



# HALEON

Competitive capabilities to  
**outperform** in the market

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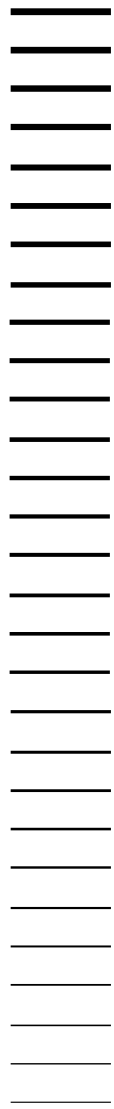
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**World class portfolio** of category leading brands addressing real consumer health needs

**Competitive advantage** combining human understanding and trusted science

**Leading innovation capabilities** driving sustainable growth through penetration and new and emerging opportunities

**Proven brand building** backed by strong investment and **excellent digital** capabilities

**Expert marketing** a key differentiator and competitive advantage

# World class portfolio of category leading brands

## Oral Health

£2.7bn revenue 2021<sup>1</sup>

#3<sup>2</sup>

#1 Therapeutic OH<sup>3</sup>

## VMS

£1.5bn revenue 2021<sup>1</sup>

#1<sup>4</sup>

## Pain Relief

£2.2bn revenue 2021<sup>1</sup>

#1<sup>4</sup>

## Respiratory Health

£1.1bn revenue 2021<sup>1</sup>

#1<sup>4</sup>

## Digestive Health and other

£2.0bn revenue 2021<sup>1</sup>

#1<sup>4</sup>

Digestive Health

### Power brands



### Local strategic brands



<sup>1</sup> 2021 Haleon revenue

<sup>2</sup> Euromonitor 'Oral Care' (2020)

<sup>3</sup> Therapeutic OH from company analysis based on Nielsen and IRI (2020), Therapeutic OH includes therapeutic toothpaste and denture care, OH: Oral Health

<sup>4</sup> Source: N. Hall (2020) for OTC and VMS; VMS: Vitamins, Minerals, Supplements

— Our brands address real consumer health needs, underpinning future growth



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Restoring the **joy**  
of **movement**



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**Helping humanity** reclaim  
life's **small pleasures**



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Releasing the **wonders of**  
**breathing well**



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**Building every body** from  
the inside out



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**Freedom from pain** so the  
human spirit can shine



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Fighting for a  
**flu-safe world**

# Significant penetration growth headroom across categories



**Centrum**

**7 out of 10**

people in the US agree taking vitamin & mineral supplements helps them stay healthy<sup>1</sup>, but over 90% don't get all recommended daily nutrients<sup>2</sup>



**parodontax**

**1 in 3**

people on average have gum problems, like spitting blood when they brush, but only c.1 in 3 of them take action<sup>3</sup>



**Otrivin**

**c.2 out of 3**

people experience nasal symptoms such as congestion, but in some markets as few as 1 in 3 treat with a nasal spray<sup>4</sup>

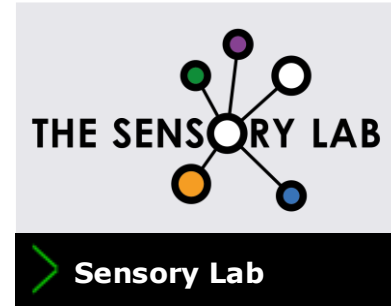
<sup>1</sup> Egg Strategy Research, carried out in 2020-2021 on behalf of GSK CH  
<sup>2</sup> USDA Scientific Report of the 2015 Dietary Guidelines Advisory Committee  
<sup>3</sup> Ipsos (2015)  
<sup>4</sup> Ipsos (2019)



