control of the goods has transferred, being when the goods have been shipped to the distributor's specific location (delivery). Following delivery, the distributor has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when on selling the goods and bears the risks of obsolescence and loss in relation to the goods. A receivable is recognised by the Group when the goods are delivered to the distributor as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Some customers have a right of return products that are damaged, expired or close to expiry. At the point of sale, a refund liability and a corresponding adjustment to revenue is recognised for those products expected to be returned. At the same time, the Group has a right to recover the product when customers exercise their right of return. However, no right of return assets are recognised by the Group as it is the Group's policy to fully impair damaged and expired products. The refund liability on the customers' right of return is reported under trade and other payables in the statement of financial position. The Group uses its accumulated historical experience to estimate the number of returns on a portfolio level using the expected value method. It is considered highly probable that a significant reversal in the cumulative revenue recognised will not occur given the consistent level of returns over previous years.

3.4 Segment report

The Group defines it segments on the basis of business sectors. The segments are reported in a manner consistent with internal reporting guidelines provided by the GSK Plc UK.

The Group's segment report has been prepared in accordance with IFRS 8 based on operating segment and product ownership identified by the Group and takes geographical reporting into considerations. The operating segments consist of Pharmaceuticals (Prescription drugs and vaccines) and Consumer Healthcare (Oral care, OTC medicines and nutritional healthcare). The Group's management reporting process allocates segment revenue and related cost on the basis of each operating segment. There are no sales between the operating segments.

3.5 Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. The tax rates and tax laws used to compute the amount presented in these financial statements are determined in accordance with the Companies Income Tax Act (CITA). CITA is assessed at 30% of the adjusted profit while Education tax is assessed at 2.5% of the assessable profits.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognised for all taxable temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- In respect of taxable temporary differences associated with investments in subsidiary where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off tax assets against tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.6 Property, plant and equipment

Property, plant and equipment are stated at cost of purchase or construction, less accumulated depreciation and accumulated impairment loss if any. Such cost includes the cost of replacing component parts of the property, plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group derecognises the replaced part, and recognizes the new part with its own associated useful life and depreciation.

Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the profit or loss as incurred.

Depreciation on the categories of property, plant and equipment is calculated to write off the cost less the residual value of the asset, using the straight-line basis, over the assets' expected useful life. Depreciation commences immediately the asset becomes available for use. Other than land which is not depreciated, the normal expected useful life for the major categories of property, plant and equipment are:

Buildings:	Lower of lease term or 50 years
Plant and machinery:	10 to 15 years
Furniture, fittings and equipment:	4 to 7 years
Motor vehicles:	4 years

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss when the asset is derecognised.

The assets' residual values, useful lives and methods of depreciation are reviewed at the end of each reporting period and adjusted prospectively, if appropriate.

3.7 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. The Group adopts the cost model for its subsequent measurement of its investment properties after initial recognition. All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are accounted for as investment properties and are measured using the cost model. In line with the cost model, investment property is accounted for as cost less accumulated depreciation and less accumulated impairment losses.

The residual values, depreciation method and the useful lives of the Group's investment property are the same as disclosed above under property, plant and equipment.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Rental income from investment property is recognised as other income / gains on a straight-line basis over the term of the lease.

3.8 Impairment of non-current assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years.

For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year. Impairment losses of continuing operations, including impairment on inventories, are recognised in the profit or loss in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the profit or loss.

3.9 Assets held for sale

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell. Once classified as held-for-sale, property, plant and equipment are no longer depreciated.

3.10 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Group as a lessor

The Group enters into lease agreements as a lessor with respect to some of its investment properties. Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as income in the period in which they are earned.

Operating lease payments are recognised as an operating expense in the profit or loss on a straight-line basis over the lease term.

Group as a lessee

The Group assesses whether a contract is, or contains, a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (assets less than N0.3 million such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease liabilities are subsequently measured by increasing the carrying amount to reflect interest on the lease liabilities (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

Right-of-use assets and lease liabilities are presented as separate lines in the consolidated and separate statement of financial position.

3.11 Financial instruments

3.11.1 Initial recognition and subsequent measurement

Financial assets and financial liabilities are recognised in the statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3.11.2 Financial asset

A financial asset is any asset that is:

- cash
- an equity instrument of another entity;
- a contractual right to receive cash or another financial asset (e.g. receivables); or
- a contractual right to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to GSK (e.g. derivatives resulting in an asset, bonds and investments).

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

3.11.3 Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

3.11.4 Amortised cost

Most of GSK's financial assets and liabilities are measured at amortised cost, including most trade receivables and trade payables. The amortised cost of a financial asset or financial liability is the amount at which the asset or liability is measured at initial recognition minus principal repayments to date, and minus any reduction for impairment. If there is a difference between the initial amount and the maturity amount (arising from reasons other than impairment), amortised cost will also be plus or minus the cumulative amortisation using the effective interest method

3.11.5 Effective interest method

The effective interest method calculates amortised cost by allocating the interest payment or expense over the relevant period. This calculation only applies if a premium has been paid or a discount received. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument. When estimating cash flows, all contractual terms are considered but expected future credit losses are not taken into account unless the financial instrument is credit-impaired.

3.11.6 Expected credit loss (ECL)

The expected credit loss is the difference between the cash flows due under the contract and the cash flows expected to be received, discounted at the original effective interest rate. An expected credit loss allowance is similar to an impairment provision.

3.11.7 Expected credit loss allowance

An allowance for expected credit losses (ECLs) on all financial assets measured at amortised cost, e.g. most trade and other receivables, is initially recognised in profit or loss. The ECL is deducted from the carrying value of the asset on the balance sheet. Subsequent movements in the ECL (including release of the ECL if the asset is recovered in full) are recorded in profit or loss.

All ECL (impairment) allowances are reviewed at least quarterly. In applying the IFRS 9 impairment requirements, the Group applies one of the following approaches:

- the simplified approach, which is applied to trade receivables
- the general approach."

a. The simplified impairment approach

The simplified approach applied to trade receivables requires the recognition of lifetime ECLs at all times. The Group uses a provision matrix as a practical expedient for determining ECLs on trade receivables, including non-overdue balances. The provision matrix incorporates forward-looking information into historical customer default rates and, where appropriate, groups receivables into customer segments that have similar loss patterns, such as public (government) and private customers.

b. The general impairment approach

Under the general approach, prior to an asset actually being credit-impaired, the Group recognises expected credit losses (ECLs) in two stages. For assets for which there has not been a significant increase in credit risk since initial recognition (i.e. 'good' exposures), the Group provides for ECLs that would result from default events that are possible within the next 12 months (a 12-month ECL).

For assets for which there has been a significant increase in credit risk since initial recognition, a loss allowance for ECLs expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL), is recognised.

Indicators of a significant increase in credit risk include

- An actual or expected significant change in the financial asset's external or internal credit rating;
- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant change in the debtor's ability to meet its debt obligations, such as an increase in interest rates or a significant increase in unemployment rates;
- An actual or expected significant change in the operating results of the debtor;
- Significant increases in credit risk on other financial instruments of the debtor;
- An actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant change in the debtor's ability to meet its debt obligations, such as a decline in the demand for the debtor's sales product because of a shift in technology;
- Expected changes in the loan documentation (i.e. changes in contract terms) including an expected breach of contract that may lead to covenant waivers or amendments, interest payment holidays, interest rate step-ups, requiring additional collateral or guarantees, or other changes to the contractual framework of the instrument;
- Significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtor in the group (e.g., an increase in the expected number or extent of delayed contractual payments); and
- Past due information on debtors.

For current assets (expected to be recovered in less than 12 months), there will be no difference between the 12-month ECL and the lifetime ECL.

c. Credit-impaired assets

Under both approaches, when the asset becomes credit impaired due to the occurrence of a 'loss event' additional expected credit loss is recognised by the Group. Loss events may include:

- Significant financial difficulty of the customer;
- It is becoming probable that the customer will enter bankruptcy or other financial reorganisation;
- A breach of contract such as default or past due event;

If the credit-impaired asset is interest-bearing, interest is calculated on the net asset balance, i.e. the gross amount adjusted for ECLs.

d. Asset write-off

The asset, or a portion thereof, is written off through utilisation of the ECL allowance once there is no reasonable expectation of recovery.

This point is a matter of judgement that depends on facts and circumstances. Indicators include:

- Status of the debtor e.g. liquidation;
- Number of days past due or number of days since the last payment was received.

3.11.8 Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in an equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

3.11.9 Financial liability

A financial liability is any liability that is:

- a contractual obligation to deliver cash or another financial asset (e.g. payable); or
- a contractual obligation to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Group (e.g. payables, loans and derivatives resulting in a liability).

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination, (ii) held for trading or (iii) it is designated as at FVTPL.

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in the 'Other gains and losses' line item in profit or loss. The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period.

The Group derecognises financial liabilities when the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3.12 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. The cost of finished goods comprises the transfer price of the product, freight and other clearing costs directly incurred in bringing the finished goods to the warehouse ready for sale. It excludes borrowing costs.

Net realisable value (NRV) is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Inventories are written down to their net realisable values to cover ageing, obsolescence and slow-moving items. The NRV provisions are deducted from the inventories to which they relate and are reported under cost of sales in profit or loss. Any provisions made are also reversed under cost of sales in profit or loss when the reason for provision to be created no longer exists. Inventories that are defective, damaged or 3 months to expiry are written down to zero at each reporting date.

3.13 Cash and cash equivalents

In the statement of financial position, cash and bank balances comprise cash held in banks and cash equivalents. Cash equivalents are short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather for investment or other purposes.

Bank balances for which use by the Group is subject to third party contractual restrictions are included as part of cash unless the restrictions result in a bank balance no longer meeting the definition of cash. Contractual restrictions affecting use of bank balances are disclosed in Note 23. If the contractual restrictions to use the cash extend beyond 12 months after the end of the reporting period, the related amounts are classified as non-current in the statement of financial position.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts which are repayable on demand and form an integral part of the Group's cash management. Such overdrafts are presented as short-term borrowings in the statement of financial position.

3.14 Employee Benefits

a. Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

The Group recognises a liability and an expense for bonuses, based on a formula that takes into consideration the profit for the year and the performance rating of each staff. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

b. Defined contribution and other post employment benefits

The Group operates a pension fund scheme for the benefit of all of its employees.

(i) Pension fund scheme: the Group in line with the provisions of the Pension Reform Act 2014, which repealed the Pension Reform Act No. 2 of 2004, has a defined contribution pension scheme for its employees. Contributions to the scheme are funded through payroll deductions while the Group's contribution is charged to the profit or loss. The Group contributes 10% while the employees contribute 8% of the pensionable emoluments.

(ii) Termination benefit: Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within twelve months from the reporting date, then they are discounted.

c. Long-term employee benefits of the Group - Share based payments

The Group operates a cash-settled share based payment. A liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At each reporting date until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year. The fair value of the liability is measured with reference to the Black-Scholes model.

3.15 Provisions, contingent assets and contingent liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation and the amount has been reliably estimated.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as a contingent asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for the costs to restore leased non-current assets to their original condition, as required by the terms and conditions of the lease, are recognised when the obligation is incurred, either at the commencement date or as a consequence of having used the underlying asset during a particular period of the lease, at the directors' best estimate of the expenditure that would be required to restore the assets. Estimates are regularly reviewed and adjusted as appropriate for new circumstances.

Contingent liabilities are only disclosed and not recognised as liabilities in the statement of financial position. If the likelihood of an outflow of resources is remote, the possible obligations is neither a provision nor a contingent liability and no disclosure is made.

3.16 Dividend

Dividend distribution to shareholders is recognised as a liability in the consolidated and separate financial statements in the period in which the dividends are approved by shareholders.

3.17 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

3.18 Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

3.19 Finance income and finance costs

The Group's finance income and finance costs include interest income from short term investments and accretion of interest on lease liabilities. Interest income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; **or**
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

4. Significant accounting judgments, estimates and assumptions

In applying the Group's accounting policies, which are described in note 3, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

4.1 Critical judgements in applying the Group's accounting policies

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

a. Classification of non-current assets as held for sale

As described in Note 18, some non-current assets which were classified as held for sale in 2021 were not sold as at the current reporting date. A review of the selling plan is generally necessary at subsequent reporting dates to ensure that the held for sale criteria continue to be met. IFRS 5 allows an extension of the held for sale classification if the delay is caused by events or circumstances beyond the entity's control and there is sufficient evidence that the entity remains committed to its plan to sell the assets. In making their judgement, the directors considered the scenarios in which a delay is considered to be beyond the entity's control for the held for sale classification to be continued.

Following the detailed assessment made by management, the directors are satisfied that the Group has met the criteria for the continuous classification of the non-current assets as held for sale.

b. Determining recoverable amount of non-current assets

The Group carried out a review of the recoverable amount of its non-current assets classified as property, plant and equipment, as investment property and as held for sale. In determining the recoverable amounts, fair value less costs of disposal were determined to be the recoverable amounts of the assets as the directors have no reason to believe that the value in use of these assets materially exceed their fair value less costs of disposal.

4.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

a. Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority.

b. Expected credit loss allowance

An allowance for expected credit losses (ECLs) on all financial assets measured at amortised cost, e.g. most trade and other receivables, is initially recognised in profit or loss. The ECL is deducted from the carrying value of the asset on the statement of financial position. The simplified approach applied to trade receivables requires the recognition of lifetime ECLs at all times. The Group uses a provision matrix as a practical expedient for determining ECLs on trade receivables, including non-overdue balances. The provision matrix incorporates forward-looking information into historical customer default rates and, where appropriate, groups receivables into customer segments that have similar loss patterns, such as public (government) and private customers.

Under the general approach, prior to an asset actually being credit-impaired, entities recognise expected credit losses (ECLs) in two stages. For assets for which there has not been a significant increase in credit risk since initial recognition (i.e. 'good' exposures), entities are required to provide for ECLs that would result from default events that are possible within the next 12 months (a 12-month ECL).

For assets for which there has been a significant increase in credit risk since initial recognition, a loss allowance for ECLs expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL), is required.

c. Impairment testing

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available unobservable inputs that are developed based upon the best information available under the circumstances, which might include the Group's own data less incremental costs of disposing of the asset.

d. Year end translation rate

IAS 21 requires that at each reporting period, monetary assets and liabilities be translated using the closing rate. When several exchange rates are available, the rate used is that at which the future cash flows represented by the transaction or balance could have been settled if those cash flows had occurred at the measurement date. In prior years, translation of monetary assets and liabilities has been done using the central bank of Nigeria or Inter-bank rates.

During the year, the rates available to the Group include the CBN rate, the Inter-bank rate and the GSK Plc UK group rate. Inter-bank rates; which represents the rate at which the Group funded its foreign currency transactions have been used in translating year end monetary assets and liabilities.

5 Adoption of new and revised Standards

5.1 New and amended IFRS Standards that are effective for the current year

In the current year, the Group has applied the below amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2022. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

i) Amendments to IFRS 3 Reference to the Conceptual Framework

The Group has adopted the amendments to IFRS 3 Business Combinations for the first time in the current year. The amendments update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. They also add to IFRS 3 a requirement that, for obligations within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets, an acquirer applies IAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 Levies, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date.

ii) Amendments to IAS 16 Property, Plant and Equipment — Proceeds before Intended Use

The Group has adopted the amendments to IAS 16 Property, Plant and Equipment for the first time in the current year. The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, an entity recognises such sales proceeds and related costs in profit or loss. The entity measures the cost of those items in accordance with IAS 2 Inventories.

