

Debt Investor Factsheet

H1 2023

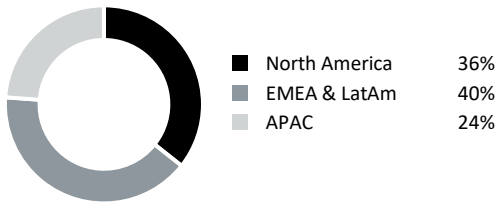
August 2023



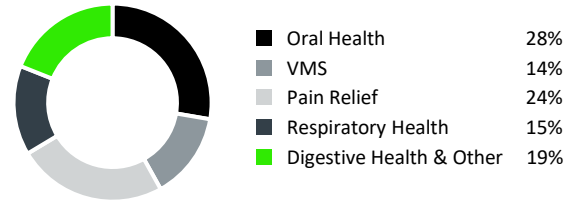
Business performance

Six months to 30 June 2023	£5.7 ^{bn}	£1.3 ^{bn}	£0.7 ^{bn}	£0.4 ^{bn}
Revenue		Adj. operating profit ¹	Profit after Tax	Free cash flow ¹
FY 2022	£10.9 ^{bn}	£2.5 ^{bn}	£1.1 ^{bn}	£1.6 ^{bn}
Revenue		Adj. operating profit ¹	Profit after Tax	Free cash flow ¹

Revenue by geography (£m)²



Revenue by category (£m)²

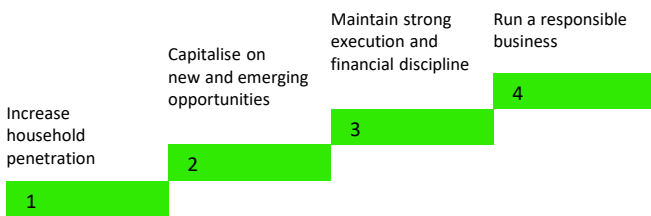


Our purpose

To deliver better everyday health with humanity.

Our strategy

Our strategy is designed to leverage our portfolio and capabilities and has four key pillars.



Medium term financial guidance

- 4-6% annual organic revenue growth¹.
- Sustainable moderate adjusted operating margin expansion at constant currency¹ per annum.
- Net debt/Adjusted EBITDA¹ expect to be below 3x during 2024.

Capital allocation priorities

Investing for growth	Strengthen balance sheet	M&A	Shareholder returns
<ul style="list-style-type: none"> • Brand investment • R&D • Sustainability • Digitisation • Capital Expenditure 	<ul style="list-style-type: none"> • De-lever to <3x net debt/Adjusted EBITDA during 2024 • Maintain investment grade credit rating 	<ul style="list-style-type: none"> • Bolt-on M&A • Commercially compelling • Consistent with strategy 	<ul style="list-style-type: none"> • Ordinary dividend • Return surplus capital to shareholders

¹ Definitions and calculations of non-IFRS measures can be found in the Appendix of the 2023 half year results
² Six months to 30 June 2023

Leverage

£9.5bn

Net Debt¹

3.4x

Net Debt / last 12 months
Adj. EBITDA²

3.0%

Cost of bond debt³

7.5years

Weighted average
bond debt maturity¹

Credit Ratings

Long-term rating

Baa1 stable

Moody's

BBB stable

S&P

Short-term rating

P2

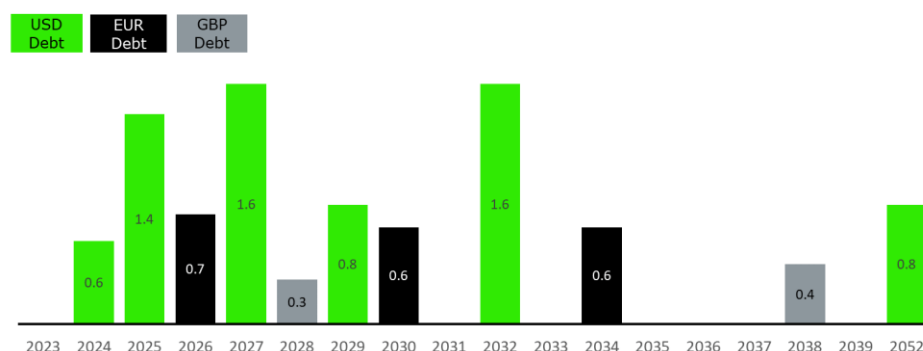
Moody's

A2

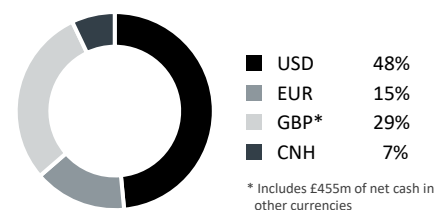
S&P

Funding Overview

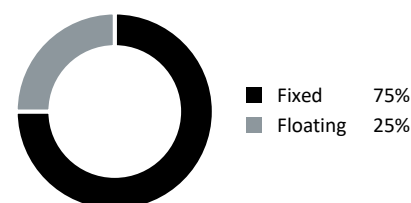
Debt maturity profile⁴ (£bn)



Currency mix of net debt (incl. swaps)¹



Fixed/Floating mix of net debt^{1,5}



Short-term liquidity

The principal source of liquidity is cash generated from operations. Haleon has access to multiple sources of short-term finance:

- Cash and Cash Equivalents (£0.5bn at 30 June 2023)
- \$1.4bn Revolving Credit Facility (initial maturity date of 24th September 2023)
- £1bn Revolving Credit Facility (maturity date of 24th September 2026)

Both Revolving Credit Facilities were undrawn at 30 June 2023

As at 30 June 2023, the Group had a balance of £463m (31 December 2022: £302m) of outstanding commercial paper.

Medium / Long-term liquidity

The strategy is to diversify liquidity sources using a range of facilities and to maintain broad access to financial markets.

Issuing entity listed on respective programme/offering

	Limit	Haleon UK Capital plc	Haleon NL Capital B.V	Haleon US Capital LLC
US Commercial Paper Programme	\$10bn	✓	-	✓
Euro Commercial Paper Programme	£2bn	✓	-	-
US Shelf	n/a	✓	-	✓
Euro Medium Term Note Programme	£10bn	✓	✓	-
24 th March 2022 144a offering	n/a	✓	-	✓

¹ Six months to 30 June 2023

² Definitions and calculations of non-IFRS measures can be found in the Appendix of the 2023 half year results

³ Refers to weighted average cost of bond debt at 30 June 2023, excluding cost of commercial paper, hedging activities, preference shares and leases

⁴ Principal value of bond debt using spot rates on 30 June 2023

⁵ Floating rate debt includes any fixed rate debt maturing within the next six months. Refers to net debt as at 30 June 2023

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