# Deep human understanding provides insight to address consumer health needs



100% focused on Consumer Health



## Competitive advantage

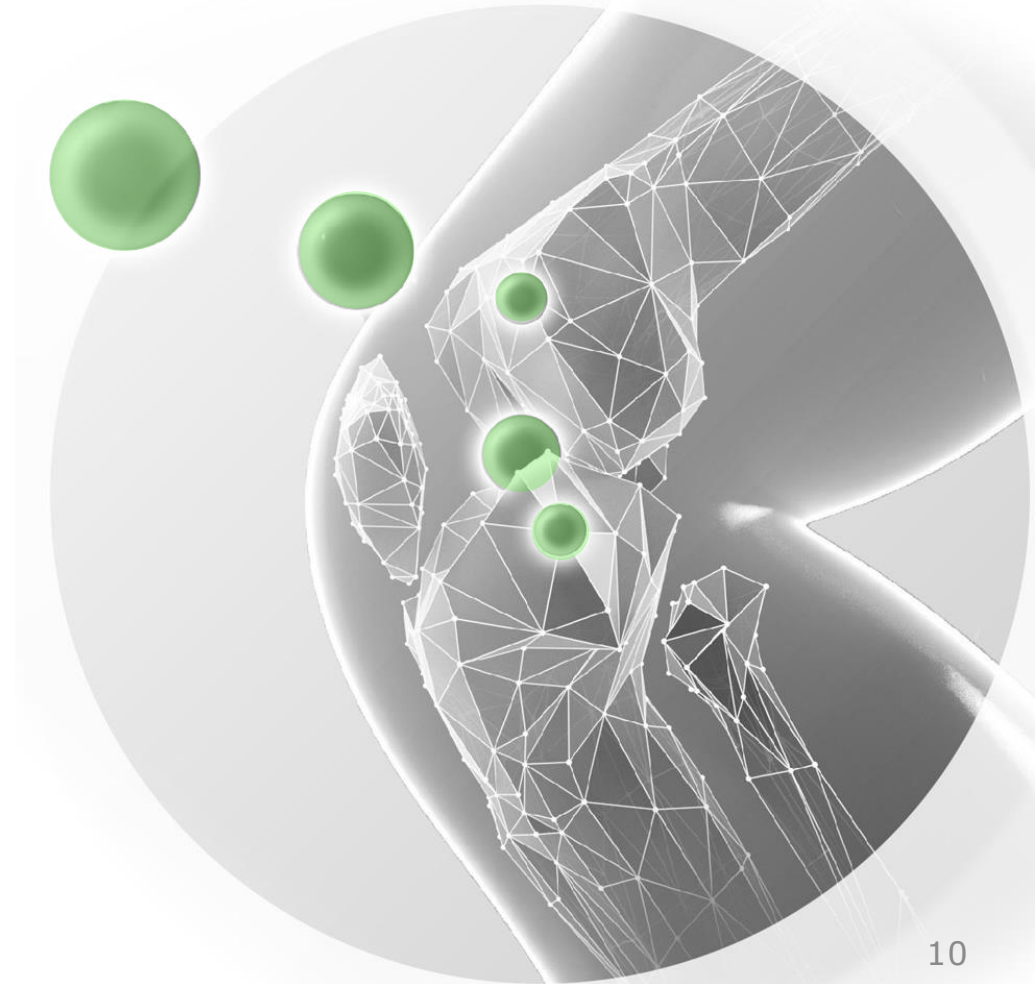
100% focused on consumer health

Human understanding



+

Trusted Science



# Trusted Science underpinned by leading R&D capabilities



**Consumer science**

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**External** partnerships

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**Clinical** and **regulatory** strategies

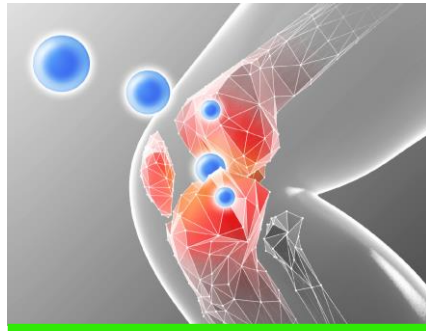
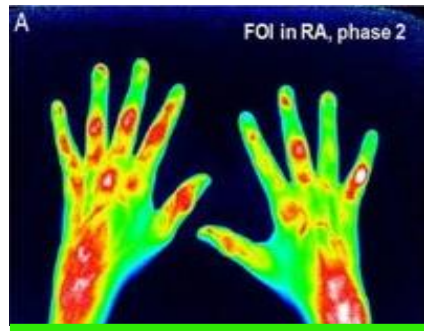
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**Superior** consumer experience

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**Rx-to-OTC switch**

# Deep scientific expertise, with 1,400 highly skilled scientists



Making the invisible, visible

- > Microbiology
- > Product chemistry
- > Packaging
- > Sensory labs
- > Fast prototyping
- > Stability
- > Scale up and technical transfer
- > Imaging

# Strong scientific track record with competitive investment

## World-class regulatory medical expertise

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**19,000** regulatory applications and approvals globally in last 3 years

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Presence in **85+** trade associations

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**4** Rx-to-OTC over last 8 years

## Robust peer review science

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**>65** clinical studies involving 6,000 participants<sup>1</sup>

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**296** publications<sup>1</sup>

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**70+** patents filed<sup>1,2</sup>

**Underpinned by R&D investment c.3%<sup>3</sup> of revenue**

# Innovation strategy to drive sustainable growth

## Drive penetration

Superior science

Consumer preferred formats

Occasions and Regimes

Tailored to local market

## Expand the portfolio

Rx-to-OTC Switch

Naturals

Beyond treatment

Digital services

## Disruptive new

Holistic health and integrated technology

**Trusted ingredients, sustainable packaging**

## Growth through superior science

### Human understanding

I want to **enjoy the food I love** without that jolt of excruciating pain

+

### Trusted Science

**Novel Product technologies** enabling deeper dentin tubule occlusion



**Deep repair** for sensitive teeth

# Innovation tailored to local market

## Human understanding

I want what's **right for me and my body**, not everybody

+

## Trusted Science

**Tailored, scientifically-blended** ingredient combinations





## Portfolio expansion with Rx-to-OTC switch

### Deep understanding of consumer experience

Expertise in behavioural studies – e.g. self selection, label comprehension, actual use studies