The amendments also clarify the meaning of 'testing whether an asset is functioning properly'. IAS 16 now specifies this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes.

If not presented separately in the statement of comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items produced that are not an output of the entity's ordinary activities, and which line item(s) in the statement of comprehensive income include(s) such proceeds and cost.

iii) Amendments to IAS 37 Onerous Contracts—Cost of Fulfilling a Contract

The Group has adopted the amendments to IAS 37 for the first time in the current year. The amendments specify that the cost of fulfilling a contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

iv) Annual Improvements to IFRS Accounting Standards 2018-2020 Cycle

The Group has adopted the amendments included in the Annual Improvements to IFRS Accounting Standards 2018-2020 Cycle for the first time in the current year. The Annual Improvements include amendments to the below two applicable standards:

IFRS 9 Financial Instruments

The amendment clarifies that in applying the '10%' test to assess whether to derecognise a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

IFRS 16 Leases

The amendment removes the illustration of the reimbursement of leasehold improvements.

5.2 New and revised IFRSs Standards in issue but not yet effective

At the date of authorisation of these financial statements, the Group has not applied the following applicable new and revised IFRS Accounting Standards that have been issued but are not yet effective.

The directors do not expect that the adoption of the Standards will have a material impact on the financial statements of the Group in future periods, except if indicated below.

i) Amendments to IAS 1 Presentation of Financial Statements — Classification of Liabilities as Current or Non-current

The amendments to IAS 1 published in January 2020 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2023, with early application permitted. The IASB is currently considering further amendments to the requirements in IAS 1 on classification of liabilities as current or non-current, including deferring the application of the January 2020 amendments.

ii) Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements — Disclosure of Accounting Policies

The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The IASB has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.

The amendments to IAS 1 are effective for annual periods beginning on or after 1 January 2023, with earlier application permitted and are applied prospectively. The amendments to IFRS Practice Statement 2 do not contain an effective date or transition requirements.

iii) Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors — Definition of Accounting Estimates

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty".

The definition of a change in accounting estimates was deleted. However, the IASB retained the concept of changes in accounting estimates in the Standard with the following clarifications:

- A change in accounting estimate that results from new information or new developments is not the correction of an error
- The effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors

The IASB added two examples (Examples 4-5) to the Guidance on implementing IAS 8, which accompanies the Standard. The IASB has deleted one example (Example 3) as it could cause confusion in light of the amendments.

The amendments are effective for annual periods beginning on or after 1 January 2023 to changes in accounting policies and changes in accounting estimates that occur on or after the beginning of that period, with earlier application permitted.

iv) Amendments to IAS 12 Income Taxes — Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments introduce a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences. Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting nor taxable profit. For example, this may arise upon recognition of a lease liability and the corresponding right-of-use asset applying IFRS

16 at the commencement date of a lease.

Following the amendments to IAS 12, an entity is required to recognise the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12. The IASB also adds an illustrative example to IAS 12 that explains how the amendments are applied.

The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period an entity recognises:

- A deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised) and a deferred tax liability for all deductible and taxable temporary differences associated with:

Right-of-use assets and lease liabilities

Decommissioning, restoration and similar liabilities and the corresponding amounts recognised as part of the cost of the related asset"

- The cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date

The amendments are effective for annual reporting periods beginning on or after 1 January 2023, with earlier application permitted.

6 Revenue

The following represents the Group and Company's revenue for the year.

	Group & Company	
In Thousands of Naira	**31 December 2022**	**31 December 2021**
Revenue from the sale of goods - Local	25,382,419	22,301,368
Revenue from the sale of goods - Export	-	148,456
	25,382,419	**22,449,824**

The Group derives its revenue from contracts with customers for the transfer of goods at a point in time in the following major product lines. The disclosure of revenue by product line is consistent with the revenue information that is disclosed for each reportable segment under IFRS 8 Operating Segments (see note 6.1 below)

	Group & Company	
In Thousands of Naira	**31 December 2022**	**31 December 2021**
Sale of Pharmaceutical brands	16,752,424	15,160,857
Sale of Consumer Healthcare brands	8,629,995	7,288,967
	25,382,419	**22,449,824**

Adjusted from revenue are customer rebates amounting to N1.2 billion (2021: N1.46 billion).

The Group generated all of its revenue in Nigeria. In prior year, the Group generated 99.34% of its revenue in Nigeria and 0.66% from sales in Ghana.

The Group has a major customer with total sales of N21.17 billion (2021: N19.78 billion) contributing more than 10% of the Group's total revenue.

6.1 Segment information

Product and services from which reportable segments derive their revenue

The Chief Operating Decision Maker has been identified as the Management Team. For management purposes, the Group is organised into business units based on their products and has two reportable segments as follows:

Consumer Healthcare segment consisting of oral care, over-the-counter (OTC) medicines; and Pharmaceuticals segment consisting of antibacterial, vaccines and prescription drugs.

The management team monitors the operating results of its operating units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on revenue and operating profit or loss and is measured consistently with operating profit or loss in the consolidated and separate financial statements.

There are no sales between business segments.

The Group's reportable segments under IFRS 8 are Consumer Healthcare and Pharmaceuticals.

6.2 Segment revenue and results

The following is an analysis of the Group's revenue and results, assets and liabilities by reporting segment. Segment performance is measured based on revenue and operating profit, as management believes such information is the most relevant in evaluating results of segments relative to other entities.

In Thousands of Naira	Consumer Healthcare	Pharma-ceuticals	Non-Operating Income	Total
31 December 2022				
Segment Results				
Revenue	8,629,995	16,752,424	-	25,382,419
Cost of sales	(5,961,974)	(12,490,266)	-	(18,452,240)
Gross Profit	2,668,021	4,262,158	-	6,930,179
Operating expenses	(1,810,880)	(3,568,225)	(615,854)	(5,994,959)
Operating profit / (loss)	857,141	693,933	(615,854)	935,220
Impairment reversal / (loss) on Financial assets	7,871	(13,788)	-	(5,917)
Financial income	-	-	319,508	319,508
Finance costs	-	-	-	-
Other gains / (losses)	27,864	(42,765)	7,323	(7,578)
Profit / (loss) before tax	**892,876**	**637,380**	**(289,023)**	**1,241,233**
Segment assets & liabilities				
Non-current assets excluding deferred tax	970,547			970,547
Net additions to non-current assets, excluding deferred tax	-	-	-	-
Total non-current assets excluding deferred tax	970,547	-	-	970,547
Current assets	22,693,376	5,308,479	-	28,001,855
Total asset excluding deferred tax	**23,663,923**	**5,308,479**	**-**	**28,972,402**
Segment liabilities excluding deferred tax	**5,782,504**	**14,071,248**	**-**	**19,853,752**

In Thousands of Naira	Consumer Healthcare	Pharma-ceuticals	Non-Operating Income	Total
31 December 2021				
Segment Results				
Revenue	7,288,967	15,160,857	-	22,449,824
Cost of sales	(4,126,194)	(12,143,941)	-	(16,270,135)
Gross Profit	3,162,773	3,016,916	-	6,179,689
Operating expenses	(2,607,554)	(2,734,489)	-	(5,342,043)
Operating profit	555,219	282,427	-	837,646
Impairment (loss) on Financial assets	(57,008)	(30,395)	62,904	(24,499)
Financial income	-	-	93,545	93,545
Finance costs	(4,669)	-	-	(4,669)
Other gains and (losses)	223,111	(179,382)	-	43,729
Profit before tax	**716,653**	**72,650**	**156,449**	**945,752**
Segment assets & liabilities				
Non-current assets excluding deferred tax	1,140,351	-	-	1,140,351
Net additions to non-current assets, excluding deferred tax	-	-	-	-
Total non-current assets excluding deferred tax	1,140,351	-	-	1,140,352
Current assets	18,110,493	6,770,665	-	24,881,157
Total asset excluding deferred tax	19,250,844	6,770,665	-	26,021,509
Segment liabilities excluding deferred tax	**5,101,488**	**11,851,795**	**-**	**16,953,283**

The accounting policies of the segments are the same as the Group's accounting policies described in Note 3. This is the measure reported to the management for the purpose of resources allocation and measurement.

The segment reporting represents profit before tax earned by each segment without allocation of disposal gains, impairment losses on non-current assets, investment income and finance cost. Also included in the non-operating segment are exit costs from the shutdown of the Agbara manufacturing facility.

For the purpose of monitoring segments performance and allocating resources between segments:

- all assets are allocated to reportable segment other than deferred tax asset. Assets used by reportable segments are allocated on the basis of the revenues earned by individual reportable segments.
- all liabilities are allocated to reportable segments other than current and deferred tax liabilities. liabilities for which reportable segments are jointly liable are allocated in proportion to segments assets.

In Thousands of Naira	Group		Company	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
7 Cost of Sales				
Purchases	18,452,240	15,349,297	18,452,240	15,349,296
Depreciation (Note 8.4)	-	303,762	-	303,762
Production labour (Note 8.6)	-	617,077	-	617,077
	18,452,240	**16,270,135**	**18,452,240**	**16,270,135**

8 Selling, distribution and administrative expenses

Expense by function have been disclosed in the statement of comprehensive income as follows:

In Thousands of Naira	Group		Company	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Selling and distribution	3,368,813	3,542,294	3,368,813	3,542,294
Administrative expenses	2,626,146	1,799,749	2,623,632	1,797,235
	5,994,959	**5,342,043**	**5,992,445**	**5,339,529**

8.1 Expense by nature

The following represents the Group and Company's selling, distribution and administrative expenses by nature:

In Thousands of Naira	Group		Company	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Employee benefits (Note 8.7)	771,793	910,904	771,793	910,904
Directors remuneration (Note 30.2)	112,907	137,441	112,907	137,441
Electricity, fuel & utility	85,319	95,362	85,319	95,362
Repairs and maintenance - vehicles	1,338	5,969	1,338	5,969
Repairs and maintenance - others	20,868	27,024	20,868	27,024
Insurance	38,010	28,769	38,010	28,769
Depreciation (Note 8.4)	122,116	130,471	122,116	130,471
Impairment of non-current assets (Note 8.6)	353,246	-	353,246	-
Rent and rates	214,836	109,607	214,836	109,607
Security & facility expenses	26,538	52,330	26,538	52,330
Freight cost	321,208	299,011	321,208	299,011
Travel and expenses	76,342	65,301	76,342	65,301
Telecom cost	10,557	35,961	10,557	35,961
Audit fees	28,500	25,000	27,500	24,000
Consultancy	88,338	41,566	86,824	40,052
Advert and promotion	758,730	1,369,289	758,730	1,369,289
Bank charges	65,222	67,608	65,222	67,608
Other business expenses	380,055	133,390	380,055	133,390
Intercompany rechargeable expenses (Note 8.2)	2,519,036	1,807,040	2,519,036	1,807,040
	5,994,959	**5,342,043**	**5,992,445**	**5,339,529**

8.2 Nature of intercompany rechargeable transactions

Intercompany rechargeable expenses represent net shared service expenses cross charged to / from GSK Pharmaceutical Nigeria Ltd (its sister Company) for support rendered with respect to the pharmaceutical segment. The expenses can be further analysed as follows:

In Thousands of Naira	Group 31 December 2022	Group 31 December 2021	Company 31 December 2022	Company 31 December 2021
Employee benefits	1,601,783	1,490,461	1,601,783	1,490,461
Directors renumeration (Note 30.2)	138,339	111,055	138,339	111,055
Electricity, fuel & utility	101,507	(20,814)	101,507	(20,814)
Repairs and maintenance	48,374	19,159	48,374	19,159
Insurance	34,904	34,928	34,904	34,928
Rent & Rates	88,566	39,027	88,566	39,027
Security & Facility Expenses	1,690	(12,317)	1,690	(12,317)
Freight cost	(19,356)	(34,391)	(19,356)	(34,391)
Travel and expenses	189,956	273,561	189,956	273,561
Telecom cost	47,876	18,437	47,876	18,437
Consultancy	49,943	27,307	49,943	27,307
Advert and promotion	80,886	36,316	80,886	36,316
Other expenses / (income)	154,568	(175,689)	154,568	(175,689)
	2,519,036	**1,807,040**	**2,519,036**	**1,807,040**

Amounts reported in credit are as a result of the Group's recharges to the sister company exceeding the sister company's recharges to the Group for the year. The Group's recharges to its sister companies reduces the Group's expenses while recharges from the sister companies are additional expenses to the Group.

8.3 Depreciation by asset category

In Thousands of Naira	Group 31 December 2022	Group 31 December 2021	Company 31 December 2022	Company 31 December 2021
Property, plant and equipment (Note 15)	93,560	295,227	93,560	295,227
Investment property (Note 16)	14,075	14,074	14,075	14,074
Right of use asset (Note 17)	14,481	124,932	14,481	124,932
	122,116	**434,233**	**122,116**	**434,233**

8.4 Depreciation recognised in

In Thousands of Naira	Group 31 December 2022	Group 31 December 2021	Company 31 December 2022	Company 31 December 2021
Cost of sales (Note 7)	-	303,762	-	303,762
Selling and administrative expenses (Note 8.1)	122,116	130,471	122,116	130,471
	122,116	**434,233**	**122,116**	**434,233**

Depreciation charges were not recognised in cost of sales in current year as the Group's manufacturing plant was shut down in 2021.

In Thousands of Naira	Group		Company	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
8.5 Employee benefits expense				
Wages and salaries	737,110	1,457,887	737,110	1,457,887
Share based payment expense (Note 27)	1,423	6,027	1,423	6,027
Defined contribution	33,260	64,067	33,260	64,067
	771,793	**1,527,981**	**771,793**	**1,527,981**

In Thousands of Naira				
8.6 Impairment by asset category				
Property, plant and equipment (Note 15)	21,339	-	21,339	-
Investment property (Note 16)	42,155	-	42,155	-
Assets held for sale (Note 18)	289,752	-	289,752	-
	353,246	**-**	**353,246**	**-**

In Thousands of Naira				
8.7 Employee benefits recognised in				
Cost of sales (Note 7)	-	617,077	-	617,077
Selling and administrative expenses (Note 8.1)	771,793	910,904	771,793	910,904
	771,793	**1,527,981**	**771,793**	**1,527,981**

In Thousands of Naira				
9 Finance income				
Interest income on short-term investments	319,508	93,545	319,508	93,545
	319,508	**93,545**	**319,508**	**93,545**

In Thousands of Naira				
10 Finance cost				
Accretion of Interest on lease liabilities	-	4,669	-	4,669
	-	**4,669**	**-**	**4,669**

In Thousands of Naira	Group		Company	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
11 Other gains and losses				
Other gains				
Profit from sale of non-current assets (including those classified as held for sale)	7,323	6,183	7,323	6,183
Unrealised foreign exchange gains	-	3,641	-	3,641
Accrued liabilities now reversed	94,555	152,822	97,254	152,822
Sale of materials and scraps	65,245	36,792	65,245	36,792
Rental income	49,004	38,801	49,004	38,801
Recovery of previously written off debt	35,950	-	35,950	-
Other sundry gains	8,492	15,243	8,492	15,243
	260,569	**253,482**	**263,268**	**253,482**
Other losses				
Realised foreign exchange losses	(935)	(3,261)	(935)	(3,261)
Unrealised foreign exchange losses	(919)	-	(919)	-
Mark up costs on shared service recharges	(207,906)	(194,064)	(207,906)	(194,064)

In Thousands of Naira	Group		Company	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
11 Other gains and losses Cont'd				
Litigation judgements	(58,387)	-	(58,387)	-
Other sundry losses	-	(12,428)	-	(12,428)
	(268,147)	**(209,753)**	**(268,147)**	**(209,753)**
Other gains and losses	**(7,578)**	**43,729**	**(4,879)**	**43,729**

During the year, accrued liabilities now reversed represents the release of accruals made in prior periods for a trade incentive activity which has been suspended. In 2021, accrued liabilities now reversed of N152m represents release of accruals of Goods Receipt Not Invoice (GRNI). Reconciliations with suppliers confirmed that these GRNI balances were no longer required.

