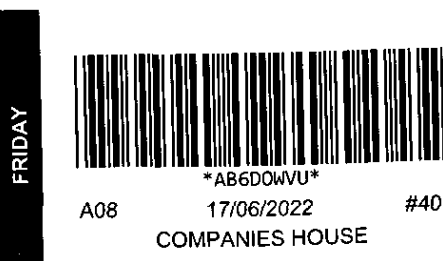


SmithKline Beecham (H) Limited
(Registered number: 03296131)

Directors' report and financial statements
for the year ended 31 December 2021

Registered office address:
980 Great West Road
Brentford
Middlesex
TW8 9GS
England



SmithKline Beecham (H) Limited
(Registered number: 03296131)

Directors' report and financial statements
for the year ended 31 December 2021

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SmithKline Beecham (H) Limited
(Registered number: 03296131)

Directors' report for the year ended 31 December 2021

The Directors present their report on the Company and the financial statements of the Company for the year ended 31 December 2021.

Principal activities and future developments

The Company is a member of the GlaxoSmithKline Group (the "Group"). The Company is a private company limited by shares and is incorporated and domiciled in the UK (England). The address of the registered office is 980 Great West Road, Brentford, Middlesex, TW8 9GS, England.

The principal activity of the Company is holding investments in the GlaxoSmithKline Group.

The Directors do not envisage any change to the nature of the business in the foreseeable future.

Review of business

The Company made a loss for the financial year of £6,000 (2020: loss of £5,000). The Directors are of the opinion that the current level of activity and the year end financial position are sustainable and that the Company remains a going concern due to a strong net asset position.

The loss for the year of £6,000 will be transferred from reserves (2020: loss for the year of £5,000 transferred from reserves).

Results and dividends

The Company's results for the financial year are shown in the statement of comprehensive income on page 4.

No dividend is proposed to the holders of ordinary shares or preference shares in respect of the year ended 31 December 2021 (2020: £nil).

Directors

The Directors of the Company who were in office during the year and up to the date of signing the financial statements were as follows:

Glaxo Group Limited	
Edinburgh Pharmaceutical Industries Limited	
Laura Guittard	(appointed on 11 January 2022)
C Lynch	(resigned on 11 January 2022)

No Director had, during the year or at the end of the year, any material interest in any contract of significance to the Company's business with the exception of the Corporate Directors, where such an interest may arise in the ordinary course of business. A Corporate Director is a legal entity of the Group, as opposed to a natural person (an individual) Director.

Directors' indemnity

Each of the Directors benefits from an indemnity given by the Company under its articles of association. This indemnity is in respect of liabilities incurred by the Director in the execution and discharge of their duties. In addition, each of the Directors who is an individual benefits from an indemnity given by another Group company, GlaxoSmithKline Services Unlimited. This indemnity is in respect of liabilities arising out of third party proceedings to which the Director is a party by virtue of their engagement in the business of the Company.

SmithKline Beecham (H) Limited
(Registered number: 03296131)

Directors' report for the year ended 31 December 2021 (continued)

Statement of Directors' responsibilities

The Directors are responsible for preparing the annual report in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. The Directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Going concern

Having assessed the principal risks and other matters, including the potential impact of the COVID-19 pandemic, the Directors are of the opinion that the current level of activity remains sustainable. In relation to the challenges that arise from the COVID-19 pandemic, the considerations have included the potential risks to asset valuations, including indicators of impairment and impacts on fair values. The Directors have taken into account that as part of the Group, the Company has the ability to request support from the Group where necessary and can take actions to ensure business continuity through operational channels, as well as the ability to manage variable costs. On the basis of those considerations, the Directors believe that it remains appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Risks associated with COVID – 19

The potential impact of the COVID-19 pandemic on the Group's performance and all its principal risks has been assessed with mitigations plans put in place. For further disclosures detailing how, during the year, the COVID-19 pandemic has impacted the Group can be found on page 54 of the consolidated financial statements of the Group. Copies of the consolidated financial statements can be obtained from the Company Secretary, GlaxoSmithKline plc, 980 Great West Road, Brentford, Middlesex, TW8 9GS, England.