### Dedicated teams and capabilities

Cross-functional team of R&D and Commercial  
Highly qualified scientists in medical affairs and clinical research

### Successful regulatory strategies

Close collaboration with Board of Health and HCP  
Expertise in digital & data

### Strong partnerships

Trusted relationships with trade associations and retailers

**Partner of choice with proven track record, expertise and strong route to market**



# Portfolio expansion into 'naturals'

## Human understanding

**I want the option** to use medicated and natural products to take care of **my holistic health**



**Soothes and cools** tense, contracted muscles with the power of 6 plants

+

## Trusted Science

**Green science<sup>1</sup>**, leveraging the power of nature and seeking sustainable solutions



**Botanicals:** daily immune support crafted with natural turmeric and ginger



**Sensitivity prevention** with natural mint & essential oils and in fully recyclable packaging

## Expand the offering beyond treatment

### Human understanding

**I feel stuffed up,**  
mentally and physically,  
I just don't feel myself

+

### Trusted Science

**100% natural blend**  
of isotonic seawater  
and aloe vera



**3-in-1 Daily Nasal Care solution**  
clears, moisturises and soothes your irritated nasal passage

# Disruptive New to capture future consumer trends

The screenshot shows the Alligator website and its mobile app interface. The website header includes the Alligator logo, navigation links for Home, Dentist Search, and FAQ, and buttons for Join today and Log in. A prominent headline reads "The \$7.50 membership that saves you \$\$\$ at the dentist." Below this, a "Bonus" badge states "Earn \$50 cashback after your first Alligator dental visit" with a "Join today" button. A "Find Dentists" button is also visible. A large image of a smiling woman is partially obscured by a green wavy line. The mobile app interface shows a message: "Start today! No waiting period. No hidden fees. Dental discounts in a snap!" with "Join the club" and "Find dentists" buttons. Below this, it asks "Tell us why you're here" with input fields for "I'm due for a checkup" and "I need some cosmetic" and a "Let's chat" button. A chat bubble at the bottom says "Hey! Alligator is here to get you dental services fast and at great prices! If you have a question you can start by looking at the FAQs below, or" with a "Let's chat" button and a "Chat" icon.

## Rewire Health Studio from NEXT

The screenshot shows the Rewire Health Studio website. The header includes the Rewire Health Studio logo (from GSK NEXT), navigation links for Areas of Focus, Calendar, Contact, and FAQs, and an "Apply Now" button. The main headline reads "The future of everyday healthcare is in our hands." Below this, a sub-headline states "The Rewire Health Studio from GSK NEXT is a collaboration platform built to improve human health." An "Apply Now" button is present. The background image shows a person's hands holding a smartphone displaying a health app interface with a heart rate monitor and a smartwatch.

## — Significant consumer need; beyond physiological

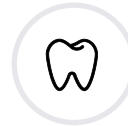
**70%** of **sensitivity** sufferers say it takes the pleasure out of eating/drinking<sup>1</sup>

**80%** of workers were less focused when in **pain**<sup>2</sup>

**93%** of the world's children play in **polluted air** every day<sup>3</sup>

**15%** Only 15% of Europeans feel very confident in taking care of their own health<sup>4</sup>

**44%** of **denture** wearers in the USA said they feel self-conscious if others know they wear one<sup>5</sup>



**Gum health** problems can leave people feeling unhealthy, frustrated, worried and embarrassed<sup>6</sup>



**Nasal congestion** impacts sleep, focus, emotions and energy levels<sup>7</sup>

**\$245<sup>bn</sup>** Estimated annual cost of sick days due to **body pain**<sup>8</sup>

<sup>1</sup> DHEQ data mining study RH02026 : Dr Sarah Baker, University of Sheffield, UK - 16 January 2014

<sup>2</sup> Edelman Intelligence, GPI4, 2020

<sup>3</sup> WHO press release Oct 2018 <https://www.who.int/news/item/29-10-2018-more-than-90-of-the-worlds-children-breathe-toxic-air-every-day#:~:text=Every>

<sup>4</sup> The EPOSSI Self Care Barometer: Consumer Perceptions of self-care in Europe. EPPOSI, 2013