Mark up costs on shared service recharges represents the mark up element on the shared service recharges between GSK Pharmaceutical Limited and the Group (see Note 8.2).

12 Profit before tax

Profit before tax has been arrived at after charging/(crediting):

In Thousands of Naira	Group		Company	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Audit fees	28,500	25,000	27,500	24,000
Impairment loss on non-current assets (Note 8.1)	353,246	-	353,246	-
Depreciation (Note 8.3)	122,116	434,232	122,116	434,232
Net foreign exchange loss / (gain) (Note 11)	1,854	(380)	1,854	(380)
Impairment of financial assets (Note 21.3)	5,917	24,499	5,917	24,499
Director's remuneration (Note 30.2)	251,246	248,496	251,246	248,496

13 Taxes

13.1 Income tax recognised in statement of profit or loss

In Thousands of Naira	Group		Company	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Current tax:				
Companies income tax	601,358	57,902	601,358	57,902
Education tax	51,278	9,262	51,278	9,262
Nigeria Police Trust Fund	30	44	30	44
	652,666	**67,208**	**652,666**	**67,208**
Deferred tax:				
Deferred tax (write back) / charge	(182,579)	219,733	(182,579)	219,733
	(182,579)	**219,733**	**(182,579)**	**219,733**
Total income tax recognised in profit or loss	**470,087**	**286,941**	**470,087**	**286,941**

Company income tax is calculated at 30% (2021: 30%) of the estimated taxable profit for the year. However, if 0.25% (2021: 0.25%) of the gross turnover which is the minimum tax is higher than the Company income tax computed, then the minimum tax will represent the tax payable for the current year. The charge for taxation in these financial statements is based on the provisions of the Companies Income Tax Act, CAP C21, LFN 2004 as amended and the Finance Acts.

The charge for education tax of 2.5% (2021: 2.5%) of the estimated assessable profit for the year is based on the provisions of the Education Tax Act, CAP E4, LFN, 2004 and the Finance Acts.

13.2 Income tax recognised in the statement of financial position:

In Thousands of Naira	Group		Company	
Current tax:	**31 December 2022**	**31 December 2021**	**31 December 2022**	**31 December 2021**
As at 1 January	102,813	782,923	89,067	769,177
Charge in the current year	652,666	67,208	652,666	67,208
	755,479	**850,131**	**741,733**	**836,385**
Company income tax paid	(57,903)	(695,304)	(57,903)	(695,304)
Education tax paid	(9,262)	(52,014)	(9,262)	(52,014)
At 31 December	**688,314**	**102,813**	**674,568**	**89,067**

13.3 Deferred tax balances:

	Group 31 December 2022	Group 31 December 2021	Company 31 December 2022	Company 31 December 2021
Reflected in the statement of financial position as follows:				
Deferred tax assets	(858,218)	(369,173)	(858,218)	(369,173)
Deferred tax liabilities	444,416	137,950	444,416	137,950
Deferred tax asset	**(413,802)**	**(231,223)**	**(413,802)**	**(231,223)**

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

The components of deferred tax of the Group and Company as at current and prior reporting dates are as follows:

In Thousands of Naira **Group and Company**	**At 1 January 2022**	**Recognised in profit or loss**	**At 31 December 2022**	**At 1 January 2021**	**Recognised in profit or loss**	**At 31 December 2021**
Property, plant & equipment	22,226	116,978	139,204	319,564	(297,338)	22,226
Impairment of receivables	(43,996)	(1,923)	(45,919)	(35,480)	(8,516)	(43,996)
Share based expense / net provision	(8,541)	5,691	(2,850)	(9,834)	1,293	(8,541)
Provision for rebates and allowances	(36,311)	36,311	-	(74,591)	38,280	(36,311)
Write-down of inventories to net realisable value	(14,015)	(45,274)	(59,289)	(52,300)	38,285	(14,015)
Refund liability on right of return	(56,103)	55,149	(954)	(55,240)	(863)	(56,103)
Changes in Inventory valuation	-	-	-	(70,318)	70,318	-
Unrealised exchange gain	111,018	194,194	305,212	71,401	39,617	111,018
Unrealised exchange loss	(209,720)	(539,486)	(749,206)	(540,754)	331,034	(209,720)
Right of use assets	4,706	(4,706)	-	30,711	(26,005)	4,706
Lease liability	(488)	488	-	(34,115)	33,628	(488)
At 31 December	**(231,223)**	**(182,579)**	**(413,802)**	**(450,956)**	**219,733**	**(231,223)**

13.4 Reconciliation of income tax expense

The income tax expense for the year can be reconciled to the accounting profit as follows:

In Thousands of Naira	Group		Company	
	31 December 2022	**31 December 2021**	**31 December 2022**	**31 December 2021**
Profit before tax	**1,241,233**	**945,752**	**1,246,446**	**948,266**
Company income tax @30% of PBT	372,370	283,726	373,934	284,480
Education tax	31,031	9,262	31,161	9,262
Effect of:				
Police trust levy	30	44	30	44
Deferred tax	(182,579)	219,733	(182,579)	219,733
Non-deductible expenses	355,750	459,686	355,750	459,686
Exempted income from taxation	(304,693)	(633,018)	(304,693)	(633,018)
Change in prior year estimates	198,178	(52,492)	196,484	(53,246)
Total income tax expense for the year	**470,087**	**286,941**	**470,087**	**286,941**
Effective tax rate	**38%**	**30%**	**38%**	**30%**

In Thousands of Naira	Group		Company	
14 Earnings Per Share	**31 December 2022**	**31 December 2021**	**31 December 2022**	**31 December 2021**
Net profit attributable to ordinary equity holders of the parent from continuing operations **(N'000)**	771,146	658,811	776,359	661,325
Net profit attributable to ordinary equity holders of the parent from continuing and discontinued operations **(N'000)**	771,146	658,811	776,359	661,325
Weighted average number of ordinary shares for basic earnings per share **('000)**	1,195,876	1,195,876	1,195,876	1,195,876
Basic and diluted earnings per share **(kobo)**- continuing operations	64	55	65	55

There have been no transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these consolidated and separate financial statements. There are no potentially dilutive shares at the reporting date thus the Group's diluted earnings per share and basic earnings per share both have the same value

15 Property, plant and equipment

The reconciliation of the carrying amount of property, plant and equipment is as follows:

In Thousands of Naira **Group and Company**	**Leasehold Land**	**Buildings**	**Plant and Machinery**	**Construction in Progress**	**Furniture, Fittings and Equipment**	**Motor Vehicles**	**Total**
Cost:							
At 1 January 2021	466,045	489,173	2,601,435	51,601	318,722	348,035	4,275,011
Additions	-	-	-	-	-	183,277	183,277
Transfers to investment property	(195,651)	(370,829)	-	-	-	-	(566,480)
Transfers (Note 15.1)	-	-	6,726	(33,126)	26,400	-	-
Adjustments (Note 15.2)	-	-	(2,028)	(18,475)	2,028	-	(18,475)
Transfers to asset held for sale	-	-	(2,497,311)	-	(191,702)	(59,005)	(2,748,018)
Disposals	-	-	-	-	-	(86,940)	(86,940)
At 31 December 2021	**270,394**	**118,344**	**108,822**	**-**	**155,448**	**385,367**	**1,038,375**
Additions	-	-	-	-	-	-	-
Transfers from asset held for sale (Note 15.3)	-	-	-	-	-	44,625	44,625
Disposals	-	-	-	-	-	(3,982)	(3,982)
At 31 December 2022	**270,394**	**118,344**	**108,822**	**-**	**155,448**	**426,010**	**1,079,018**
Accumulated depreciation and impairment:							
At 1 January 2021	138,791	68,475	1,748,237	-	288,725	199,797	2,444,025
Charge for the year	4,869	2,363	191,344	-	11,470	85,181	295,227
Transfers to investment property	(68,349)	(53,364)	-	-	-	-	(121,713)
Transfers to asset held for sale	-	-	(1,830,860)	-	(163,296)	(38,407)	(2,032,563)
Disposals	-	-	-	-	-	(86,940)	(86,940)
At 31 December 2021	**75,311**	**17,474**	**108,721**	**-**	**136,899**	**159,631**	**498,036**
Charge for the year	-	2,363	76	-	5,074	86,047	93,560
Transfers from asset held for sale (Note 15.3)	-	-	-	-	-	28,820	28,820
Impairment (Note 15.5)	-	-	-	-	4,724	16,615	21,339
Disposals	-	-	-	-	-	(3,982)	(3,982)
At 31 December 2022	**75,311**	**19,837**	**108,797**	**-**	**146,697**	**287,131**	**637,773**
Carrying amount:							
At 31 December 2022	**195,083**	**98,507**	**25**	**-**	**8,751**	**138,879**	**441,245**
At 31 December 2021	**195,083**	**100,870**	**101**	**-**	**18,549**	**225,736**	**540,339**

15.1 Transfers represent items of construction work in progress completed during the year which were transferred to the respective asset classes.

15.2 Adjustments to cost represents spares capitalised as capital work-in-progress in 2020 but written off in 2021 because they have been used up during production.

15.3 In the current year, a motor vehicle with carrying value of N15.8 million was transferred from assets held for sale to property, plant and equipment as the motor vehicle is now being realized through use in the business. In line with IFRS requirement, the historical depreciation of the motor vehicle has been recognised in the financial statement i.e. the depreciation from the date it was initially reclassified to assets held for sale to the date of transfer back to property, plant and equipment.

15.4 There were no assets pledged as security, capital commitment and capitalized borrowing cost during the current and prior year and at the current and prior reporting dates.

15.5 During the year, the Group carried out a review of the recoverable amount of its property, plant and equipment. Impairment losses of N21.3 million to write down the assets to the lower of its carrying amount and recoverable amount have been included in "administrative expenses" (see Note 8.1) in the statement of profit or loss under the non-operating segment. The Group has determined that the recoverable amount is the fair value less cost to sell. The fair value measurement has been categorised as a Level 2 fair value based on the inputs to the valuation technique used.

The fair value was arrived at on the basis of a valuation exercise contracted to Argyle Consulting, who are independent of the Group. The report received by the Group was signed by the Managing consultant; Nelson Sanni (FRC/2013/ICAN/000000004921). Details of the valuation technique and significant unobservable inputs are as follows:

Valuation technique	Significant unobservable inputs
Depreciated replacement cost and market comparison approach: Both approaches were considered for the various classes of assets. Land was valued using the market comparison approach while other classes of assets were valued using the depreciated replacement cost approach. The cost approach considers the current replacement costs of replicating the assets including other ancillary costs. It is based on the economic principle that a buyer will pay no more for an asset than what it will cost him / her to own an equivalent asset of equal utility, whether by purchase or by construction. Thus, the total cost of a new building is achieved through the application of a current construction rate to the gross floor area including other associated cost which is then depreciated to reflect present physical condition, functional and economic obsolescence on the property before adding the value of the bare site as at the date of valuation. Similarly, the current replacement cost of an item of plant, machinery, furniture, fitting and other equipment is the current market price of the asset including costs of freight, duty, installation, commissioning and other allied costs which is also then depreciated to reflect present physical condition, functional and economic obsolescence on the assets. The value of the land is obtained by applying the land size to the current per square meter market price of land within the location after adjusting the rate for the unexpired term in the lease.	• Weighted average 40% depreciation rate applied on current replacement costs. • Adjusted market price rate of 157,843 per square meter applied on land size. • 1% & 6% cost to sell applied to determine recoverable value of land and buildings respectively. • Weighted average 1% cost to sell applied to determine recoverable value of other asset classes.

16 Investment property

A number of building blocks situated at GSK House, 1, Industrial Avenue, Ilupeju, Lagos State (which have been owner-occupied since its acquisition in 2007) have since been leased. The land and building situated at Agbara Industrial Estate, Ogun state is being held for an undetermined future use, following the shutdown of

16 Investment property

A number of building blocks situated at GSK House, 1, Industrial Avenue, Ilupeju, Lagos State (which have been owner-occupied since its acquisition in 2007) have since been leased. The land and building situated at Agbara Industrial Estate, Ogun state is being held for an undetermined future use, following the shutdown of manufacturing operations at the facility in 2021. These land and buildings have been classified as investment property and are subsequently measured using the cost model.

	Group & Company		
In Thousands of Naira	**Leasehold Land**	**Buildings**	**Total**
Cost			
At 1 January 2021	-	216,250	216,250
Transfers from property, plant and equipment	195,651	370,829	566,480
At 31 December 2021	**195,651**	**587,079**	**782,730**
At 1 January 2022	195,651	587,079	782,730
Additions	-	-	-
At 31 December 2022	195,651	587,079	782,730
Accumulated depreciation and impairment:			
At 1 January 2021	-	61,411	61,411
Charge for the year	2,546	11,528	14,074
Transfers from property, plant and equipment	68,349	53,364	121,713
At 31 December 2021	**70,895**	**126,303**	**197,198**
Charge for the year	-	14,075	14,075
Impairment	-	42,155	42,155
At 31 December 2022	**70,895**	**182,533**	**253,428**
Carrying Amount:			
At 31 December 2022	**124,756**	**404,546**	**529,302**
At 31 December 2021	**124,756**	**460,776**	**585,532**

Impairment losses of N42.1 million to write down the assets to the lower of its carrying amount and recoverable amount have been included in "administrative expenses" (see Note 8.1) in the statement of profit or loss under the non-operating segment. The Group has determined that the recoverable amount is the fair value less cost to sell.

The fair value of the Group's investment property as at the reporting date is N855.8 million. The Group did not fair value its investment property at prior year reporting date. However, the directors believe that the fair value of the Group's investment property at prior year reporting date would not have been materially different from the fair value at the current reporting date.

The fair value was arrived at on the basis of a valuation exercise contracted to Argyle Consulting, who are independent of the Group. The report received by the Group was signed by the Managing consultant; Nelson Sanni (FRC/2013/ICAN/00000004921). The valuation was in accordance with the requirement of RICS Valuation – Global Standards 2022, International Valuation Standards (IVS) 2022 and Nigerian Valuation Standards (NVS) 2019 and is consistent with the stipulations of IFRS 13.

In valuing the assets, the valuer has assumed that the information supplied by the Group is correct; the titles to the properties are good and marketable; and that the properties are not adversely affected by, or subjected to compulsory acquisition, road widening, new road proposal or planning scheme.

The fair value measurement has been categorised as a Level 2 fair value based on the inputs to the valuation technique used. Details of the valuation technique and significant unobservable inputs are as follows:

Valuation technique	Significant unobservable inputs
Market comparison and Depreciated replacement cost approach: Both techniques were adopted for the valuation of the land and buildings classified as investment property and have been described in Note 15.5.	• Adjusted market price rate of N11,601 per square meter applied on land size. • 20 - 25% depreciation rate applied on current replacement costs of buildings. • 1% & 6% cost to sell applied to determine recoverable value of land and buildings respectively.

