

**GlaxoSmithKline
Consumer Nigeria PLC**

2021 Quarter 4 Report

January 2022

Performance Highlights – Q4 2021



Turnover

YTD: N22.4billion

Turnover vs LY

YTD: 5%

Quarterly Turnover

Q1 2021:N3.4bn

Q2 2021:N6.5bn

Q3 2021:N6.6bn

Q4 2021:N6bn

Gross Margin: 27%

SG&A vs LY

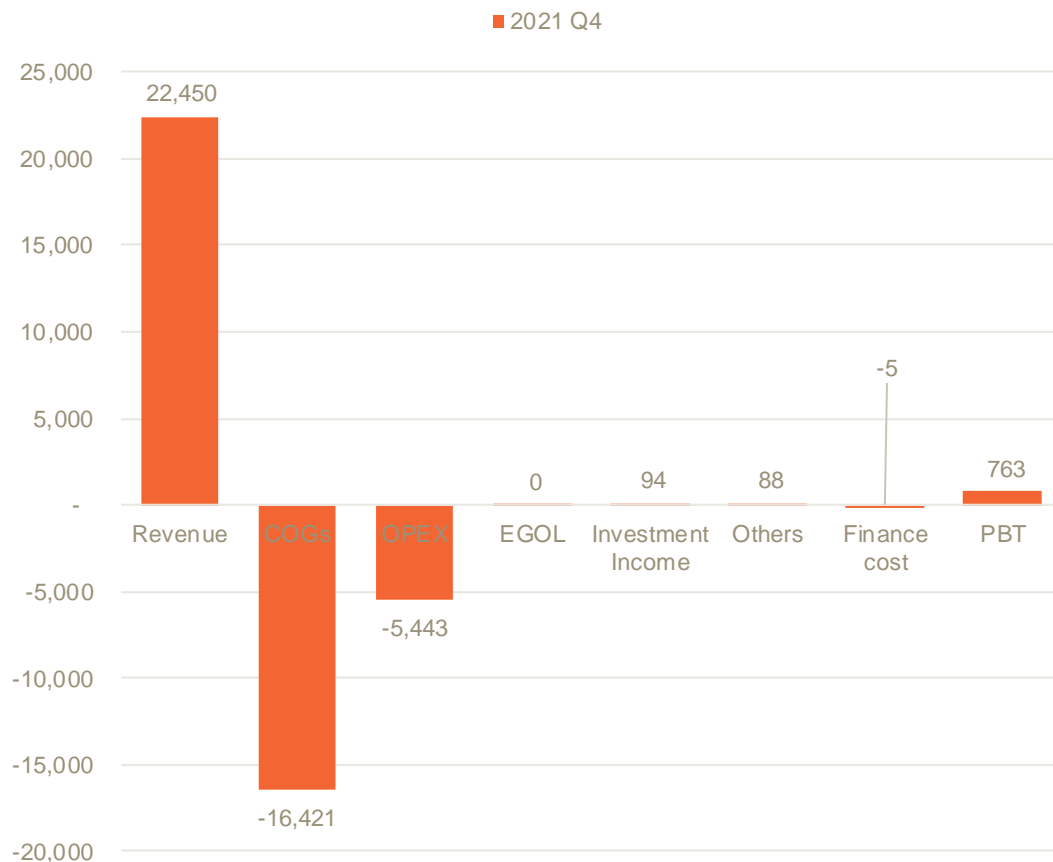
7%

PBT

YTD: N763million

- Recovery from a challenging start with the full year revenue of N24billion and delivering 5% growth over 2020 .
- Consumer segment revenues sustained growth delivering +17% driven by Panadd (+11%), Sensodyne (+21%), Andrews (+11%) and Macleans (+28%) when compared to 2020.
- Pharma segment revenue continued recovery from the headwinds in the first half for the year and delivered a growth of 1% over 2020: Performance driven by growth in Amoxil (+8%) enabled by improved supply, Augmentin and Ampiclox maintained recovered to 2020 level. Zentel declined (-6%) when compared to 2020.
- Gross margin maintains at same level with 2020.
- 7% growth in SG&A drivers include investment in A&P supporting consumer segment growth, outbound freight cost, increase in energy costs, bank charges.
- Improvement from Q3 position in YTD PBT closing at N 0.76b driven by the gains from the revenue recovery and with impact of growth in SG&A. This is below last year comparison at PBT of N1billion.