<sup>5</sup> Ipsos 2021

<sup>6</sup> Clear, Methodology : Quant Survey: U&A Study. Year 2018

<sup>7</sup> GSK Analysis across various sources

<sup>8</sup> Edelman Intelligence, 2017

— Proven Brand Building

We build brands  
**with humanity**



# Transformed brand building capabilities

## High calibre organisation

**Strong management** bench, significant FMCG experience

**Co-located, global hubs:** UK, Switzerland and US

**Expert marketing** centre of excellence team

**World class agency** partners

## In-house expertise

**Creative Studios** content and production

**Experience Design** team

**Shopper Science Lab**



## Data-driven marketing

**Digital Commerce** (FCP) tools

**Industry 1<sup>st</sup> Digital AI** creative evaluation

**Proprietary Tool Trgr** predictive analytics

**Performance Marketing** enabled by technology: Google Tech Stack – 1<sup>st</sup> consumer health company, PeopleCloud audience data



# Highly effective, award-winning marketing

**A&P spend<sup>1</sup>**  
>20% of revenue

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# Healthcare Professionals are significant and highly valuable partners



## Healthcare Professionals (HCPs)

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**Local, known, trusted** community influences

**Up to 75% of patients** with our conditions consult HCPs<sup>1</sup>

Approximately 10m relevant HCPs globally with  
**52bn recommendation** opportunities per year<sup>2</sup>

Considerable **influence on purchase**  
(first and repeat)<sup>3</sup>

**85%** of pharmacist recommendations  
lead to purchase<sup>4</sup>

Those HCPs that we have close relationships with  
**recommend us** more to their patients - up to **5x**  
more per week in some markets<sup>5</sup>

# Expert marketing to HCPs a key differentiator and competitive advantage

## Key differentiator

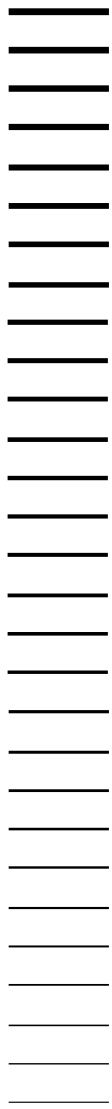
➤ **Direct relationships**  
with c.1/3 of the 10m  
HCPs

➤ **Proprietary** field  
force, digital portal  
and channels

➤ **Scientific**  
engagement drives  
trust

➤ **Trusted partner**





**World class portfolio** of category leading brands addressing real consumer health needs

**Competitive advantage** combining human understanding and trusted science

**Leading innovation capabilities** driving sustainable growth through penetration and new and emerging opportunities

**Proven brand building** backed by strong investment and **excellent digital** capabilities

**Expert marketing** a key differentiator and competitive advantage

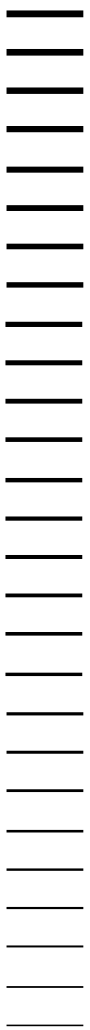


RELIEVING IS BELIEVING



Thank you





# Appendix

## Assumptions and cautionary statement and regarding forward-looking statements

GSK cautions investors that any forward-looking statements or projections made by GSK, including those made in this announcement, are subject to risks and uncertainties that may cause actual results to differ materially from those projected. Such factors include, but are not limited to, those described in the Company's Annual Report on Form 20-F for 2020, GSK's 2021 Q4 Results and any impacts of the COVID-19 pandemic.

In outlining the medium term outlooks, growth ambitions and 2022 considerations for Haleon, GSK has made certain assumptions about the consumer healthcare sector, the different geographic markets and product categories in which Haleon operates and the delivery of revenues and financial benefits from its current product range, pipeline and integration and restructuring programmes. These assumptions, as well as the outlooks, ambitions or considerations (as applicable) for organic annual sales growth, adjusted operating margin expansion, dividend payout ratio, cash generation/conversion and deleveraging, assume, among other things, no material interruptions to the supply of Haleon's products, no material mergers, acquisitions or disposals, no material litigation or investigation costs (save for those that are already recognised or for which provisions have been made), no material changes in the regulatory framework for developing new products and retaining marketing approvals, no material changes in the healthcare environment, no unexpected significant changes in Haleon's end markets, no unexpected significant changes in pricing as a result of government, customer or competitor action, and no material changes in the impacts of the COVID-19 pandemic. These outlooks, ambitions and considerations also assume the successful delivery of the separation programme to deliver the demerger of Haleon and the realisation of its anticipated benefits. The outlook, growth ambitions and 2022 considerations are given at constant exchange rates.