SmithKline Beecham (H) Limited
(Registered number: 03296131)

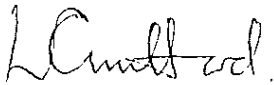
Directors' report for the year ended 31 December 2021 (continued)

Audit exemption

The Company has taken advantage of the audit exemption set out within section 479A of the Companies Act 2006 for the year ended 31 December 2021.

In accordance with Section 414B of the Companies Act 2006, the Company is exempt from preparing a strategic report.

On behalf of the Board

A handwritten signature in black ink, appearing to read 'L Guittard'.

L Guittard
Director
24 March 2022

SmithKline Beecham (H) Limited
(Registered number: 03296131)

Statement of comprehensive income
for the year ended 31 December 2021

	Note	2021 £'000	2020 £'000
Other operating expense		(8)	(8)
Operating loss	4	(8)	(8)
Loss before interest and taxation		(8)	(8)
Finance income	6	-	2
Loss before taxation		(8)	(6)
Taxation	7	2	1
Loss for the year		(6)	(5)

The results disclosed above for both the current year and prior year relate entirely to continuing operations.

The Company has no other comprehensive income during either the current year or prior year and therefore no separate statement to present other comprehensive income has been prepared.

SmithKline Beecham (H) Limited
(Registered number: 03296131)

Balance sheet
as at 31 December 2021

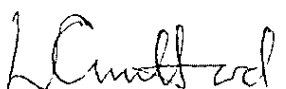
	Note	2021 £'000	2020 £'000
Non-current assets			
Investment in subsidiary	8	67,635	67,635
Current assets			
Trade and other receivables	9	1,825	1,824
Corporation tax		2	1
Total current assets		1,827	1,825
Total assets		69,462	69,460
Current liabilities			
Trade and other payables	10	(8)	-
Net current assets		1,819	1,825
Total assets less current liabilities		69,454	69,460
Non-current liabilities			
Other non-current liabilities	11	(1)	(1)
Total liabilities		(9)	(1)
Net assets		69,453	69,459
Equity			
Share capital	12	-	-
Share premium		21,880	21,880
Other reserves	13	36,863	36,863
Retained earnings		10,710	10,716
Shareholder's equity		69,453	69,459

For the year ended 31 December 2021, the Company was entitled to exemption for audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- the members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006;
- the Directors acknowledge their responsibilities for complying with the requirement of the Act with respect to accounting records and preparation of accounts.

The financial statements on pages 4 to 13 were approved by the Board of Directors on 24 March 2022 and signed on its behalf by:



L. Guittard
Director

SmithKline Beecham (H) Limited
(Registered number: 03296131)

Statement of changes in equity
for the year ended 31 December 2021

	Share capital £'000	Share premium £'000	Other reserves £'000	Retained earnings £'000	Total £'000
At 1 January 2020	-	21,880	36,863	10,721	69,464
Loss and total comprehensive loss for the year	-	-	-	(5)	(5)
At 31 December 2020	-	21,880	36,863	10,716	69,459
Loss and total comprehensive loss for the year	-	-	-	(6)	(6)
At 31 December 2021	-	21,880	36,863	10,710	69,453

SmithKline Beecham (H) Limited
(Registered number: 03296131)

Notes to the financial statements for the year ended 31 December 2021

1 Presentation of the financial statements

General Information

The Company is a private company limited by shares and is incorporated and domiciled in the UK (England). The address of the registered office is 980 Great West Road, Brentford, Middlesex, TW8 9GS, England.

The principal activity of the Company is holding investments in the Group.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied, unless otherwise stated.

(a) Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 100 Application of Financial Reporting Requirements ("FRS 100") and Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

These financial statements have been prepared on the going concern basis under the historical cost convention and in accordance with the Companies Act 2006.

The financial statements are presented in Pounds Sterling.

