



Corporate briefing session - 2021

GlaxoSmithKline Pakistan Limited

Hunza, Pakistan





Economic Overview

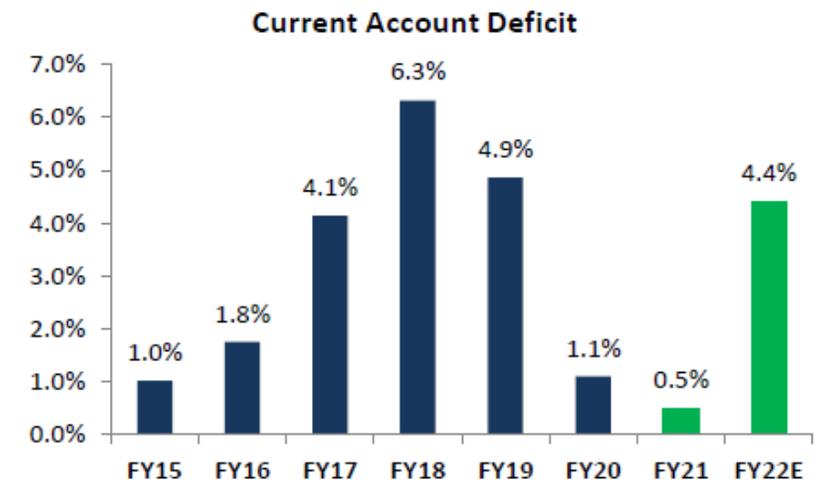
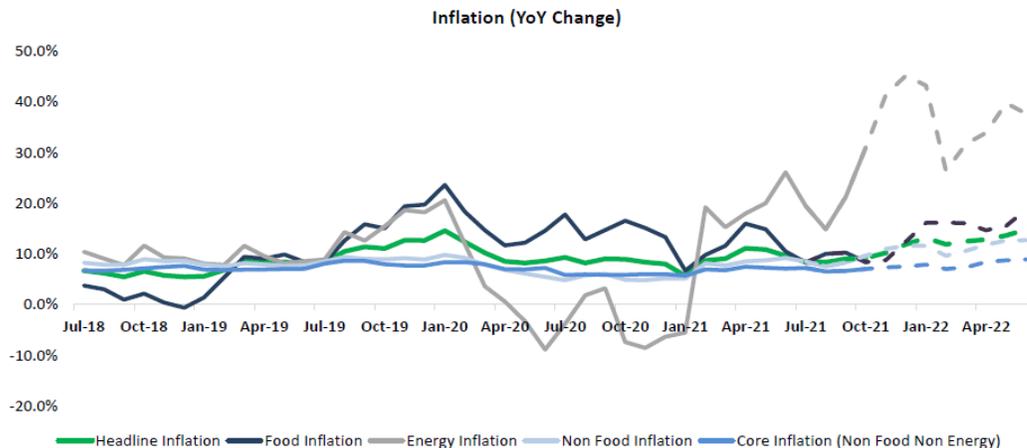
Economic Overview



Economy remains volatile – Direction and policies set for a strong recovery

Economic Overview

- The economy recovered significantly from the COVID-induced deceleration. The expansion led by private consumption, strong remittance inflows and a large increase in fixed-capital expenditure by the government.
- Strong government measures to document the economy, expanding the tax net coupled with mass vaccination programs point towards stable economic outlook. Measures to expand tax net includes:
 - i. Advance income tax on distributors
 - ii. Requirement for digital payments by corporate taxpayers
- The Country economic indicators took a downturn resulting in a significant widening in trade deficit. This triggered exchange rate going to an all-time low challenging in cost of sales.