# Competitive capabilities to outperform in the market

## Information sources

### Slide: Significant penetration growth headroom across categories

*7 out of 10 people in the US agree taking vitamin and mineral supplements helps them stay healthy*

**Source:** Egg Strategy Research, carried out in 2020-2021 on behalf of GSK CH. Methodology: Quantitative on line interviews conducted amongst consumers who purchased and used vitamins or supplements in the past 6 months. Market Coverage: US 2053 respondents surveyed

*Over 90% don't fully get all recommended daily nutrients*

**Source:** USDA Scientific Report of the 2015 Dietary Guidelines Advisory Committee

*1 in 3 people on average have gum problems, like spitting blood when they brush, but only 1 in 3 of them take action*

**Source:** Ipsos: In a 2015 study, across 19 countries an average of 31% of the adults surveyed reported that they have experienced gum problems\* in the previous 12 months.

\*Gum problems were defined as those who see and/or spat blood when brushing or flossing their teeth, eating apples or other hard, crunchy foods or who reported that they have experienced bleeding gums or gingivitis in the previous 12 months

*~2 out of 3 people experience nasal symptoms such as congestion, but in some markets as few as 1 in 3 treat with a nasal spray*

**Source:** Ipsos: In a 2019 study, across 5 countries, around six to eight in ten of adults surveyed experienced nasal congestion in the past 12 months. Among those who reported experiencing nasal symptoms\*, around 30-65% treated with a medicated decongestant nasal spray.

\*Those experiencing nasal symptoms were defined as those who experienced nasal congestion (blocked/stuffy nose)/sinus congestion/runny nose/nasal secretions/mucus production/redness around the nose/dry skin around the nose/irritated nose/Impurities in the nose/difficulty breathing through the nose in the past 12 months.

### Slide: Significant consumer need; beyond physiological

*In clinical studies, 70% say sensitivity takes the pleasure out of eating/drinking*

**Source:** DHEQ data mining study RH02026 : Dr Sarah Baker, University of Sheffield, UK - 16 January 2014

*80% were less focused or less productive when in pain*

**Source:** Edelman Intelligence, GPI 4, 2020, 19 markets, 19,000 respondents

*93% of the world's children play in polluted air*

**Source:** WHO press release Oct 2018 <https://www.who.int/news/item/29-10-2018-more-than-90-of-the-worlds-children-breathe-toxic-air-every-day#:~:text=Every>

*Only 15% of Europeans feel very confident in taking care of their own health*

**Source:** The EPOSSI Barometer: Consumer Perceptions of self-care in Europe. EPPOSI, 2013. Available at: <https://epposi.org/wp-content/uploads/2015/07/EPPOSI-Self-Care-Barometer-Report-2013-EN.pdf>

*44% of denture wearers in the USA said they feel self-conscious if others know they wear one*

**Source:** Ipsos: Ipsos: In a 2021 study in the USA among denture wearers\* 44% of those surveyed agreed that "I feel self-conscious if others know that I wear a partial/denture".

\*Denture wearers are defined as those wearing a removable full or partial (removeable bridge) dentures.

*Gum health problems can leave people feeling unhealthy, frustrated, worried and embarrassed*

**Source:** Clear Strategy. Methodology: Online and offline quantitative Study, 2018. Market Coverage: 5 markets: Online markets USA, Germany, Italy, Russia, Offline markets Turkey. Sample size (aggregated across all markets): 4800 respondents.

*Nasal congestion impacts sleep, focus, emotions and energy levels*

**Source:** GSK Analysis across various sources

*\$245bn Estimated annual cost of sick days due to body pain*

**Source:** Edelman Intelligence, GPI 2, 2017, 32 markets, over 19,000 respondents

# Competitive capabilities to outperform in the market

## Information sources

**Slide: Health Care Professionals are significant and highly valuable partners**

*~75% of patients with our conditions consult HCPs*

**Source:** Insites-Consulting; RGM consumer surveys in 12 markets (Canada, USA, Brazil, UK, Germany, Poland, Italy, Turkey, Russia, China, Japan, Australia) across all CH categories, data up to September 2021. Sample of ~1000+ respondents per market. Sample was filtered from the panel by those who experience our conditions, who buy OTC + who may have seen an HCP in past 2 years.

*Approximately 10m relevant HCPs globally with 52bn recommendation opportunities per year*

**Source:** GSK analysis from various sources

*Considerable influence on purchase (first and repeat)*

**Source:** IRI Oral Health Conversion to Purchase study, 2018, USA. Sample of 50,000 consumers who purchase toothpaste or denture care products (panel data + quantitative survey)

*85% of pharmacist recommendations lead to purchase*

**Source:** Insites-Consulting. RGM quantitative consumer surveys for OTC and Wellness, data up to September 2021. Market coverage; Poland, Russia, Canada, Australia, UK, China, US, Italy. ~1000+ respondents per market. Sample was filtered from the panel by those who experience our conditions, who buy OTC + who may have seen an HCP in past 2 years.

