

GlaxoSmithKline Consumer Nigeria Plc (GSK Consumer Nigeria) disclosed that the Securities and Exchange Commission (SEC) has given the business permission to move forward with a scheme of arrangement regarding the company's dissolution. Recall that in [our note](#) on the company's dissolution, we discussed the firm's financial performance and likely exit cost.

All current shares will be cancelled as part of this scheme, and shareholders (except GSK UK) will get a cash settlement of **NGN17.42** per share. The largest stakeholder, GSK UK, has decided to forfeit its share of the cash distribution.

According to the company, the full details of this scheme outlined in the scheme document, which will be made available to all shareholders once the Federal High Court authorizes the convening of a Court-Ordered Meeting.

Given that the proposed cash distribution presents a 40.48% upside on its closing price of NGN12.40 as of 3rd November 2023, we maintain our recommendation that existing investors should **HOLD** on transacting on the ticker. New investors looking to position on the ticker can also place **BUY** orders but remain cautious while trading the ticker.

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Meristem Research can also be accessed on the following platforms:

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