Company's Overview

Our Local Footprint



Head Office at Wharf Office

Registered Office:

35-Dockyard Road, West Wharf, Karachi

Sales Offices:

Karachi , Lahore, Multan , Islamabad , Peshawar

Factories in
Pakistan



F-268



West Wharf



Korangi

Board of Directors and Key changes



Mr. Dmytro Oliinyk
Chairman



Ms. Erum Shakir Rahim
Chief Executive Officer



Mr. Hasham Baber
Chief Financial Officer



Ms. Maheen Rahman
Independent Director



Mr. Muneer Kamal
Independent Director



Mr. Mehmood
Mandviwalla
Non-Executive Director



Mr. Mark Dawson
Non-Executive Director

▪ ***Appointment of Chief Financial Officer:***

Ms. Hasham Baber appointed as Chief Financial Officer and board member on June 01, 2021. He has diverse experience of about 11 years within GSK both at country and above country level with increasing responsibilities. Some of his career steps include Finance Business Partner, GSK Pakistan; Bison and IPT Implementation Lead MENA; building cohesive & high performing teams in Planning Hub as GSK Karachi Hub Lead.

Our Purpose, Goal and Strategy



Who we are

We are a science-led global healthcare company with a special purpose to improve the quality of human life by helping people do more, feel better, live longer

What we do

We aim to bring differentiated, high-quality and needed healthcare products to as many people as possible, preventing and treating disease and keeping people well with our scientific and technical know-how and talented people

How we do it

Everyone at GSK is focused on our three long-term priorities - Innovation, Performance, Trust - underpinned by our ambition to build a more purpose and performance driven culture, aligned to our values.



Innovation

To invest in scientific and technical excellence to develop and launch a pipeline of new medicine that meets the current & future needs of patients.



Performance

We aim to achieve long-term sustainable & leading industry growth by investing in our business, developing our talent pool and deliver flawlessly



Trust

We commit to ensuring the quality, safety and reliable supply of our medicines; and to building trust through our approach to engagement, pricing, global health and being a modern employer.

Culture

Our values and expectations are at the heart of everything we do and define our culture so that together we can deliver extraordinary impact for patients and consumers and make GSK a brilliant place to work.

Our Values & Expectations are at the Heart of Everything We Do



Key Therapy areas and Brands in Pakistan

Antibiotic
(45% of sales)

Dermatology
(19% of sales)

Respiratory
(5% of sales)

Analgesics
(7% of sales)

Vaccines
(1% of sales)

Others
(23% of sales)

Augmentin
(Co-amoxiclav)

Betnovate Lotion
(Betamethasone valerate)

Ventolin
Salbutamol

CALPOL
(Paracetamol)

Synflorix
Pneumococcal polysaccharide conjugate vaccine (adsorbed)

Theragran Ultra
Tablets

Velosef
(cephradine)

Dermovate
Clobetasol Propionate
Cream | Ointment

SERETIDE
salmeterol/fluticasone propionate

boostrix
(Diphtheria, tetanus and pertussis (acellular, component))

FefolVit
iron & vitamins with folic acid
فيڤول وڊ

Amoxil
(amoxicillin)

Clobevate
(Clobetasol Propionate 0.05%)

oral rotavirus vaccine
Rotarix

ZYRTEC
(Cetirizine 2HCl)