Statement of Comprehensive Income – Q4 2021



Key highlights

OPEX

- Electricity and diesel increase driven by 45% increase in average unit cost of diesel and increase in IKEDC tariff rates.
- Growth in Freight cost driven by 15% in transport rates and increased shipments to support route-to-market strategy.
- Movement in other business expenses driven by SAP setup reporting VAT on vendor invoices in a dedicated GL account.

Others

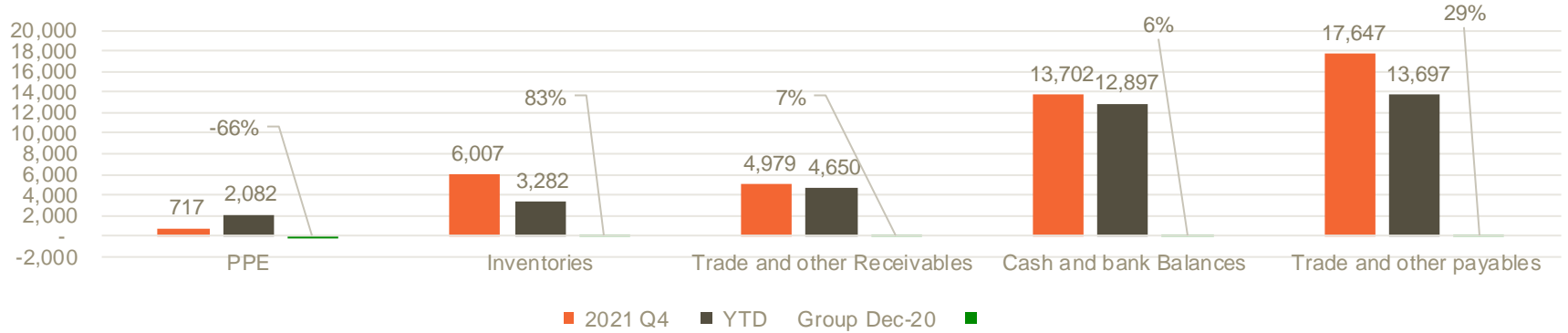
- Investment Income: Interest on unclaimed dividend
- Others: Movement in receivables impairment
- Finance cost : IFRS16 interest cost on Right of Use assets

Statement of Comprehensive Income



Continuing operations	NGN Millions			%
	2021 Q4	YTD Group Dec-20	Variance	YOY Growth/(Decline)
Revenue	22,450	21,295	1,155	5%
Cost of Sales	(16,421)	(15,380)	(1,041)	7%
Gross Profit	6,029	5,915	114	2%
%	27%	28%		
Selling and distribution costs	(3,542)	(3,520)	(22)	1%
Administrative cost	(1,901)	(1,594)	(307)	19%
Total OPEX	(5,443)	(5,114)	(329)	6%
% OPEX	-24%	-24%	-29%	
Total profit/(loss) from Core operation	585	801	(216)	-27%
%	3%	4%	-19%	
Other gains and losses	89	167	(78)	-47%
Operating profit from continuing operation	674	968	(294)	-30%
%	3%	5%	-25%	
Investment Income	94	71	23	32%
Finance cost	(5)	(39)	34	-88%
Profit before tax	763	1,000	(237)	-24%
%	3%	5%	-21%	
Income tax credit / expense	(245)	(378)	133	-35%
Profit after tax	518	622	(104)	-17%
%	2%	3%		

Statement of Financial Position



<ul style="list-style-type: none"> PPE – Reduction driven by depreciation and the reclassification of manufacturing assets to held for sale (N1billion). 	<ul style="list-style-type: none"> Inventory – 83% growth in inventory driven by increase in finished goods on both segments
<ul style="list-style-type: none"> Trade and Other Receivables – 7% growth driven by increase in sales and other sales to Fidson of raw materials. 	<ul style="list-style-type: none"> Cash and Bank – 6% increase in cash driven by unsettled intercompany invoices.
<ul style="list-style-type: none"> Trade and Other Payables – Increase in trade and other payables mainly driven by increase in intercompany obligation and accruals taken for Agbara shutdown costs. 	

Thank You

Dr Ignance
Doctor
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