17 Right of use assets

In Thousands of Naira	Group & Company	
	Leased Building	Total
Cost		
At 1 January 2021	317,673	317,673
Additions	43,441	43,441
Disposals	(317,674)	(317,674)
At 31 December 2021	**43,441**	**43,441**
Additions	-	-
Disposals	(43,441)	(43,441)
At 31 December 2022	-	-
Accumulated Depreciation:		
At 1 January 2021	221,702	221,702
Charge for the year	124,932	124,932
Disposals	(317,674)	(317,674)
At 31 December 2021	**28,960**	**28,960**
Charge for the year	14,481	14,481
Disposals	(43,441)	(43,441)
At 31 December 2022	**-**	**-**
Carrying Amount:		
At 31 December 2022	-	-
At 31 December 2021	**14,481**	**14,481**

Right of use assets are recognised as disposal at the expiration of the lease term. Information about the Group's leased asset is presented under Note 28.

18 Assets held for sale

Following the shutdown of the Group's manufacturing facility in Agbara, Ogun State in 2021, plant and machinery, furniture and fittings and motor vehicles in the facility with carrying values of N666 million, N28million and N21million respectively as at the date of the shutdown were classified as asset held for sale following management's commitment to sell the assets.

On classification to held for sale, the expectation was that the assets will be sold within a one year period. However, due to circumstances that arose in the course of the year which were previously considered unlikely, some of the assets were not sold as at 31 December 2022. In 2022, the Nigerian economy took a downturn and the negative perception of the occurrence of the 2023 general elections in Nigeria made businesses stall on making capital investment decisions which affected the sale of these assets. The Group took necessary action to respond to the change in these circumstances through direct engagement with potential purchasers to compliment the bidding approach originally planned. Furthermore, the assets have been impaired and are being actively marketed at a price that is reasonable to their fair value, given the change in circumstances.

During the year, plants and machinery and motor vehicles with carrying amounts of N29.7 million and N4.8 million respectively were disposed during the year through several bidding processes. Net gains of N7.1 million which arose from the disposals have been reported in "other gains and losses" (see Note 11) in the statement of profit or loss under the non-operating segment. There are no cumulative income or expenses included in other comprehensive income relating to the assets held for sale.

Subsequent to 31 December 2022, additional disposals with carrying amount of N114 million have been made as at the date of approval of these consolidated and separate financial statements. Negotiations and contracting are currently ongoing with several potential buyers for the remaining assets yet to be disposed and the directors expect that all assets will be sold in 2023.

The reconciliation of the carrying amount of assets held for sale is as follows:

In Thousands of Naira	**Plant and Machinery**	**Furniture, Fittings and Equipment**	**Motor Vehicles**	**Total**
Cost				
At 1 January 2021	218,391	-	-	218,391
Transfers from property, plant and equipment	2,497,311	191,702	59,005	2,748,018
At 31 December 2021	**2,715,702**	**191,702**	**59,005**	**2,966,409**
Transfers to property, plant and equipment	-	-	(44,625)	(44,625)
Disposals	(143,872)	-	(14,380)	(158,252)
At 31 December 2022	**2,571,830**	**191,702**	**-**	**2,763,532**
Accumulated depreciation and impairment:				
At 1 January 2021	218,391	-	-	218,391
Transfers from property, plant and equipment	1,830,860	163,297	38,406	2,032,563
At 31 December 2021	**2,049,251**	**163,297**	**38,406**	**2,250,954**
Transfers to property, plant and equipment	-	-	(28,820)	(28,820)
Impairment	263,413	26,339	-	289,752
Disposals	(114,083)	-	(9,586)	(123,669)
At 31 December 2022	**2,198,581**	**189,636**	**-**	**2,388,217**
Carrying amount:				
At 31 December 2022	**373,249**	**2,066**	**-**	**375,315**
At 31 December 2021	**666,451**	**28,405**	**20,599**	**715,455**

Impairment losses of N289.8 million to write down the assets to the lower of its carrying amount and recoverable amount have been included in "administrative expenses" (see Note 8.1) in the statement of profit or loss under the non-operating segment. The Group has determined that the recoverable amount is the fair value less cost to sell.

The fair value was arrived at on the basis of a valuation exercise contracted to Argyle Consulting, who are independent of the Group. The report received by the Group was signed by the Managing consultant; Nelson Sanni (FRC/2013/ICAN/000000004921). The fair value measurement has been categorised as a Level 2 fair value based on the inputs to the valuation technique used. Details of the valuation technique and significant unobservable inputs are as follows:

Valuation technique	Significant unobservable inputs
Depreciated replacement cost approach: Refer to Note 15.5 for details of the technique.	• 45 - 80% depreciation rate applied on current replacement costs. • Weighted average 5% cost to sell applied to determine recoverable values.

In Thousands of Naira	Group		Company	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
19 Investment in subsidiary				
Investment in subsidiary	-	-	-	160

This represents investment in Winster Pharmaceuticals Limited, a wholly owned subsidiary company, which is measured at cost. Winster has no turnover for the current year as its only product was sold to a third party in 2012. The results of the Company have been consolidated in these financial statements. The Directors do not consider the subsidiary to be a going concern and as such the carrying amount of the investment (N160,000) was fully impaired during the year.

In Thousands of Naira	Group		Company	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
20 Inventories				
Finished goods (gross value)	3,921,969	6,088,523	3,921,969	6,088,523
Write-down to net realisable value	(182,429)	(43,123)	(182,429)	(43,123)
	3,739,540	**6,045,400**	**3,739,540**	**6,045,400**

The cost of inventories recognised as an expense and included in cost of sales amounted to N18.7 billion (2021: N15.3 billion). There was no write-off of Inventories during the year. Inventories worth N152.9 million were written off during 2021.

	Group & Company			Group & Company		
In Thousands of Naira	31 December 2022			31 December 2021		
	Consumer	Pharma	Total	Consumer	Pharma	Total
20.1 Inventories - By Segment						
Finished goods	1,741,696	1,997,844	3,739,540	1,998,732	4,046,668	6,045,400
Total	**1,741,696**	**1,997,844**	**3,739,540**	**1,998,732**	**4,046,668**	**6,045,400**

In Thousands of Naira	Group		Company	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
21 Trade and other receivables				
Trade receivables (Note 21.2)	3,631,738	4,351,442	3,631,738	4,351,442
Receivables from related parties (Note 29)	-	279,003	-	279,003
Employee loans and advances	14,383	47,465	14,383	47,465
Receivables from sales of materials	-	300,212	-	300,212
Interest receivable	9,205	-	9,205	-
Input Value Added Tax	79,703	115,514	79,703	115,514
Others	112,781	77,250	112,781	77,250
	3,847,810	**5,170,886**	**3,847,810**	**5,170,886**

In Thousands of Naira	Group		Company	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
21.1 Reconciliation of changes in trade and other receivables in the statement of cash flows				
Changes in trade and other receivables in the statement of financial position	1,323,076	(520,930)	1,323,076	(520,930)
Finance income recognised in profit or loss	319,508	93,545	319,508	93,545
Finance income received during the year	(310,303)	(93,545)	(310,303)	(93,545)
Changes in trade and other receivables in the statement of cash flows	**1,332,281**	**(520,930)**	**1,332,281**	**(520,930)**

In Thousands of Naira	Group		Company	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
21.2 Trade receivables				
Trade receivables	3,773,028	4,486,815	3,773,028	4,486,815
Net impairment loss	(141,290)	(135,373)	(141,290)	(135,373)
	3,631,738	**4,351,442**	**3,631,738**	**4,351,442**

Trade receivables are non-interest bearing and are generally on 60-day terms. The Group sells through distributors within Nigeria. The Group's policy states that a provision of 100% is made on all receivables over 360 days and other rates detailed in the tables below for invoices overdue for 181 to 360 days, 61 to 180 days and 0 to 60 days bracket. The provision matrix is arrived at after incorporating forward-looking information into historical customer default rates and, where appropriate, group receivables into customer segments that have similar loss patterns.

In Thousands of Naira	Group		Company	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
21.3 Movement in the net impairment loss				
Balance at the beginning of the year	135,373	110,873	135,373	110,873
Additional provision	67,065	87,403	67,065	87,403
Recoveries	(61,148)	(62,904)	(61,148)	(62,904)
Net impairment charge in the year	5,917	24,499	5,917	24,499
Balance at the end of the year	**141,290**	**135,373**	**141,290**	**135,373**

21.4 Trade receivables by segment

31 December 2022 In Thousands of Naira	Consumer Segment							
	Current	1-30 days Overdue	31-60 days Overdue	61-90 days Overdue	91-180 days Overdue	181-360 days Overdue	Over 360 days Overdue	Total
ECL rate (rounded to 4 decimals)	0.7262%	5.4851%	13.7164%	24.5295%	31.5117%	61.5064%	100%	
Gross carrying amount at default	1,768,773	-	-	-	-	134	43,437	**1,812,344**
Calculated ECL	12,844	-	-	-	-	82	43,437	**56,363**

31 December 2022 In Thousands of Naira	Pharmaceutical segment - Private Companies							
	Current	1-30 days Overdue	31-60 days Overdue	61-90 days Overdue	91-180 days Overdue	181-360 days Overdue	Over 360 days Overdue	Total
ECL rate (rounded to 4 decimals)	0.0004%	0.0202%	0.0899%	0.3476%	0.4848%	0.7809%	100%	
Gross carrying amount at default	1,796,971	-	-	-	-	-	-	**1,796,971**
Calculated ECL	7	-	-	-	-	-	-	**7**

31 December 2022 In Thousands of Naira	Pharmaceutical segment - Public Companies							
	Current	1-30 days Overdue	31-60 days Overdue	61-90 days Overdue	91-180 days Overdue	181-360 days Overdue	Over 360 days Overdue	Total
ECL rate (rounded to 4 decimals)	15.7927%	25.3541%	29.1040%	32.5055%	38.2637%	46.4297%	100%	
Gross carrying amount at default	30,056	21,915	8,397	1,380	28,631	23,457	49,877	**163,713**
Calculated ECL	4,747	5,556	2,444	449	10,955	10,891	49,877	**84,919**
Total calculated ECL	**17,598**	**5,556**	**2,444**	**449**	**10,955**	**10,973**	**93,314**	**141,290**

31 December 2021 In Thousands of Naira	Consumer Segment							
	Current	1-30 days Overdue	31-60 days Overdue	61-90 days Overdue	91-180 days Overdue	181-360 days Overdue	Over 360 days Overdue	Total
ECL rate (rounded to 4 decimals)	0.9717%	7.0073%	15.9030%	24.4205%	29.8824%	58.5980%	100%	
Gross carrying amount at default	990,702	89,285	26,946	-	-	-	43,437	**1,150,370**
Calculated ECL	9,627	6,256	4,285	-	-	-	43,437	**63,606**

21.4 Trade receivables by segment Cont'd

31 December 2021 In Thousands of Naira	Pharmaceutical segment - Private Companies Current	1-30 days Overdue	31-60 days Overdue	61-90 days Overdue	91-180 days Overdue	181-360 days Overdue	Over 360 days Overdue	Total
ECL rate (rounded to 4 decimals)	0.0008%	0.0290%	0.1288%	0.4960%	0.6914%	1.1123%	100%	
Gross carrying amount at default	3,167,835	3,893					(21)	**3,171,707**
Calculated ECL	25	1	-	-	-	-	(21)	**5**

31 December 2021 In Thousands of Naira	Pharmaceutical segment - Public Companies Current	1-30 days Overdue	31-60 days Overdue	61-90 days Overdue	91-180 days Overdue	181-360 days Overdue	Over 360 days Overdue	Total
ECL rate (rounded to 4 decimals)	16.4409%	24.9933%	28.6673%	31.8150%	35.9283%	44.3739%	100%	
Gross carrying amount at default	72,965	4,314	10,194	4,675	17,991	12,197	42,402	**164,738**
Calculated ECL	11,996	1,078	2,922	1,487	6,464	5,412	42,402	**71,762**
Total calculated ECL	**21,648**	**7,336**	**7,208**	**1,487**	**6,464**	**5,412**	**85,818**	**135,373**

In Thousands of Naira	Group 31 December 2022	Group 31 December 2021	Company 31 December 2022	Company 31 December 2021
22 Other assets				
Advance to bank for bid	16,529	130,990	16,529	130,990
Prepaid rent	30,174	38,894	30,174	38,894
Prepaid insurance	16,464	15,703	16,464	15,703
Other prepayments	-	17,259	-	17,259
	63,167	**202,846**	**63,167**	**202,846**
Current	63,167	202,846	63,167	202,846
Non Current	-	-	-	-
	63,167	**202,846**	**63,167**	**202,846**

23 Cash and cash equivalents

For the purposes of the consolidated and separate statement of cash flows, cash and cash equivalents include bank balances, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the year as shown in the consolidated and separate statement of cash flows can be reconciled to related items in the consolidated and separate statements of financial position as follows:

Cash at bank:				
Current account balances	15,000,871	10,907,093	15,000,871	10,907,093
Short term deposit	3,000,000	-	3,000,000	-
Restricted Cash	1,975,152	1,839,477	1,975,152	1,839,477
	19,976,023	12,746,570	19,976,023	12,746,570
Bank overdraft	-	-	-	-
Cash and cash equivalents	**19,976,023**	**12,746,570**	**19,976,023**	**12,746,570**

Restricted cash relates to unclaimed dividend held in a separate interest-bearing bank account in accordance with guidelines issued by the Securities and Exchange Commission (SEC). Under the SEC guidelines, these amounts are restricted from use by the Company.

In Thousands of Naira	**Group**		**Company**	
	31 December 2022	**31 December 2021**	**31 December 2022**	**31 December 2021**
24 Issued capital and share premium				
Authorised shares	**Thousands**	**Thousands**	**Thousands**	**Thousands**
Ordinary shares of 50k each	**1,195,876**	**1,500,000**	**1,195,876**	**1,500,000**
	N'000	**N'000**	**N'000**	**N'000**
Ordinary shares of 50k each	**597,939**	**750,000**	**597,939**	**750,000**
24.1 Ordinary shares issued and fully paid	**Thousands**	**Thousands**	**Thousands**	**Thousands**
Ordinary shares of 50k each	**1,195,876**	**1,195,876**	**1,195,876**	**1,195,876**
	N'000	**N'000**	**N'000**	**N'000**
Ordinary shares of 50k each	**597,939**	**597,939**	**597,939**	**597,939**

In compliance with Section 124 of the Companies and Allied Matters Act of 2020 (as amended) and Regulation 13 of the Companies Regulation 2021, shareholders at an extraordinary general meeting on 8 December 2022, authorized and approved the cancellation of 304,123,512 unissued ordinary shares of 50 kobo each which comprise the total number of unissued shares in the share capital of the Group. This accounts for the movement in the authorised shares of the Company in 2022.