Going concern

Having assessed the principal risks and other matters, including the potential impact of the COVID-19 pandemic, the Directors are of the opinion that the current level of activity remains sustainable. In relation to the challenges that arise from the COVID-19 pandemic, the considerations have included the potential risks to asset valuations, including indicators of impairment and impacts on fair values. The Directors have taken into account that as part of the Group, the Company has the ability to request support from the Group where necessary and can take actions to ensure business continuity through operational channels, as well as the ability to manage variable costs. On the basis of those considerations, the Directors believe that it remains appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Disclosure exemptions adopted

In preparing these financial statements the Company has taken advantage of all disclosure exemptions conferred by FRS 101 to requirements set by the International Financial Reporting Standards (IFRS). Therefore these financial statements do not include:

- Paragraphs 45(b) and 46 to 52 of IFRS 2, 'Share-based payments' (details of the number and weighted-average exercise prices of share options, and how the fair value of goods or services received was determined);
- The requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3, 'Business Combinations';
- The requirements of paragraph 33(c) of IFRS 5, 'Non-current Assets Held for Sale and Discontinued Operations';
- IFRS 7, 'Financial instruments: disclosures';
- The requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15, 'Revenue from Contracts with Customers';
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities);

SmithKline Beecham (H) Limited
(Registered number: 03296131)

Notes to the financial statements for the year ended 31 December 2021

2 Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

Disclosure exemptions adopted (continued)

- Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of:
 - (i) paragraph 79(a) (iv) of IAS 1;
 - (ii) paragraph 73(e) of IAS 16, 'Property, plant and equipment';
 - (iii) paragraph 118(e) of IAS 38, 'Intangible assets' (reconciliations between the carrying amount at the beginning and end of the period);
 - (iv) paragraph 76 and 79(d) of IAS 40, 'Investment property'; and
 - (v) paragraph 50 of IAS 41, 'Agriculture'.
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d), (statement of cash flows),
 - 10(f) (a balance sheet as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or make a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements),
 - 16 (statement of compliance with all IFRS),
 - 38A (requirements for minimum of two primary statements, including cash flow statements),
 - 38B-D (additional comparative information),
 - 40A-D (requirements for a third balance sheet),
 - 111 (cash flow statement information), and
 - 134 - 136 (capital management disclosures).
- IAS 7, 'Statement of cash flows';
- The requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16, 'Leases';
- The requirements of paragraph 58 of IFRS 16, provided that the disclosure of details of indebtedness required by paragraph 61(1) of Schedule 1 to the Regulations is presented separately for lease liabilities and other liabilities, and in total;
- Paragraph 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective);
- Paragraph 17 and 18A of IAS 24, 'Related party disclosures' (key management compensation);
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into *between two or more wholly owned members of a group; and*
- The requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e) of IAS 36, 'Impairment of Assets'.

The financial statements of GlaxoSmithKline plc can be obtained as described in note 2(b).

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

SmithKline Beecham (H) Limited
(Registered number: 03296131)

Notes to the financial statements for the year ended 31 December 2021

2 Summary of significant accounting policies (continued)

(b) Consolidation

The Company is a wholly owned subsidiary of the ultimate parent company and as such has taken advantage of the exemption from preparing group financial statements under section 400 of the Companies Act 2006. GlaxoSmithKline plc, a company registered in United Kingdom (England), is the Company's ultimate parent undertaking and controlling party. The largest and smallest group of undertakings for which group financial statements are prepared and which include the results of the Company, are the consolidated financial statements of GlaxoSmithKline plc. Copies of the consolidated financial statements can be obtained from the Company Secretary, GlaxoSmithKline plc, 980 Great West Road, Brentford, Middlesex, TW8 9GS, England. The immediate parent undertaking is Wellcome Limited. These financial statements are separate financial statements.

(c) Foreign currency transactions

Foreign currency transactions are booked in the functional currency of the Company at the exchange rate ruling on the date of the transaction. Foreign currency monetary assets and liabilities are translated into the functional currency at rates of exchange ruling at the balance sheet date. Exchange differences are included in the statement of comprehensive income. The functional and presentation currency of the Company is Pounds Sterling.