Septran
Co-trimoxazole

GSK Pakistan: A Legacy of Success



#1 | on MAT in Value

#1 | on MAT in Volume

2 Brands in industry top 10 in Value

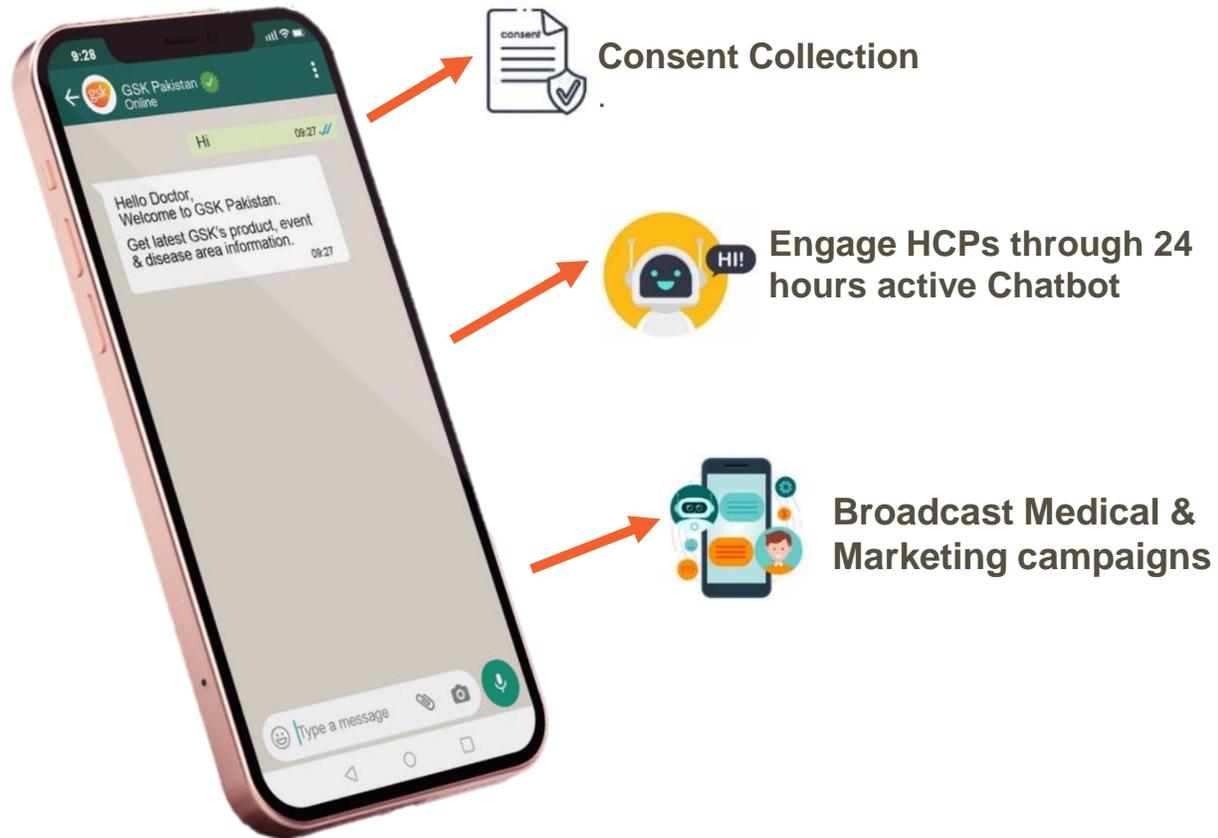
3 manufacturing sites; **377 million** units in a year

4 Brands in industry top 10 in Volume

Listed entity in Pakistan stock exchange since 1951 with Market Cap of Rs. 42.8b*

WhatsApp 1:Many Channel

Three primary uses:



WhatsApp 1: Many Launch

- ✓ **1st** across GSK world
- ✓ **1st** Pharma Company in the world



Our Awards and Recognitions

Top employer 2021



**We are a certified
Top Employer
2021**

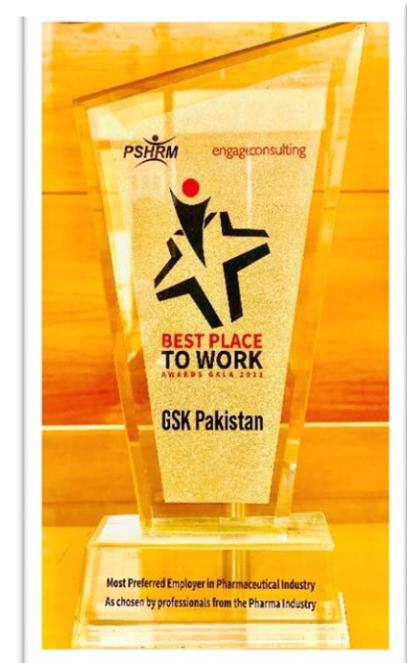
top
EMPLOYER
پاکستان
PAKISTAN
2021
CERTIFIED EXCELLENCE IN EMPLOYEE CONDITIONS