24.2 Share Premium	**N'000**	**N'000**	**N'000**	**N'000**
	51,395	**51,395**	**51,395**	**51,395**

In Thousands of Naira	**Group**		**Company**	
25 Trade and other payables	**31 December 2022**	**31 December 2021**	**31 December 2022**	**31 December 2021**
Trade payables (all local)	1,339,860	480,899	1,339,860	480,899
Amounts due to related parties (Note 29)	13,650,845	11,752,606	13,832,895	11,939,520
Dividend payable (Note 25.2)	1,029,673	804,865	1,029,673	804,865
Unclaimed dividends (Note 25.3)	1,273,641	1,274,998	1,273,641	1,274,998
Trade incentive payable	304,779	225,306	304,779	225,306
Refund liabilities arising from rights of return (Note 25.5)	2,935	93	2,935	93
Other payables	179,917	368,957	179,917	368,957
Accruals	1,363,955	1,832,371	1,359,782	1,828,707
	19,145,605	**16,740,095**	**19,323,482**	**16,923,345**

Trade payables are non-interest bearing and are normally settled on 60-day terms. Other payables and accruals are non-interest bearing and have an average term of six months. The fair values of trade and other payables are equal to their carrying amounts as the impact of discounting is not considered to be significant.

In Thousands of Naira	Group		Company	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
25.1 Reconciliation of changes in trade and other payables in the statement of cash flows				
Changes in trade and other payables in the statement of financial position	2,405,509	3,152,205	2,400,136	3,149,693
Dividends declared in the year	(538,144)	(478,351)	(538,144)	(478,351)
Dividends paid during the year	313,336	256,322	313,336	256,322
Rental income from investment property	49,004	-	49,004	-
Rent proceeds from investment property	(36,185)	-	(36,185)	-
Unrealised exchange (loss) / gain	(2,978)	4,964	(2,978)	4,964
Changes in trade and other payables in the statement of cash flows	**2,190,542**	**2,935,140**	**2,185,169**	**2,932,628**
25.2 Dividend Payable				
1 January	804,865	582,836	804,865	582,836
Dividend declared	538,144	478,351	538,144	478,351
Dividend paid	(313,336)	(256,322)	(313,336)	(256,322)
31 December	**1,029,673**	**804,865**	**1,029,673**	**804,865**

25.3 Unclaimed dividends

These are the amounts returned by the Registrar to the Group in line with regulatory requirement. They are payable upon demand. The N1.28 billion (2021: N1.28 billion) unclaimed dividends is exclusive of the amount held by the Registrar and yet to be claimed by shareholders.

25.4 Pension payable

The Group had no pension obligation as at current and prior reporting dates. The amount of pension contributions made by the group are disclosed in Note 8.5.

25.5 Refund liabilities arising from rights of return

Refund liabilities relates to some customers' right to return products that are damaged, expired or close to expiry. At the point of sale, a refund liability and a corresponding adjustment to revenue is recognised for those products expected to be returned. The Group uses its accumulated historical experience to estimate the number of returns on a portfolio level using the expected value method. As returns are only expected for damaged, expired or close to expiry products, the realisable value of right of returned goods assets have been assessed as immaterial in line with the Group's policy to fully impair such products.

In Thousands of Naira	Group		Company	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
26 Contract Liabilities				
Arising from advances from customers	11,065	82,595	11,065	82,595
	11,065	**82,595**	**11,065**	**82,595**

The contract liabilities primarily relate to the advance consideration received from customers for products for which revenue is recognised upon delivery which is expected to occur in the next reporting year. All contract liabilities at 31 December 2021 have been recognised as income in 2022. There was no revenue recognised in the current reporting period that is related to performance obligations that were satisfied in a prior year.

27 Share-based payments

Cash-settled share-based payments

In terms of a long-term incentive plan, the eligible members of senior management are entitled to receive cash settled awards at the end of a three year 'restricted period', provided they remain in continuous employment with the Group for the aforesaid period. The value of such incentive is based on the price of shares of GlaxoSmithKline Plc, UK and there are no performance criteria attached.

The fair value of the amount payable to employees in respect of long-term incentive plan, which are settled in cash, is recognised as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the shares of GlaxoSmithKline Plc, UK. Any changes in the liability are recognised in the statement of profit or loss.

The total intrinsic value of liabilities for vested benefits at 31 December 2022 and 2021 was N18.9 million and N10.5 million respectively. The Group has recorded liabilities of N8.8 million as at 31 December 2022 (2021: N26.3 million). The amount of N1.4 million is the amount the Group recorded as total expense in 2022 (2021: N6 million) respectively, and this is included as part of payroll costs in administrative expenses (Note 8.5).

In Thousands of Naira	Group		Company	
	2022	2021	2022	2021
At 1 January	26,279	30,730	26,279	30,730
Expensed during the year (Note 8.5)	1,423	6,027	1,423	6,027
Settlement during the year	(18,934)	(10,478)	(18,934)	(10,478)
At 31 December	**8,768**	**26,279**	**8,768**	**26,279**

Details of the awards outstanding during the year are as follows:

Group & Company	Number of shares		Weighted Fair Value / Share Price	
	2022	2021	2022	2021
At 1 January	8,561	8,641	-	-
Awards granted	840	2,120	7,958.19	8,254.05
Awards exercised	(2,894)	(2,200)	-	-
Awards forfeited	(4,387)	-	-	-
At 31 December	**2,120**	**8,561**	**7,958**	**26,279**

The Group does not have any equity settled share-based payment scheme.

In Thousands of Naira	Group		Company	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
28 Lease liabilities				
At 1 January	**1,500**	**106,610**	1,500	106,610
New leases	**-**	**43,441**	-	43,441
Accretion of Interest	**-**	**4,669**	-	4,669
Payment of lease liabilities	**(1,500)**	**(153,220)**	(1,500)	(153,220)
At 31 December	**-**	**1,500**	-	1,500
Disaggregated as:				
Current	**-**	**1,500**	-	1,500
Non-current	**-**	**-**	-	-
	-	**1,500**	-	1,500

The lease liability balance in 2021 relates to an apartment that was leased for an 18 month period starting 1 January 2021 with an extension option of a further 6 months after expiry. Upon expiry on 30 June 2022, the lease was not renewed. The associated right to use asset has since been disposed and the lease liability extinguished.

Amount recognised in profit or loss	**Group**		**Company**	
	2022	**2021**	**2022**	**2021**
Interest on lease liabilities	-	4,669	-	4,669
Expenses related to short term leases	-	-	-	-

Amount recognised in statement of cash flows				
	2022	**2021**	**2022**	**2021**
Payment of lease liabilities	1,500	153,220	1,500	153,220
Prepayment for right of use assets	-	-	-	-
Payment of short term leases	-	-	-	-
Total cash outflow for leases	**1,500**	**153,220**	**1,500**	**153,220**

29 Related party disclosures

The financial statements include the financial statements of the Company and that of Winster Pharmaceutical Limited, a wholly owned subsidiary which was incorporated in Nigeria. The Group share of the equity of Winster Pharmaceutical Limited remains at 100% throughout all reporting periods shown. There are no restrictions on the ability of the subsidiary to use assets of the Group, or settle its obligations.

The following table provides the total amount of transactions that have been entered into with related parties; as well as the outstanding balances for the transactions as at 31 December 2022 and 31 December 2021.

In Thousands of Naira	**GROUP**						
	Nature of transaction	**Value of transaction**		**Amount owed by related parties**		**Amount owed to related parties**	
		2022	**2021**	**2022**	**2021**	**2022**	**2021**
Subsidiary:							
Winster Pharmaceuticals Limited:		-	-	-	-	-	-
Other sister companies:							
GlaxoSmithKline Pharmaceutical Nigeria Limited	Shared service	2,519,036	1,807,040	-	-	407,429	1,313,612
GSK Biological Manufacturing Limited	Purchases	64,283	18,758	-	-	112,075	27,174
GlaxoSmithKline Consumer Healthcare South Africa Pty Ltd		-	-	-	-	-	26,278
GlaxoSmithKline Export Limited	Purchases	4,589,138	8,795,126	-	-	6,432,300	6,293,782
GlaxoSmithKline Consumer Trading Services		-	2,402,947	-	279,003	-	-
GlaxoSmithKline South Africa (Pty) Limited		-	-	-	-	74,205	70,118
GSK Consumer Holdings US LLC		-	-	-	-	-	14,028
GSK Trading Service	Purchases	5,844,477	6,668,301	-	-	6,520,108	3,889,712
GlaxoSmithKline Consumer Healthcare UK TA		-	-	-	-	-	12,435
GlaxoSmithKline Biological SA		-	-	-	-	-	11,466
GlaxoSmithKline Services Unlimited		-	-	-	-	104,728	94,001
Total		**13,016,934**	**19,692,172**	**-**	**279,003**	**13,650,845**	**11,752,606**

In Thousands of Naira	COMPANY						
	Nature of transaction	Value of transaction		Amount owed by related parties		Amount owed to related parties	
		2022	2021	2022	2021	2022	2021
Subsidiary:							
Winster Pharmaceuticals Limited:	Shared service	4,863	2,735	-	-	182,050	186,913
Other sister companies:							
GlaxoSmithKline Pharmaceutical Nigeria Limited	Shared service	2,519,036	1,807,040	-	-	407,429	1,313,612
GSK Biological Manufacturing Limited	Purchases	64,283	18,758	-	-	112,075	27,174
GlaxoSmithKline Consumer Healthcare South Africa Pty Ltd		-	-	-	-	-	26,278
GlaxoSmithKline Export Limited	Purchases	4,589,138	8,795,126	-	-	6,432,300	6,293,782
GlaxoSmithKline Consumer Trading Services		-	2,402,947	-	279,003	-	-
GlaxoSmithKline South Africa (Pty) Limited		-	-	-	-	74,205	70,118
GSK Consumer Holdings US LLC		-	-	-	-	-	14,028
GSK Trading Service	Purchases	5,844,477	6,668,301	-	-	6,520,108	3,889,712
GlaxoSmithKline Consumer Healthcare UK TA		-	-	-	-	-	12,435
GlaxoSmithKline Biological SA		-	-	-	-	-	11,466
GlaxoSmithKline Services Unlimited		-	-	-	-	104,728	94,001
Total		**13,021,797**	**19,694,907**	**-**	**279,003**	**13,832,895**	**11,939,520**

Following the separation of GSK entities into Haleon and New GSK in 2022, transactions and balances with GlaxoSmithKline Consumer Trading Services , GlaxoSmithKline Consumer Healthcare South Africa Pty Ltd, GSK Consumer Holdings US LLC and GlaxoSmithKline Consumer Healthcare UK TA which were hitherto reported under related party transactions and balances, are now reported as third party transactions and balances. Accordingly, the current year transactions and balances between the entities have been reported under trade receivables and trade payables in these financial statements.

Transactions and balances receivable and payable at the year-end are further analysed as follows:

In Thousands of Naira	Group		Company	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Receivable from related parties:				
Local	-	-	-	-
Foreign	-	279,003	-	279,003
	-	**279,003**	**-**	**279,003**
Payable to related parties:				
Local	407,429	1,313,612	589,479	1,500,525
Foreign	13,243,416	10,438,994	13,243,416	10,438,995
	13,650,845	**11,752,606**	**13,832,895**	**11,939,520**

There were no sales to related parties for the year ended 31 December 2022 (2021: N148 million).

The ultimate parent company

The ultimate parent company of the Group is GlaxoSmithKline Plc, United Kingdom.

Details of transactions with related parties

Purchases from related parties are for inventory items as well as support / shared services provided. Details of the nature of shared services between the Group and GlaxoSmithKline Pharmaceutical Nigeria Limited are disclosed in Note 8.2.

The Group obtained credit notes from trading partners within the GSK Group for pricing adjustments and promotion allowances amounting to N2.4 billion and N228 million respectively (2021: N1.8 billion and Nil). These have been applied to cost of sales and selling and distribution expenses respectively in Notes 7 and 8.

Outstanding balances at the year-end are unsecured and interest free. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 December 2022, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (2021: Nil). This assessment is undertaken each financial year by examining the financial position of the related party and the market in which the related party operates.

Key management personnel

Key management includes directors and members of senior management. They have the authority and responsibility for planning, directing and controlling the activities of the Group. The compensation paid or payable to key management personnel for employee services is shown below:

In Thousands of Naira	Group		Company	
	2022	2021	2022	2021
Short-term employee benefits	409,719	459,377	409,719	459,377
Defined contribution	12,838	15,177	12,838	15,177
	422,557	**474,554**	**422,557**	**474,554**

Other than the above disclosure, there were no other transactions with key management personnel in the year (2021: Nil)

30 Directors and employees information

30.1 Employees

The number of full-time persons employed during the year was as follows:

Number	Group		Company	
	2022	2021	2022	2021
Administration	16	10	16	10
Sales and distribution	24	26	24	26
Marketing	3	3	3	3
Production	8	25	8	25
	51	**64**	**51**	**64**

The subsidiary, Winster Pharmaceuticals Limited does not have employees.

Full-time employees of the Company, other than directors, whose duties were wholly or mainly discharged in Nigeria, received remuneration (excluding pension contributions) in the following ranges:

Number	Group		Company	
	2022	2021	2022	2021
Below N 4,000,000	10	1	10	1
N 4,000,001 – N 4,500,0000	3	6	3	6
N 4,500,001 – N 5,000,000	1	4	1	4
N 5,000,001 – N 5,500,000	-	3	-	3
N 5,500,001 – N 6,000,000	1	1	1	1
Above N 6,000,000	36	49	36	49
	51	**64**	**51**	**64**

30.2 Directors remuneration

The remuneration paid to directors of the Group was:

In Thousands of Naira	Group		Company	
	2022	2021	2022	2021
Directors fees, remuneration & other emoluments	251,246	248,496	251,246	248,496
	251,246	**248,496**	**251,246**	**248,496**

The directors renumeration disclosed above includes the following amounts:

Directors remuneration incurred directly by the Group (Note 8.1)	112,907	137,441	112,907	137,441
Directors remuneration recharged from related party (Note 8.2)	138,339	111,055	138,339	111,055
	251,246	**248,496**	**251,246**	**248,496**

Fees and other emoluments disclosed above (excluding pension contribution) includes amounts paid to:

The Chairman	9,537	7,679	9,537	7,679
The highest paid director	85,946	119,926	85,946	119,926

Other directors received emoluments (excluding pension contributions) within the following ranges:

Number	Group		Company	
	2022	2021	2022	2021
Below N 5,000,000	-	1	-	1
N 5,000,001 – N 6,000,000	2	2	2	2
Above N 6,000,000	5	4	5	4
	7	**7**	**7**	**7**

Included in key management personnel and directors remuneration disclosures are directors emoluments recharged from GlaxoSmithKline Pharmaceutical Nigeria Limited. The comparative information has been updated for adequate comparison. This had no impact on the overall amount of administrative expenses presented in the comparative year.

31 Financial instruments – Fair values and risk management

31.1 Financial Risk Management

The Group is exposed to market risk, credit risk and liquidity risk.

The Group's senior management oversees the management of these risks. The Group's senior management is supported by a Finance Committee that advises on financial risks and the appropriate financial risk governance framework for the Group. The Finance committee provides assurance to the Group's senior management that the Group's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Group policies and risk appetite.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise four types of risk: interest rate risk, currency risk, commodity price risk and other price risk. Financial instruments affected by market risk are mainly the Group's loans and receivables and short-term deposits.

(i) Interest rate risk

The Group places surplus funds with its Group Corporate bankers on short term basis. The transaction is strictly between the bank and the Group at a fixed interest rate paid upfront and not affected by fluctuations in rates during the tenor. Each fixed deposit is covered by a certificate of deposit issued by the bank.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (i.e. when revenue / expense and assets / liabilities are denominated in a different currency from the Group's functional currency), the Group's exposure for the reporting periods shown is mainly due to related party receivables and payables denominated in foreign currencies.