*Those HCPs that we have close relationships with recommend us more to their patient - up to 5x more per week in some markets*

**Source:** Ipsos: Across 13 surveys covering up to 11 countries conducted among pharmacists & dentists who chose to take part in these surveys (in 2019 & 2020), in an average week, those considered advocates of GSK CH brands make more recommendations to patients of these brands than non-advocates



# Haleon financial reporting considerations<sup>1</sup>

## IFRS Income Statement

### Reportable segments

#### North America

2021	£m
Revenue <sup>2</sup>	3,525
Adj. Op. Margin	23.5%

#### EMEA & LatAm

2021	£m
Revenue <sup>2</sup>	3,877
Adj. Op. Margin	24.8%

#### APAC

2021	£m
Revenue <sup>2</sup>	2,143
Adj. Op. Margin	21.5%

#### Corporate & Unallocated

2021	£m
Adj. Op. Profit	(77)
Adjusting items	(534)

## Revenue<sup>2</sup> on a Category basis

# Comparison of Haleon to GSK segment financials

Whilst a part of GSK, Haleon has historically been reported as an operating segment under IFRS 8 in GSK's annual report and interim financial reporting (the "CH Segment"). The **financial information presented above** has been prepared in a manner consistent with the Historical Financial Information prepared in connection with the anticipated demerger and separation of Haleon from GSK and therefore **differs both in purpose and basis of preparation to the CH Segment as presented historically in GSK's financial reporting**. As a result, **whilst the two sets of financial information are similar, they are not the same because of certain differences in accounting and disclosure under IFRS**.

## These differences primarily include:

- (1) the inclusion in GSK's segment reporting of certain **distribution and local commercial activities performed by a limited number of other GSK Group entities** in relation to Consumer Healthcare products
- (2) the basis of **allocation of certain cost-sharing and royalty agreements as attributed by a limited number of other GSK Group entities** for the purposes of GSK segment reporting
- (3) **the inclusion of Horlicks and other Consumer Healthcare nutrition products in India and certain other markets** in GSK segment reporting
- (4) **the sale of Thermacare products** until their disposal in 2020 which have been excluded from GSK segment reporting

## Key figures (£m)

	Haleon <sup>1</sup>			GSK CH segment <sup>2</sup>		
	2019	2020	2021	2019	2020	2021
<b>Revenue</b>	8,480	9,892	9,545	8,995	10,033	9,607
<b>Adjusted Operating Profit<sup>3</sup></b>	1,654	2,074	2,172	1,874	2,213	2,239
<b>Adjusted Operating margin<sup>3</sup></b>	19.5%	21.0%	22.8%	20.8%	22.1%	23.3%

# Revenue Reconciliation<sup>1</sup>

Haleon portfolio growth reflects the growth of Haleon's brands during the track record period

	2019	2020	2021		2020	2021
Revenue £bn	8.5	9.9	9.5	<b>Revenue growth %</b>	<b>16.7%</b>	<b>(3.5%)</b>
Growth %	n/a	<b>16.7%</b>	<b>(3.5%)</b>	Organic growth adjustments of which:	(16.6%)	2.7%
Growth CER %	n/a	19.3%	1.0%	Effect of acquisitions	(19.7%)	-
<b>Organic revenue growth %</b>	n/a	<b>2.8%</b>	<b>3.8%</b>	Effect of divestments	3.2%	2.7%
				Effect of manufacturing service agreements (MSAs) <sup>2</sup>	(0.1%)	0.0%
				Effect of exchange rates	2.7%	4.6%
				<b>Organic revenue growth %</b>	<b>2.8%</b>	<b>3.8%</b>
				Haleon portfolio revenue growth adjustments of which:	2.3%	0.1%
				Effect of acquisitions	1.6%	0.0%
				Effect of divestments	0.7%	0.1%
				Effect of manufacturing service agreements (MSAs) <sup>2</sup>	-	-
				Effect of exchange rates	(0.2%)	0.0%
				<b>Haleon portfolio revenue growth %</b>	<b>4.9%</b>	<b>3.9%</b>

<b>Haleon portfolio revenue £bn</b>	9.3	9.6	9.5
Growth %	n/a	2.6%	(0.7%)
Growth CER %	n/a	<b>4.9%</b>	<b>3.9%</b>

Haleon portfolio revenue and growth illustrate the performance of the brands that make up the portfolio at spin to provide the best understanding of the size and growth of Haleon's brands during the track record period.

Haleon portfolio revenue and growth are presented here to aid understanding but become unnecessary going forward. Instead revenue, revenue growth, revenue growth at CER and organic growth will be used.

Source: Company analysis

Haleon portfolio growth converges with organic growth in 2021.