Best place to work



GSK Pakistan is declared as the Most Preferred Employer in Pharmaceutical Industry

- Awards given since 2012, Survey conducted in August
- 160 Organizations across Industries



PSC Carbon & Water Trophy 2021



Winner (Carbon): Karachi F268

Projects delivering a very substantial reduction in 2021 and establishing the foundations for fossil fuel elimination & NZC

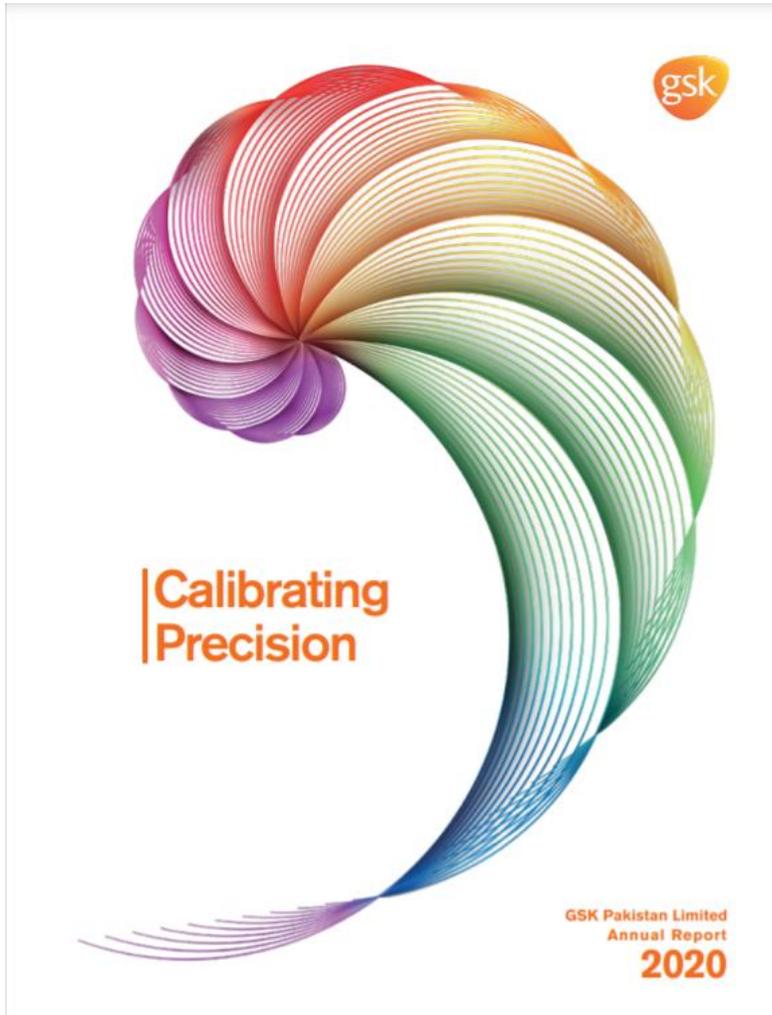


Winner (Water) : Karachi West Wharf

Track record of successes, strong project plan, excellent programme, significant projects in 2021 resulting in targets beaten in this Water Stressed Region



Best corporate report award



GSK Pakistan secured third position in Pharma Category

Extensive Best Corporate Report criteria set out by professional accounting bodies (ICAP & ICMAP) to ascertain BCR award.