The Group manages its foreign currency risk by converting its transactions denominated in foreign currency to its functional currency on the date of receipt of invoice and records any exchange gain or loss on settlement of the invoice as they arise, without hedging. The Group invoices goods to its foreign third party in the functional currency - the Nigerian Naira (NGN). The Group's foreign currency risk is mainly as a result of exposure to the United State Dollar (USD), British Pound (GBP) and South African Rand (ZAR) and arises predominantly as a result of amounts receivable and payable to related parties

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at 31 December are as follows:

In Thousands of Naira	Group		Company	
	Liabilities		Assets	
	2022	2021	2022	2021
USD	13,584,931	10,236,162	2,909	279,003
GBP	95,698	132,713	210,861	-
ZAR	217,616	70,118	-	-

The following table details the Group's sensitivity to a 10% increase or decrease in Naira against relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items.

In Thousands	Group & Company					
	USD Impact		GBP Impact		ZAR Impact	
	2022	2021	2022	2021	2022	2021
Profit or loss	1,358,202	995,716	11,516	13,271	21,762	7,012

The impact on profit or loss for all currencies are mainly attributable to the exposure outstanding on receivables and payables in the Group at the reporting date. The only subsidiary (Winster Pharmaceuticals) does not have any balance denominated in foreign currencies.

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily on trade receivables) and cash and short-term deposit, including deposits with banks, amount due from related parties and staff loans.

The Group manages employee loans by ensuring that each employee does not exceed a loan greater than one-third of his or her net pay, and only employees who meet this requirement receives a loan facility from the Group. Additionally, any employee granted a loan in excess of the above limit must have a staff benefit (defined benefit) as collateral.

With respect to cash and cash equivalents, the Group's exposure and the credit ratings of its counter parties are continuously monitored and the aggregate values of investment portfolio is spread amongst approved financial institutions. No ECL has been recognised on cash and cash equivalents as it is immaterial. The credit quality of the Group's cash and cash equivalents, restricted cash and current investments has not deteriorated significantly since initial recognition, hence the loss allowance continues to be based on the 12 months ECL. The Group maintains balances in Augusto & Co, S&P global as well as Fitch rated banks. The tables below detail the credit quality of the Group's cash and cash equivalents by credit risk rating grades:

	Group & Company						
	A+	AA+	A-1	B+	B	B-	Total
31 December 2022	-	-	1,418,417	-	18,557,606	-	**19,976,023**
31 December 2021	1,098,817	5,576,731	1,871,545	2,654,896	-	1,544,581	**12,746,570**

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and controls relating to customer credit risk management. Credit quality of the customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment, the Group uses a single credit rating for all its customers. Outstanding customer receivables are regularly monitored by the credit control unit and management conducts frequent reviews. Any shipments to major customers are generally within the credit limits approved by management based on the independent risk assessment of each customer. The credit terms to customers is short to ensure adequate monitoring and early detection of delinquency.

As at the reporting date, the Group had 122 customers (2021: 103 customers). One customer owed the Group N2,7 billion (2021: N3.7billion) which represents 74% (2021: 84%) of the Group's total trade receivables. The customer's debt is covered by a bank guarantee from a reputable bank. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers operate in largely independent industries and are located in different jurisdictions.

The directors are of the opinion that there is no credit risk in relation to related party receivables. The Group is in total control of all decisions made by the subsidiary. Historically the parent company has not defaulted in fulfilling its obligations to the Group. Monthly reconciliation and confirmation of balances are carried out with all related parties.

Credit quality policies and procedures as well as management's assessment of the quality of financial assets is the same for all periods presented, except where shown otherwise.

Credit quality policies and procedures as well as management's assessment of the quality of financial assets is the same for all periods presented, except where shown otherwise.

The maximum exposure to credit risk at the reporting date was:

In Thousands of Naira	Group		Company	
	2022	2021	2022	2021
Trade and other receivables (excluding non-financial receivables)	3,768,107	5,055,372	3,768,107	5,055,372
Cash and bank balances	19,976,023	12,746,570	19,976,023	12,746,570
	23,744,130	**17,801,942**	**23,744,130**	**17,801,942**

In Thousands of Naira	Group				Company			
	On Demand	3 to 12 months	Over 12 months	Total	On Demand	3 to 12 months	Over 12 months	Total
As at 31 December 2022								
Trade and other payables	16,134,076	3,008,593	-	19,142,669	16,316,126	3,004,420	-	19,320,546
	16,134,076	**3,008,593**	**-**	**19,142,669**	**-**	**-**	**-**	**19,320,546**
As at 31 December 2021								
Trade and other payables	14,201,426	2,538,576	-	16,740,002	14,388,339	2,534,912	-	16,923,251
Lease liabilities	-	1,500	-	1,500	-	1,500	-	1,500
	14,201,426	**2,538,576**	**-**	**16,741,502**	**14,388,339**	**2,534,912**	**-**	**16,924,751**

The amount disclosed in trade and other payables excludes non-financial liabilities of the Group. It is not expected that the cash flows included in the maturity analysis could occur at significantly different amounts.

31.2 Accounting classifications and fair values

Trade and other receivables, cash and cash equivalents, and trade and other payables are the Group's financial instruments. Accordingly, their fair values are not expected to be materially different from their carrying values. The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy (where applicable).

In Thousands	Group			Company		
	Carrying Amount	Fair Value	Fair value Hierarchy	Carrying Amount	Fair Value	Fair value Hierarchy
As at 31 December 2022						
Financial assets measured at amortised cost						
Trade and other receivables	3,847,810	3,847,810	Not applicable	3,847,810	3,847,810	Not applicable
Cash and bank balances	19,976,023	19,976,023	Not applicable	19,976,023	19,976,023	Not applicable
	23,823,833	**-**		**23,823,833**	**23,823,833**	
Financial liabilities measured at amortised cost						
Cash and bank balances	19,142,669	19,142,669	Not applicable	19,320,546	19,320,546	Not applicable
	19,142,669	**19,142,669**		**19,320,546**	**19,320,546**	
As at 31 December 2021						
Financial assets measured at amortised cost						
Trade and other receivables	5,170,886	5,170,886	Not applicable	5,170,886	5,170,886	Not applicable
Cash and bank balances	12,746,570	12,746,570	Not applicable	12,746,570	12,746,570	Not applicable
	17,917,456	**-**		**17,917,456**	**17,917,456**	
Financial liabilities measured at amortised cost						
Cash and bank balances	16,740,002	16,740,002	Not applicable	16,923,251	16,923,251	Not applicable
	16,740,002	**16,740,002**		**16,923,251**	**16,923,251**	

31.3 Capital management

Capital includes equity attributable to the equity holders of the parent.

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or issue new shares.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 December 2022.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group's policy is to keep the gearing ratio within a reasonable level. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

In Thousands of Naira	Group		Company	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Trade and other payables	19,145,605	16,740,095	19,323,482	16,923,345
Less: cash and bank balances	19,976,023	12,746,570	19,976,023	12,746,570
	(830,418)	3,993,525	(652,541)	4,176,775
Equity	9,532,452	9,299,450	9,368,321	9,130,106
Capital and net debt	8,702,034	13,292,975	8,715,780	13,306,881
Gearing ratio (Cap to Zero)	**0%**	**30%**	**0%**	**31%**

32 Reclassification

Certain immaterial reclassifications and changes have been made to the primary financial statements in prior year to aid comparability with the current year's financial statements. The changes made to the line items of the primary financial statements and the reasons for the changes are provided to better understanding are provided below:

			Group			Company		
Primary Statement	**Line Item**	**Note**	**As stated in Fy21**	**Impact Adjustment**	**As restated in Fy21**	**As stated in Fy21**	**Impact Adjustment**	**As restated in Fy21**
Statement of Profit or loss	Other gains and loss	a	106,633	(62,904)	43,729	106,633	(62,904)	43,729
	Impairment losses on financial assest	a	(87,403)	62,904	(24,499)	(87,403)	62,904	(24,499)
Statement of financial position	Trade and other payables	b	16,731,849	8,246	16,740,095	16,915,099	8,246	16,923,345
	Contract liabilities	b	90,841	(8,246)	82,595	90,841	(8,246)	82,595
Statement of cash flows	Unrealised exchange loss / (gain)	c	-	(3,641)	(3,641)	-	(3,641)	(3,641)
	Effect of foreign exchange rate changes	c	-	(1,323)	(1,323)	-	(1,323)	(1,323)
	VAT paid	c	(195,961)	195,961	-	(195,961)	195,961	-
	Changes in trade and other payables	c	3,126,137	(190,997)	2,935,140	3,123,625	(190,997)	2,932,628

a. In prior year financial statements, trade receivables impairment recoveries amounting to N62.9 million were reported under other gains and losses while trade receivables impairment losses were reported in the statement of profit or loss. Net impairment loss on trade receivables (impairment losses and recoveries) are now reported directly in the statement of profit or loss in both current and comparative information.

b. Trade incentives payable and refund liabilities of N8.2 million was reported under contract liabilities in 2021. This is now reported under trade and other payables (Note 25) hence the prior year comparative was reclassified to trade and other payables for consistency.

c. In 2021, value added tax (VAT) paid amounting to N195.6 million was reported separately in the statement of cash flows under operating activities while in 2022, VAT paid is included in trade and other payables and reported in the statement of cash flows as a movement in working capital. Also, the effect of unrealised foreign exchange rate changes has been reported separately in the statement of cash flows in current year. The comparative amounts of N3.6 million and N1.3 million have also been included under operating activities and in the movement of cash and cash equivalents.

33 Contingencies

33.1 Pending litigation and claims

The Group is currently involved in some civil actions in court either as defendant, co-defendant or as plaintiff including those arising from ex-employees' actions after the divestment of the drinks business. The cases are at various stages of adjudication and our solicitors are adequately protecting and promoting our interest. The Group has a total contingent liability amounting to N70 million (2021: N81 million). Based on the facts, it is the opinion of the Directors that the effect of the current actions will not be material.

33.2 Financial commitments

The Group had no financial commitment at the reporting date (2021: Nil). The Directors are of the opinion that all known liabilities and commitments, which are relevant in assessing the financial position of the Group, have been taken into consideration in the preparation of these financial statements.

34 Impact of the ongoing conflict between Russia and Ukraine

The ongoing conflict between Russia and Ukraine have had little to no impact on the Group's operations. As the situation continues to evolve, the directors have put in place measures to monitor developments in the conflict for any potential impact and respond appropriately.

35 Going concern

The Directors have made an assessment of the Group and Company's ability to continue as a going concern and have no reason to believe the Group and Company will not remain a going concern in the year ahead.

36 Events after the reporting date

There are no known events occurring after the reporting period which could have had a material effect on the state of affairs of the Group and Company as at 31 December 2022 that has not been adequately provided for or disclosed in these consolidated and separate financial statements.

Consolidated and Separate

Statement of **Value Added (other national disclosures)**

For the year ended 31 December 2021

	Group				Company			
	2022 N'000	**%**	**2021 N'000**	**%**	**2022 N'000**	**%**	**2021 N'000**	**%**
Turnover	25,382,419		22,449,824		25,382,419		22,449,824	
Financeincome	319,508		93,545		319,508		93,545	
Other gains and losses	(7,578)		43,729		(4,879)		43,729	
	25,694,349		22,587,098		25,697,048		22,587,098	
Bought-in-materials								
- Local	(11,012,931)		(9,199,160)		(11,011,756)		(9,197,985)	
- Imported	(12,546,276)		(10,479,972)		(12,544,938)		(10,478,633)	
	(23,559,207)		(19,679,132)		(23,556,693)		(19,676,618)	
Value added	**2,135,142**	**100%**	**2,907,966**	**100%**	**2,140,355**	**100%**	**2,910,480**	**100%**
Applied as follows:								
Employees								
Salaries and benefits	771,793	36%	1,527,981	54%	771,793	6%	1,527,981	54%
Provider of funds								
Interest	-	0%	-	0%	-	0%	-	0%
Government								
Taxation	652,666	31%	67,208	2%	652,666	30%	67,208	2%
The Future								
Depreciation	122,116	6%	434,233	14%	122,116	6%	434,233	14%
Profit or loss account	771,146	36%	658,811	22%	776,359	36%	661,325	22%
Deferred tax credit	(182,579)	(9%)	219,733	8%	(182,579)	(9%)	219,733	8%
	2,135,142	**100%**	**2,907,966**	**100%**	**2,140,355**	**100%**	**2,910,480**	**100%**

Value added represents the additional wealth which the Group and Company have been able to create by its own and its subsidiary's effort. The Statement shows the allocation of that wealth to employees, government, providers of funds and that retained for future creation of more wealth. This statement is based on continuing operations.

Five Years Financial Summary (other national disclosures)

For the year ended 31 December 2022

In Thousands of Naira	2022	2021	2020	2019	2018
THE GROUP					
Assets employed					
Non-current assets	1,384,349	1,371,575	2,532,752	2,391,267	2,361,743
Net current assets	8,156,871	7,954,154	6,616,968	6,761,801	6,578,125
Deferred taxation liability	-	-	-	-	(107,085)
Share based payment liability	(8,768)	(26,279)	(30,730)	-	-
	9,532,452	**9,299,450**	**9,118,990**	**9,153,068**	**8,832,783**
Financed by					
Share capital	597,939	597,939	597,939	597,939	597,939
Share premium	51,395	51,395	51,395	51,395	51,395
Retained earnings	8,883,118	8,650,116	8,469,656	8,503,734	8,183,449
	9,532,452	**9,299,450**	**9,118,990**	**9,153,068**	**8,832,783**
Turnover and Profit					
Turnover	25,382,419	22,449,824	21,295,249	20,760,320	18,411,475
Gross profit	6,930,179	6,179,689	5,914,756	6,052,300	5,928,151
Profit before interest charges and taxation	1,241,233	950,421	1,039,372	1,169,331	1,160,154
Interest charges	-	(4,669)	(39,150)	-	-
Profit before taxation	1,241,233	945,752	1,000,222	1,169,331	1,160,154
Taxation	(470,087)	(286,941)	(377,992)	(252,227)	(542,530)
Profit after taxation	**771,146**	**658,811**	**622,230**	**917,104**	**617,624**
Profit before taxation as a percentage of turnover	5%	4%	5%	6%	7%
Proposed dividend*	657,732	538,144	478,351	657,732	597,938
Dividend per share (kobo)	55	45	40	55	50
Earnings per share (kobo)	64	55	52	77	52

*** Proposed dividend represents dividend for the current year but declared and paid during the following year.

Five Years Financial Summary (other national disclosures)