Haleon portfolio growth differs from organic growth in two key respects:  
 (1) By including 12 months of Pfizer brand sales in all years (including 2019)  
 (2) By completely excluding all sales of brands divested from all years

<sup>1</sup> See glossary for definitions  
<sup>2</sup> Manufacturing service agreements ("MSAs") relating to divestments and the closure of sites or brands

# IFRS and Adjusted Income Statement<sup>1</sup>

## 2020 (£m)

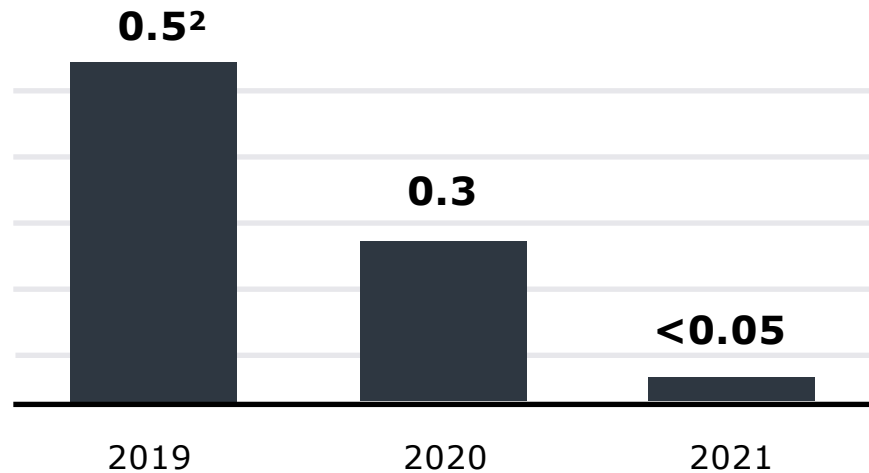
	IFRS Result	Net Intangible Amortisation and Impairment	Restructuring Costs	Transaction Related Costs	Separation and Admission Costs	Disposal and others	Adjusted Result
<b>Revenue</b>	<b>9,892</b>						<b>9,892</b>
<b>Cost of Sales</b>	<b>(3,982)</b>	81	89	91		2	<b>(3,719)</b>
<b>Gross Profit</b>	<b>5,910</b>	<b>81</b>	<b>89</b>	<b>91</b>		<b>2</b>	<b>6,173</b>
<i>% Gross Margin</i>	59.7%						62.4%
<b>Selling, general and admin</b>	<b>(4,220)</b>		314		66	21	<b>(3,819)</b>
<b>Research and development</b>	<b>(304)</b>	16	8				<b>(280)</b>
<b>Other operating income</b>	<b>212</b>					(212)	<b>0</b>
<b>Operating Profit</b>	<b>1,598</b>	97	411	91	66	(189)	<b>2,074</b>
<i>% Margin</i>	16.2%						21.0%
<b>Finance income</b>	<b>20</b>						<b>20</b>
<b>Finance expense</b>	<b>(27)</b>						<b>(27)</b>
<b>Profit before taxation</b>	<b>1,591</b>	97	411	91	66	(189)	<b>2,067</b>
<b>Taxation</b>	<b>(410)</b>	(19)	(90)	(20)	(13)	69	<b>(483)</b>
<i>Tax rate %</i>	25.8%						23.4%
<b>Profit after tax for the year</b>	<b>1,181</b>	<b>78</b>	<b>321</b>	<b>71</b>	<b>53</b>	<b>(120)</b>	<b>1,584</b>

## 2021 (£m)

	IFRS Result	Net Intangible Amortisation and Impairment	Restructuring Costs	Transaction Related Costs	Separation and Admission Costs	Disposal and others	Adjusted Result
<b>Revenue</b>	<b>9,545</b>						<b>9,545</b>
<b>Cost of Sales</b>	<b>(3,595)</b>	8	44				<b>(3,543)</b>
<b>Gross Profit</b>	<b>5,950</b>	<b>8</b>	<b>44</b>				<b>6,002</b>
<i>% Gross Margin</i>	62.3%						62.9%
<b>Selling, general and admin</b>	<b>(4,086)</b>		150		278	76	<b>(3,582)</b>
<b>Research and development</b>	<b>(257)</b>	8	1		-	-	<b>(248)</b>
<b>Other operating income</b>	<b>31</b>					(31)	<b>-</b>
<b>Operating Profit</b>	<b>1,638</b>	16	195		278	45	<b>2,172</b>
<i>% Margin</i>	17.2%						22.8%
<b>Finance income</b>	<b>17</b>						<b>17</b>
<b>Finance expense</b>	<b>(19)</b>						<b>(19)</b>
<b>Profit before taxation</b>	<b>1,636</b>	16	195		278	45	<b>2,170</b>
<b>Taxation</b>	<b>(197)</b>	8	(36)		(47)	(197)	<b>(469)</b>
<i>Tax rate %</i>	12.0%						21.6%
<b>Profit after tax for the year</b>	<b>1,439</b>	<b>24</b>	<b>159</b>		<b>231</b>	<b>(152)</b>	<b>1,701</b>