3rd GlaxoSmithKline Pakistan Limited

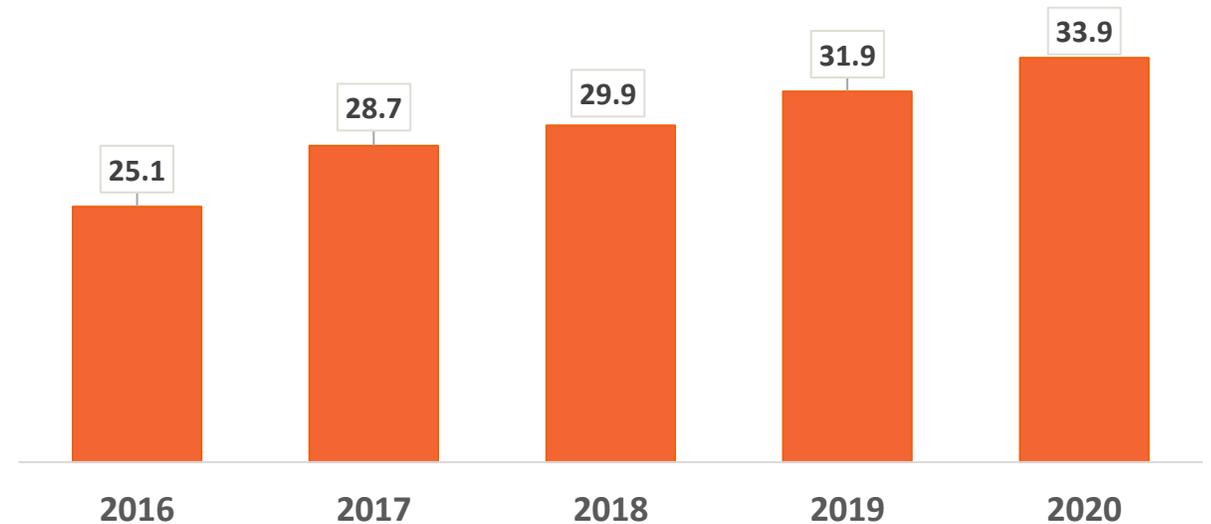




Financial Outline

- Accelerating pharma business through increased HCP coverage, introducing multi channel engagement and trade channel investment
- The Company delivered operating profit Rs. 4.4 bn for nine months.
- Healthy dividend payout over the years.

Sales for the year
(Rs. in bn)



KEY FINANCIAL HIGHLIGHTS



September 2021

Net Sales *
Rs. 26.6
Billion

Gross profit
Rs. 6.98
billion

Gross margin
26.3%

**Profit before
tax**
Rs.4.4 Billion

**Earning per
share**
Rs. 9.11

September 2020

Net Sales
Rs. 26.6
Billion

Gross profit
Rs. 6.03
billion

Gross margin
22.7%

**Profit before
tax**
Rs. 3.8 Billion

**Earning per
share**
Rs. 7.44

- * Underlying core pharma sales growth is 9% excluding one off stock built in September 2020

KEY FINANCIAL RATIOS

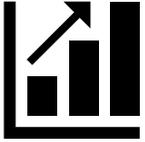


| Balance Sheet Ratios | September 30, 2021 | September 30, 2020 |
|----------------------|-----------------------|-----------------------|
| Return on equity | 16% | 14% |
| Current Ratio | 2.03 | 1.97 |
| Inventory days | 126 | 114 |
| Receivable days | 20 | 19 |
| Payable days | 39 | 42 |

Outlook and Challenges



At a glance



We hope to sustain the growth trajectory by ensuring our growth in line with pharma market growth by investing in core brands effectively.



We continued to leverage our accelerated digital transformation to effectively engage with Health Care Professionals (HCPs).



Afghanistan political instability and closed borders impacts medical tourism which can have direct impact on sales in the north region.



Requirements of digital payments by Corporate Sector and Sales tax on distributor's income imposed. We continue to closely monitor any developments





Questions & Answers



Conclusion of session

Thank You