For the year ended 31 December 2022

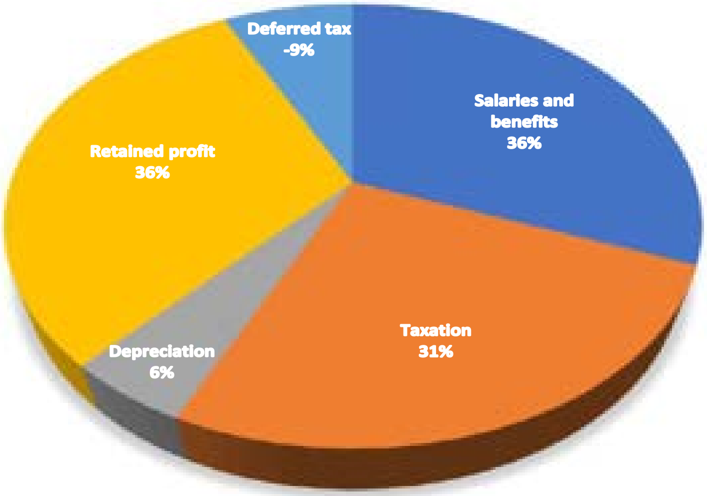
In Thousands of Naira	2022	2021	2020	2019	2018
THE COMPANY					
Assets employed					
Non-current assets	1,384,349	1,371,735	2,532,912	2,391,427	2,361,903
Net current assets	7,992,740	7,784,649	6,444,950	6,588,998	6,396,373
Deferred taxation liability	-	-	-	-	(107,085)
Share based payment liability	(8,768)	(26,279)	(30,730)	-	-
	9,368,321	**9,130,105**	**8,947,132**	**8,980,425**	**8,651,191**
Financed by					
Share capital	597,939	597,939	597,939	597,939	597,939
Share premium	51,395	51,395	51,395	51,395	51,395
Retained earnings	8,718,987	8,480,771	8,297,798	8,331,091	8,001,857
	9,368,321	**9,130,105**	**8,947,132**	**8,980,425**	**8,651,191**
Turnover and Profit					
Turnover	25,382,419	22,449,824	21,295,249	20,760,320	18,411,475
Gross profit	6,930,179	6,179,689	5,914,756	6,052,300	6,052,300
Profit before interest charges and taxation	1,246,446	948,266	1,040,156	1,178,281	1,160,824
Interest charges	-	(4,669)	(39,150)	-	-
Profit before taxation	1,246,446	948,266	1,001,006	1,178,281	1,160,824
Taxation	(470,087)	(286,941)	(377,992)	(252,227)	(542,435)
Profit for the year	**776,359**	**661,325**	**623,014**	**926,054**	**618,389**
Profit before taxation as a percentage of turnover	5%	4%	5%	6%	6%
Proposed dividend*	657,732	538,144	478,351	657,732	657,732
Dividend per share (kobo)	55	45	40	55	50
Earnings per share (kobo)	**65**	**55**	**52**	**77**	**52**

*** Proposed dividend represents dividend for the current year but declared and paid during the following year.

Statement of **Value Added (Chart)**

For the year ended 31 December 2022

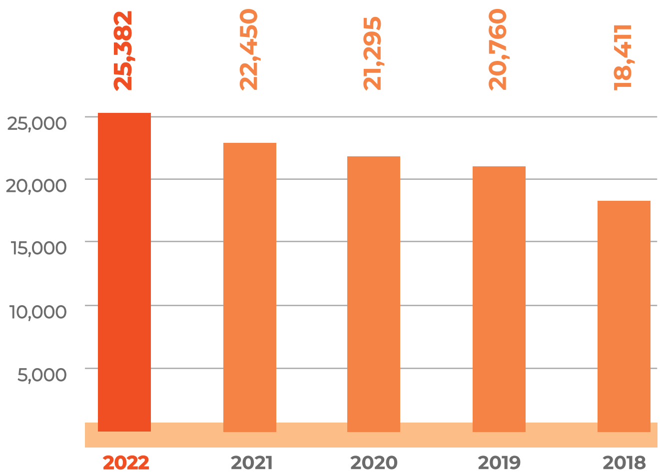
Salaries and benefits	36%
Taxation	31%
Depreciation	6%
Retained profit	36%
Deferred tax	-9%



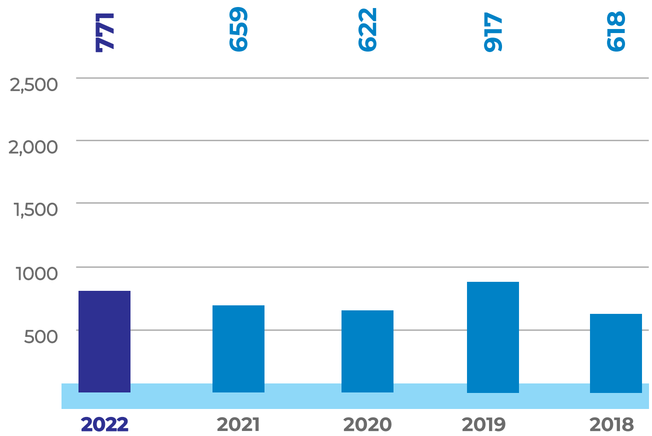
Five Year Financial Trend

For the year ended 31 December 2022

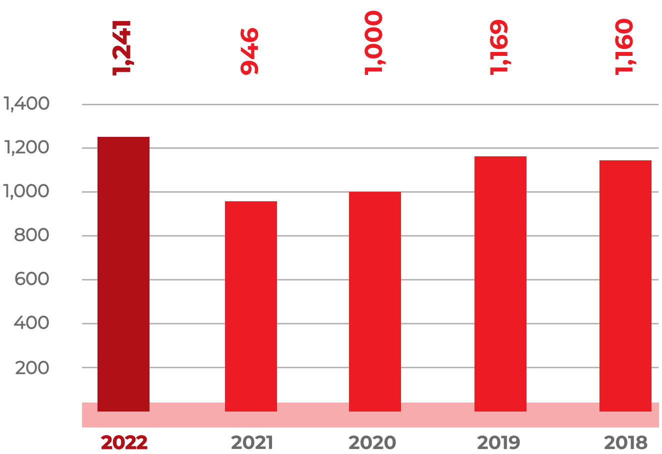
Turnover
(in millions of Naira)



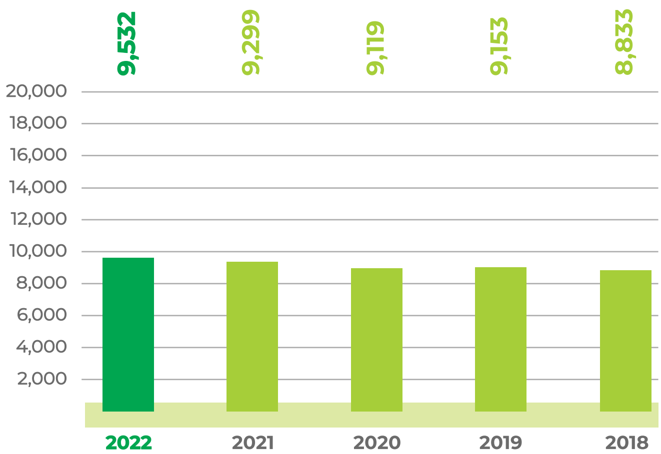
Profit After Tax
(in millions of Naira)



Profit Before Tax
(in millions of Naira)



Shareholders' Funds
(in millions of Naira)



Shareholders' Information

In this section

Share Capital History

YEAR	AUTHORIZED SHARE CAPITAL	VALUE (NAIRA)	FULLY ISSUED SHARE CAPITAL	VALUE (NAIRA)	DESCRIPTION
1980	8,000,100	4,000,050	11,717,386	5,858,693	
1981	16,000,144	8,000,072	23,434,772	11,717,386	BONUS: 1:1
1982	16,000,144	8,000,072	23,434,772	11,717,386	
1983	16,000,144	8,000,072	23,434,772	11,717,386	
1984	32,000,176	16,000,088	46,869,544	23,434,772	BONUS: 1:1
1985	32,000,176	16,000,088	46,869,544	23,434,772	
1986	32,000,176	16,000,088	46,869,544	23,434,772	
1987	32,000,176	16,000,088	46,869,544	23,434,772	
1988	56,000,308	28,000,154	82,021,706	41,010,853	BONUS: 3:4
1989	56,000,308	28,000,154	82,021,706	41,010,853	
1990	84,000,462	42,000,231	123,032,560	61,516,280	BONUS: 1:2
1991	84,000,462	42,000,231	123,032,560	61,516,280	
1992	126,000,694	63,000,347	184,548,840	92,274,420	BONUS: 1:2
1993	126,000,694	63,000,347	184,548,840	92,274,420	
1994	252,001,388	126,000,694	369,097,680	184,548,840	BONUS: 1:1
1995	400,000,000	200,000,000	553,646,520	276,823,260	BONUS: 1:2
1996	800,000,000	400,000,000	664,375,827	332,187,914	BONUS: 1:5
1997	800,000,000	400,000,000	664,375,827	332,187,914	
1998	800,000,000	400,000,000	664,375,827	332,187,914	
1999	800,000,000	400,000,000	797,250,992	332,187,914	BONUS: 1:5
2000	800,000,000	400,000,000	797,250,992	398,625,496	
2001	800,000,000	400,000,000	797,250,992	398,625,496	
2002	800,000,000	400,000,000	797,250,992	398,625,496	
2003	800,000,000	400,000,000	797,250,992	398,625,496	
2004	800,000,000	400,000,000	797,250,992	398,625,496	
2005	960,000,000	480,000,000	956,701,190	478,350,595	BONUS: 1:5
2006	960,000,000	480,000,000	956,701,190	478,350,595	
2007	960,000,000	480,000,000	956,701,190	478,350,595	
2008	960,000,000	480,000,000	956,701,190	478,350,595	
2009	960,000,000	480,000,000	956,701,190	478,350,595	
2010	960,000,000	480,000,000	956,701,190	478,350,595	
2011	960,000,000	480,000,000	956,701,190	478,350,595	
2012	960,000,000	480,000,000	956,701,190	478,350,595	
2013	960,000,000	480,000,000	956,701,190	478,350,595	
2014	960,000,000	480,000,000	956,701,190	478,350,595	
2015	960,000,000	480,000,000	956,701,190	478,350,595	
2016	1,500,000,000	750,000,000	1,195,876,488	597,938,244	BONUS: 1:4
2017	1,500,000,000	750,000,000	1,195,876,488	597,938,244	
2018	1,500,000,000	750,000,000	1,195,876,488	597,938,244	
2019	1,500,000,000	750,000,000	1,195,876,488	597,938,244	
2020	1,500,000,000	750,000,000	1,195,876,488	597,938,244	
2021	1,500,000,000	750,000,000	1,195,876,488	597,938,244	
2022	1,500,000,000	750,000,000	1,195,876,488	597,938,244	

Shareholders' Information

For the year ended 31 December 2022

Bonus History

DATE ISSUED	NUMBER ISSUED (UNIT)	BONUS RATIO
1979	500,003	BONUS: 1:3
1981	8,000,044	BONUS: 1:1
1984	16,000,088	BONUS: 1:1
1988	24,000,132	BONUS: 3:4
1990	28,000,154	BONUS: 1:2
1992	42,000,231	BONUS: 1:2
1994	126,000,693	BONUS: 1:1
1995	126,000,693	BONUS: 1:2
1996	75,600,416	BONUS: 1:5
1999	132,875,166	BONUS: 1:5
2005	159,450,199	BONUS: 1:5
2015	239,175,298	BONUS: 1:4

Ten-Year Dividend History

YEAR	DIVIDEND NOS	DIVIDEND PAID (GROSS) (N '000)	DIVIDEND PER SHARE (KOBO)	DATE PAID
2012	35	1,243,711,547.00	1.30	5/24/2013
2013	36	1,243,711,547.00	1.30	6/12/2014
2014	37	717,525,892.50	0.75	6/12/2015
2015	38	358,762,946.40	0.30	7/5/2016
2015	39	717,525,892.80	0.60	10/12/2016
2016	40	358,762,946.40	0.30	7/1/2017
2017	41	8,490,723,064.80	7.10	5/25/2018
2017	42	478,350,595.20	0.40	5/25/2018
2018	43	597,938,243.50	0.50	5/24/2019
2019	44	657,732,068.40	0.55	7/24/2020
2020	45	478,350,595.20	0.40	5/28/2021
2021	46	538,144,419.60	0.45	5/27/2022

Unclaimed Dividend as at 31/12/2021

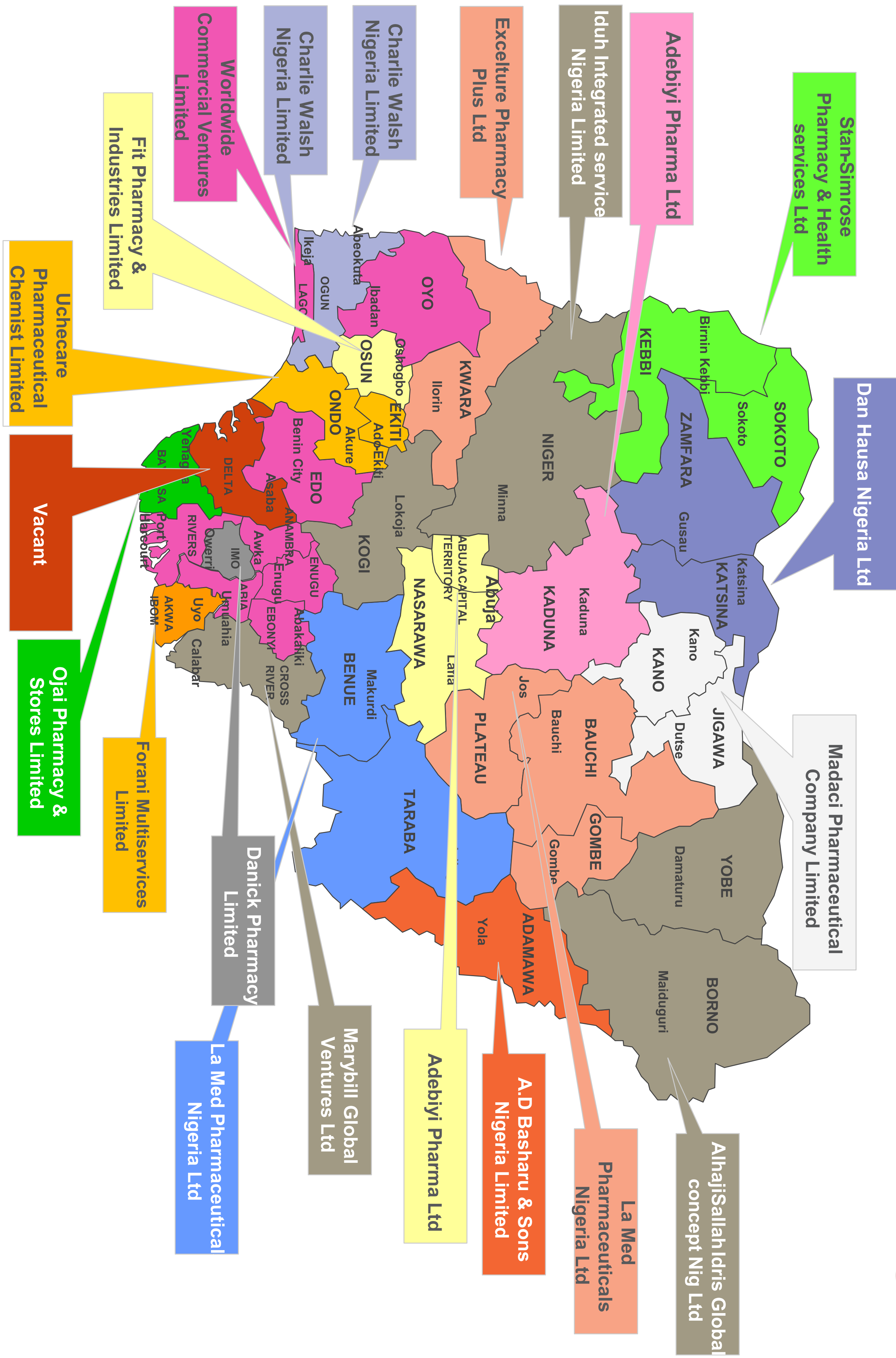
YEAR	AMOUNT UNCLAIMED (N)
5/22/2009	21,998,056.68
5/26/2010	26,316,832.40
5/25/2011	100,513,346.04
5/23/2012	66,366,813.24
5/24/2013	68,118,035.31
6/12/2014	65,487,785.22
6/12/2015	36,752,984.47
7/5/2016	24,472,591.80
10/12/2016	48,328,642.86
6/1/2017	29,123,948.70
5/25/2018	702,081,020.68
5/25/2018	43,793,291.20
5/24/2019	53,515,608.40
7/24/2020	70,951,055.65
5/28/2021	48,164,507.16
5/27/2022	52,169,323.76
TOTAL	**1,458,153,843.57**

For Unclaimed Dividend,

Contact:

The Managing Director
Greenwich Registrars and Data Solutions Limited,
274, Murtala Muhammed Way,
Yaba,
P.M.B. 12717,
Lagos.