(d) Expenditure

Expenditure is recognised in respect of services received when supplied in accordance with contractual terms.

(e) Finance income

Finance income is recognised on an accruals basis using the effective interest method.

(f) Investments in subsidiaries

Investments in subsidiaries are held at cost less accumulated impairment losses.

(g) Impairment of non-current assets

The carrying values of all non-financial assets are reviewed for impairment, either on a standalone basis or as part of a larger cash generating unit, when there is an indication that the assets might be impaired. Any provision for impairment is charged to the statement of comprehensive income in the year concerned.

Impairment losses on other non-financial assets are only reversed if there has been a change in estimates used to determine recoverable amounts and only to the extent that the revised recoverable amounts do not exceed the carrying values that would have existed, net of depreciation or amortisation, had no impairments been recognised.

SmithKline Beecham (H) Limited
(Registered number: 03296131)

Notes to the financial statements for the year ended 31 December 2021

2 Summary of significant accounting policies (continued)

(h) Trade and other receivables

Trade and other receivables are carried at original invoice amount less allowance for expected credit losses. Expected credit losses are calculated in accordance with the approaches permitted by IFRS 9. For trade receivables, the simplified approach is used by using a provision matrix applying lifetime historical credit loss experience to the trade receivables. The expected credit loss rate varies depending on whether and the extent to which settlement of the trade receivables is overdue and it is also adjusted as appropriate to reflect current economic conditions and estimates of future conditions. For the purpose of determining credit loss rates, customers are classified into groupings that have similar loss patterns. The key drivers of the loss rate are the nature of the business unit and the location and type of customer.

For other receivables, the general approach is used where the entity recognises the losses that are expected to result from all possible default events over the expected life of the receivable, when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the receivable has not increased significantly since initial recognition, the entity measures the expected loss allowance based on losses that are expected to result from default events that are possible within 12 months after the reporting date. When a trade and other receivable is determined to be uncollectable it is written off, firstly against any expected credit loss allowance available and then to the statement of comprehensive income.

Subsequent recoveries of amounts previously provided for are credited to the statement of comprehensive income. Long-term receivables are discounted where the effect is material.

(i) Trade and other payables

Trade and other payables are initially recognised at fair value and then held at amortised cost using the effective interest method. Long-term payables are discounted where the effect is material.

(j) Taxation

Current tax is provided at the amounts expected to be paid or refunded applying the rates that have been enacted or substantively enacted by the balance sheet date.

(k) Preference shares

The Company's preference shares are treated as a liability and accordingly are disclosed as other non-current liabilities. Preference dividends are treated as finance expense. Interest is accrued on an annual basis and is disclosed as other current liabilities.

(l) Share capital

Ordinary shares are classified as equity.

3 Critical accounting judgements and key sources of estimation uncertainty

In preparing the financial statements, the Directors are required to make estimates and assumptions that affect the amounts of assets, liabilities, revenue and expenses reported in the financial statements. Actual amounts and results could differ from those estimates.

SmithKline Beecham (H) Limited
(Registered number: 03296131)

Notes to the financial statements for the year ended 31 December 2021

3 Critical accounting judgements and key sources of estimation uncertainty (continued)

The Directors do not consider that there are any critical accounting judgements that have been made in the process of applying the Company's accounting policies and that have had a significant effect on the amounts recognised in the financial statements. There have been no significant estimates or assumptions which are likely to cause a material adjustment to the carrying amount of assets and liabilities within the next financial year.

4 Operating loss

	2021	2020
	£'000	£'000
The following item has been charged in operating loss:		
Management fee	8	8

GlaxoSmithKline Services Unlimited provides various services and facilities to the Company including finance and administrative services for which a management fee is charged.

5 Employees

All UK employees are remunerated by GlaxoSmithKline Services Unlimited and receive no remuneration from the Company. A management fee is charged by GlaxoSmithKline Services Unlimited for services provided to the Company (see note 4). The Company has no employees (2020: nil).