# Haleon divestments

Revenue of divested brands (£bn; 2019-2021)<sup>1</sup>



## Brands divested 2019-2021<sup>3</sup>

### 2019

Bialcol, Ceridal, Cibalgina, Eurax, Keri, Magnesia Bisurada<sup>4</sup>, Oilatum, Polytar/Tarmed, Prevacid, Savlon, Tixylix

### 2020

Alavert, Anbesol, Argus, Boost<sup>5</sup>, Breathe Right, Capent, Cetebe, Cholinex, Clindo, Coldrex, Dimetapp, Dristan, Duofilm, Eclipsol, Fibercon, Hinds<sup>3</sup>, Horlicks<sup>5</sup>, KCI-retard<sup>6</sup>, Lemocin, Mebucaine, Omega/Fri-Flyt, Orofar, Physiogel, Primatene, Pulmex, Resyl, Sunmax, Sweatosan, Synthol, Tavegyl, Thermacare, Tossamin, Trofolastin, Venoruton, Viva/Maltova

### 2021

Acne-Aid, Baldriparan, Formigran, Kamol, KCI-retard<sup>6</sup>, Spalt, Spectaban, Transderm scop

<sup>1</sup> Excludes revenue of Horlicks / Boost, which were excluded from the Haleon perimeter

<sup>2</sup> On a reported basis including 5 months' August-December revenue of Pfizer brands

<sup>3</sup> Brands are listed by year of closing of divestment

<sup>4</sup> Partial divestment

<sup>5</sup> Horlicks / Boost was excluded from the Haleon perimeter and financials but was included in GSK plc's CH segment reporting. Horlicks revenue was £ 0.5bn in 2019

<sup>6</sup> Partly divested across 2020 - 2021

# Glossary

A number of Adjusted measures are used to report the performance of our business which are non-IFRS measures. Adjusted results, CER and other non-IFRS measures may be considered in addition to, but not as a substitute for or superior to, information presented in accordance with IFRS. These measures are defined and set out below. Reconciliations to the nearest IFRS measure will be provided as part of the Historical Financial Information as part of the Prospectus.

**Adjusted EBITDA** is defined as profit after tax for the year excluding income tax, finance income, finance expense, Adjusting Items (as defined below), depreciation of property plant and equipment, impairment of property plant and equipment net of reversals, depreciation of right-of-use assets, and amortisation of software intangibles.

**Adjusting Items** include the following:

- **Net amortisation and impairment of intangible assets:** Intangible amortisation and impairment of goodwill, brands, licenses and patents net of impairment reversals.
- **Restructuring costs:** include personnel costs associated with restructuring programs, impairments of tangible assets and computer software relating to specific programmes approved by the Board from time to time that are structural and of a significant scale, where the costs of individual or related projects exceed £15 million. These costs also include integration costs following an acquisition.
- **Separation and admission costs:** costs incurred in relation to and in connection with the demerger, separation, admission and registration of Haleon Shares.
- **Transaction related costs:** Accounting or other adjustments related to significant acquisitions.
- **Disposal and other adjusting items:** Gains and losses on disposals of assets and businesses, tax indemnities related to business combinations, and other items.

**Adjusted Operating Profit** is defined as operating profit less Adjusting Items as defined above.

**Compound Annual Growth Rate (CAGR)** represents the annualised average rate of growth between two given years assuming growth takes place at a compounded rate.

**Free cash flow** is defined as net cash inflow from operating activities plus cash inflows from the sale of intangible assets, the sale of property, plant and equipment and interest received, less cash outflows for the purchase of intangible assets, the purchase of property, plant and equipment, distributions to non-controlling interests and interest paid.

**Free cash flow** conversion is defined as free cash flow, as defined above, divided by profit after tax.

**Haleon portfolio revenue** represents the revenue of the brands that make up the Company's portfolio at separation from GSK. The measure includes 12 months revenue of Pfizer brands in all years including 2019 and excludes all revenue of divested / closed brands from all years. It also excludes revenue attributable to manufacturing service agreements ("MSAs") relating to divestments and the closure of sites or brands. Haleon portfolio revenue is presented here to aid understanding but will not be used going forward.

**Haleon portfolio revenue growth** represents the growth in Haleon portfolio revenue excluding the impact of exchange movements.

**Organic revenue growth** represents revenue growth, as determined under IFRS and excluding the impact of acquisitions, divestments and closures of brands or businesses, revenue attributable to manufacturing service agreements ("MSAs") relating to divestments and the closure of sites or brands, and the impact of currency exchange movements.

**Organic sales growth** is the same as organic revenue growth (as defined above) and the terms are used interchangeably in these materials

**Sales** is the same as revenue and the terms are used interchangeably in these materials