GSK Distributors' Footprint

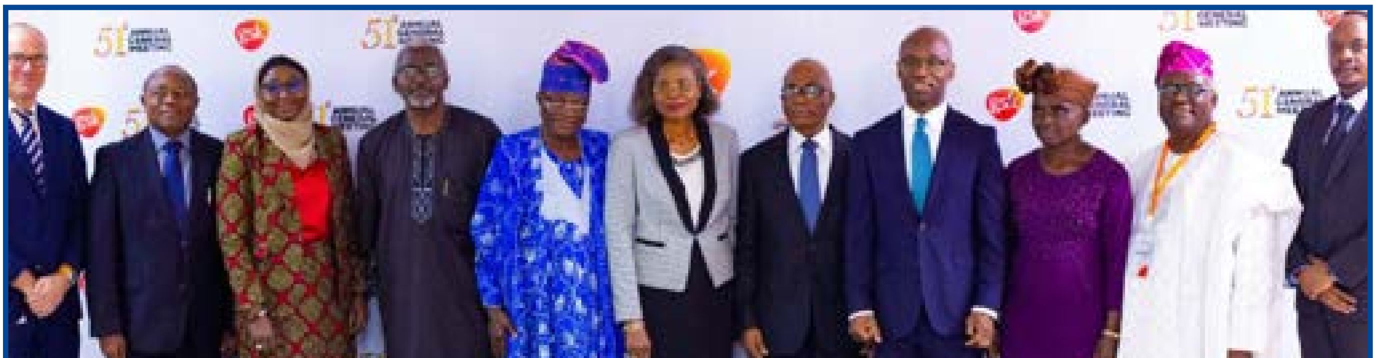


GSK 51st Annual General Meeting

Cross section of the Directors and the Company Secretary at the 51st Annual General Meeting.

L-R: Messrs. Samuel Kuye, Mark Pfister, Kunle Oyelana and Bosco Kirugi during a chit-chat at the 51st Annual General Meeting.

L-R: Mr. Adekunle Adedoyin, a Representative of the Shareholders and Mrs. Oludewa Edodo-Thorpe, a Independent Non-Executive Director of the Company.



Cross section of the Directors and Shareholders Representatives at the 51st Annual General Meeting.

Board Strategy Session

The Board of Directors, Management Team, Former Managing Director of ExxonMobil, Mr. Olu Onakoya and the Chief Executive Officer of HNC Professional Services, Mrs. Hilda Nkor at the 2023 Annual Board and Management Strategy Session.

The Board and Management during a break-out session.

Marketing Activities

PSN Conference

Representatives from GlaxoSmithKline Consumer and Pharmaceutical interact with customers and consumers at The Pharmaceutical Society of Nigeria's 95th National Conference.

Marketing Activities Cont'd

Well Health Conference

GSK, represented by the Marketing team had a successful activation for Sensodyne at the Well Health Conference 2022.

Panadol

Effective Pai

RELIEVES

• HEADACHE • JOINT ACHE • BACKACHE
• TOOTHACHE • MENSTRUAL PAIN

Always read the label. Contains Paracetamol and Caffeine. Not recommended for use during Pregnancy & For Children under 12 years. If symptoms persist after 2 days consult your doctor gsk

n Relief You Can Trust

RELEASES MEDICINE 5X FASTER

THAN STANDARD PARACETAMOL

Always read the label. Not recommended for use during Pregnancy & For Children under 12 years. If symptoms persist after 2 days consult your doctor

Letter from **Greenwich Registrars**

Dear Shareholder,

Introducing the E-dividend Mandate Management System (E-DMMS).

We are pleased to inform you that dividends on your shareholdings can now be paid directly into your preferred Bank Account.

This is made possible with the e-Dividend Mandate Platform that allows you to register/validate your e-dividend at any bank branches nationwide or at any of the Greenwich Registrars offices.

The platform also provides you a quick and convenient way to receive your dividend directly in your provided bank account from your Registrars, whilst minimizing the incidents of unclaimed dividends.

Please visit any bank branches nationwide or any of the Greenwich Registrars' offices or visit http://www.gtlregistrars.com.

It is easy and a one-off exercise!!!

The Managing Director
Greenwich Registrars & Data Solutions Limited
(Formerly GTL Registrars Ltd)
274, Murtala Muhammed Way
Yaba
P.M.B. 12717
Lagos.

GREENWICH
REGISTRARS & DATA SOLUTIONS

Affix
Current
Passport
Photograph

E-DIVIDEND MANDATE ACTIVATION FORM

Date

DD	MM	YY

Instructions

Please complete **all sections** of this form to make it eligible for processing and return to the address below:

The Registrar
Greenwich Registrars & Data Solutions Limited
274 Murtala Muhammed Way, Yaba, Lagos

Bank Mandate Information

I\We hereby request that henceforth, all the Dividend Payment(s) due to me\us from my\our holdings in all the companies ticked at the right hand column be credited directly to my\our bank detailed below:

Bank Verification Number			
Bank Name			
Bank Account Number			
TIN			
Account Opening Date	DD	MM	YY

Shareholders Account Information

Surname/Company Name	First Name	Other Name(s)

Address

City	State	Country

Previous Address (if any)

CSCS Clearing House Number	Email Address
Mobile Number (1)	**Mobile Number (2)**
Shareholder's Signature	**2nd Signatory** (Joint/Company Accounts)
Company Seal (if applicable)	By signing above, the Grantee(s) consents that the Company may process the Grantee's personal data, including name, BVN, address, telephone number and any other relevant information/documentation provided during the course of this transaction. Also, the Data may also be disclosed to a third party for the purpose of processing the transaction.

Only Clearing Banks Are Acceptable

Tick	Company Name	Shareholders Account No.
	11 PLC	
	2LP Management Company Limited Series 1	
	Abplast Products PLC	
	Allianz Nigeria Plc (erstwhile Union Assurance Company Limited; Ensure Insurance)	
	Aluminum Extrusion PLC	
	Axxela Bond	
	Cashew Nuts Processing Industries PLC	
	Chellarams PLC	
	Christlieb PLC	
	DANA Group of Companies PLC Series 1 & 2	
	DN Tyre & Rubber PLC	
	Ekiti State Bond Tranche 2	
	Ekiti State Government Bond	
	EKOCORP PLC	
	Eterna PLC	
	FAN Milk PLC	
	General Telecoms PLC	
	GlaxoSmithKline Nigeria PLC	
	Global Biofuel Nigeria LTD	
	Great Nigeria Insurance PLC	
	Greenwich Alpha ETF	
	Greenwich Money Market Fund	
	Ikeja Hotels PLC	
	Impresit Bakolori PLC	
	Industrial & General Insurance PLC	
	IPWA PLC	
	John Holts PLC	
	Julius Berger Nigeria PLC	
	Kajola Integrated & Investment Company PLC	
	Lennard Nigeria PLC	
	Local Contractors Receivables Bond Tranche 1, 2 & 3	
	Meyer PLC	
	Municipality Waste Management Contractors Limited Series I,II & III	
	Nestle Nigeria PLC	
	Nigeria Cement Company PLC	
	Nigeria Entertainment Fund	
	Nigeria Reinsurance	
	Nigerian Enamelware PLC	
	Nigerian Lamp & Industries	
	Nigerian Wire & Cable PLC	
	Nova Bond Series I	
	Okitipupa Oil Palm PLC	
	Oluwa Glass Company	
	Primero BRT Securitization SPV	
	Studio Press Nigeria PLC	
	Sush SPV Bond II	
	The Tourist Company of Nigeria PLC	
	Tripple Gee & Company PLC	
	Unilever Nigeria PLC	
	Union Homes REITS	
	Union Homes Savings & Loans PLC	
	University Press PLC	
	Wema Bank PLC	
	Wema Funding SPV Plc Bond Series I & II	

In consideration of your instruction to Greenwich Registrars & Data Solutions Limited (GRDS) via this Form, to pay all your dividends into the Bank Account provided in this Form, you hereby agree by signing this Form, to indemnify GRDS and person(s) acting on GRDS instructions against all liabilities, costs, expenses, damages and losses suffered or incurred by GRDS in connection with any threatened, pending or completed or future action, suit or proceeding, claim, whether civil, criminal, arbitrational, administrative or investigative (including an action by or in the right of any related or third party or lawful assigns) to which GRDS is, was or at any time becomes a party, or is threatened to be made a party, by reason of the fact that GRDS paid your dividends into the Bank Account provided in this Form.

THIS SERVICE COSTS ₦150.00 PER APPROVED MANDATE, PER COMPANY

Affix
N50.00 Postage Stamp
Here

The Managing Director
Greenwich Registrars & Data Solutions Limited
(Formerly GTL Registrars Ltd)
274, Murtala Muhammed Way
Yaba, Lagos.

Proxy Form

52ND ANNUAL GENERAL MEETING OF GLAXOSMITHKLINE CONSUMER NIGERIA PLC TO BE HELD AT 11.00 A.M. ON WEDNESDAY, 7TH JUNE 2023 AT THE SHELL NIGERIA HALL, MUSON CENTRE, 8/9 MARINA, ONIKAN, LAGOS.

I/We*..

(Name of Shareholder(s) IN BLOCK LETTERS PLEASE)

of..

....

Being a shareholder(s) of GlaxoSmithKline Consumer Nigeria PLC hereby appoint..

....

....

....

....

....or failing him the Chairman of the meeting as my/our Proxy to act and vote on my behalf at the Annual General Meeting of the Company to be held on 7 June 2023 and at any adjournment thereof.

Dated this..............................day of..2023.

Shareholders' Signature ....

*Shareholder(s) names are to be inserted in block letters please. In case of joint shareholders, anyone of such may complete this form, but the names of all joint holders must be inserted. A shareholder(s) who is/are unable to attend an Annual General Meeting is/are allowed by law to vote by proxy. The above form has been prepared to enable you exercise your right to vote in case you cannot personally attend the meeting.

Provision has been made on the proxy form for the Chairman of the meeting to act as your proxy, but if you wish you may insert in the blank space on the form (marked) the name of any person, whether a shareholder(s) of the company or not, who will attend the meeting and vote on your behalf instead of the Chairman of the Meeting. A member voting in his own right as a member and also voting as proxy or representative for another or other members should fill one voting paper for his own holding and a separate paper for each of the members he is representing. Similarly, those present who are acting as proxy for more than one other members, must complete a separate voting form for each member they represent

RESOLUTIONS	FOR	AGAINST	ABSTAIN
Ordinary Business (Ordinary Resolution)			
1. To declare a Final Dividend.			
2a. To elect / re-elect Directors:			
I. Mr. James West			
II. Mr. Somer Tayyareci			
2b. To elect / re-elect Directors:			
I. Mr. Edmund Onuzo			
II. Ms. Amina Salihu			
3. To authorize the Directors to fix the remuneration of the Auditors.			
4. To disclose the remuneration of Managers of the Company.			
5. To elect the Members of the Audit Committee.			
Special Business (Ordinary Resolution)			
6. To fix the remuneration of the Directors.			
7. To authorize the Company to procure goods and services necessary for its operations from related parties.			

Please indicate with 'X' in the appropriate space how you wish your votes to be cast on the resolutions set out above. Unless otherwise instructed, the proxy will vote or abstain/ from voting at his/her discretion.

GLAXOSMITHKLINE CONSUMER NIGERIA PLC 51ST ANNUAL GENERAL MEETING ADMISSION CARD

Please admit the shareholder on this form or his/her duly appointed proxy to the Annual General Meeting of the Company to be held at The Shell Nigeria Hall, Muson Centre, 8/9 Marina, Onikan, Lagos at 11.00 a.m. on Wednesday 7 June 2023.

.... Name of Shareholder/Proxy & Address

.... Number of shares held

Frederick Ichekwai
Company Secretary

Signature of person attending : ....

Note: *This card is to be signed at the venue in the presence of the Registrars.*

The Managing Director
Greenwich Registrars & Data Solutions Limited
(Formerly GTL Registrars Ltd)
274, Murtala Muhammed Way
Yaba, Lagos.

Affix
N50.00 Postage Stamp
Here

The Managing Director
Greenwich Registrars & Data Solutions Limited
(Formerly GTL Registrars Ltd)
274, Murtala Muhammed Way
Yaba, Lagos.

Application Form

Dear Sir/Madam,

In line with the Company's Articles of Association and to enable you receive your Annual reports, Financial Statements and other documents promptly, please complete the below form and return to either of the following addresses.

OR

The Managing Director
Greenwich Registrars & Data Solutions Limited,
274, Murtala Muhammed Way, Yaba, Lagos.
info@gtlregistrars.com

The Company Secretary,
GlaxoSmithKline Consumer Nigeria PLC,
1, Industrial Avenue, Ilupeju, Lagos.
ng.investors@gsk.com

Frederick Ichekwai
Company Secretary

MY/OUR E-MAIL ADDRESS: ______________________________

____

DESCRIPTION OF SERVICE
By enrolling in electronic delivery service, you have agreed to receive future announcements/ shareholder communication materials stated above by E-mail. These materials can be made available to you electronically either semi-annually or annually. Annual Report, Proxy Form, Prospectus and Newsletters are examples of shareholder communications that can be available to you electronically. The subscription enrolment will be effective for all your holdings in GlaxoSmithKline Consumer Nigeria Plc on an ongoing basis unless you change or cancel your enrolment.

This initiative is in line with our determination to help protect and sustain our planet's environment and the consolidated SEC Rule 128(6) of September 2011 which states that "A Registrar of a public company may dispatch Annual Reports and Notices of General Meetings to Shareholders by electronic means."

______________________________ ______________________________

Name (Surname first) **Signature and date**

Affix
N50.00 Postage Stamp
Here

The Managing Director
Greenwich Registrars & Data Solutions Limited
(Formerly GTL Registrars Ltd)
274, Murtala Muhammed Way
Yaba, Lagos.

LIFE'S TOO SHORT FOR SENSITIVE TEETH

SENSODYNE

PM-NG-SENO-22-00003

*Always read the label before use

Effective Pain Relief You Can Trust

RELEASES MEDICINE 5X FASTER

THAN STANDARD PARACETAMOL

Always read the label. Not recommended for use during Pregnancy & For Children under 12 years. If symptoms persist after 2 days consult your doctor

PM-NG-PAN-22-00006