6 Finance income

	2021	2020
	£'000	£'000
On loans with Group undertaking	-	2

7 Taxation

	2021	2020
	£'000	£'000
Income tax credit on (loss)		
Current tax:		
UK corporation tax	(2)	(1)
Adjustment in respect of previous years	-	-
Total current tax	(2)	(1)
Total tax credit for the year	(2)	(1)

There are no items required to reconcile the profit on ordinary activities before taxation at the statutory rate of 19.00% (2020: 19.00%) to the current taxation charge.

Factors that may effect future tax charges:

An increase in the UK corporation rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. This will increase the company's future current tax charge accordingly.

SmithKline Beecham (H) Limited
(Registered number: 03296131)

Notes to the financial statements for the year ended 31 December 2021

8 Investment in subsidiary

	Subsidiary Shares at cost £'000
Cost and carrying value at 1 January 2020, 31 December 2020 and 31 December 2021	67,635

Details of the subsidiary of the Company as at 31 December 2021 are given in note 17. The Directors believe that the carrying value of the investment is supported by its underlying net assets.

9 Trade and other receivables

	2021 £'000	2020 £'000
Amounts due within one year		
Amounts owed by Group undertakings	1,825	1,824
	1,825	1,824

The amounts owed by Group undertakings are unsecured, interest free and are repayable on demand except for a call account balance with GlaxoSmithKline IHC Limited of £1,824,000 (2020: £1,824,000) which is unsecured and repayable on demand with interest received at LIBOR rate less 0.125% per annum up to 1 November 2021. From 1 November 2021, the interest rate changed to SONIA rate less 0.05% per annum (2020: LIBOR rate less 0.125% per annum).

10 Trade and other payables

	2021 £'000	2020 £'000
Amounts falling due within one year		
Amounts owed to Group undertakings	8	-
	8	-

The amounts owed to Group undertakings are unsecured, interest free and are repayable on demand.

11 Non-current liabilities

	2021 £'000	2020 £'000
Other non-current liabilities	1	1

Under IAS 32, the Company's Preference Shares (non-cumulative, non-redeemable) of £1,000 of 1,000 shares at par value of £1 each (2020: Preference Shares of £1,000 of 1,000 shares at par value of £1 each) meet the definition of liabilities and are classified as other non-current liabilities.

SmithKline Beecham (H) Limited
(Registered number: 03296131)

Notes to the financial statements for the year ended 31 December 2021

12 Share capital

	2021	2020	2021	2020
	Number of shares	Number of shares	£	£
Issued and fully paid				
Ordinary Shares of £1 each (2020: £1 each)	3	3	3	3

13 Other reserves

	Other reserves £'000
At 1 January 2020, 31 December 2020 and 31 December 2021	36,863

Other reserves represent an unrealised gain on a liquidation distribution in 2003.

14 Contingent liabilities

Group banking arrangement

The Company, together with fellow Group undertakings, has entered into a Group banking arrangement with the Company's principal bank. The bank holds the right to pay and apply funds from any account of the Company to settle any indebtedness to the bank of any other party to this agreement. The Company's maximum potential liability as at 31 December 2021 is limited to the amount held on its accounts with the bank. No loss is expected to accrue to the Company from the agreement.

15 Directors' remuneration

During the year, the Directors of the Company, with the exception of the Corporate Directors, were remunerated as executives of the Group and received no remuneration in respect of their services to the Company (2020: £nil). Corporate Directors received no remuneration during the year, either as executives of the Group or in respect of their services to the Company (2020: £nil).

16 Related party transactions

As a wholly owned subsidiary of the ultimate parent company, GlaxoSmithKline plc, advantage has been taken of the exemption afforded by FRS 101 'Reduced disclosure framework' not to disclose any related party transactions with other wholly owned members of the Group, or information around remuneration of key management personnel compensation.

17 Subsidiary

The subsidiary of the Company as at 31 December 2021 is as follows:

Company	Direct shares held %	Indirect shares held %	Security	Address of the registered office
GlaxoSmithKline Brasil Ltda	60	-	Quotas	Estrada dos Banderiantes, 8464, Camorim, Jacarepagua, Rio de Janeiro, 22783-110, Brazil