

Debt Investor Factsheet FY 2022

March 2023

Business performance

£10.9^{bn}

Revenue

£2.5^{bn}

Adj. Operating Profit¹

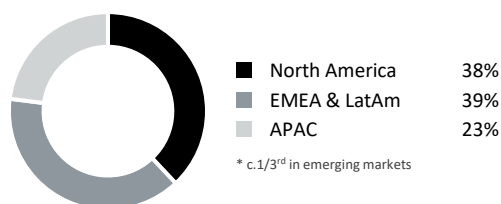
£1.1^{bn}

Profit after Tax

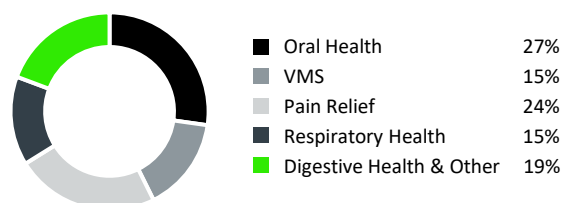
£1.6^{bn}

Free Cash Flow²

Revenue by geography (£m)



Revenue by category (£m)

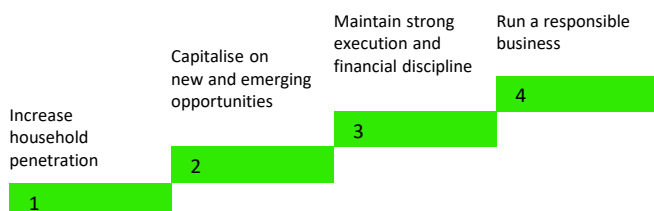


Our purpose

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 growth³.
- Sustainable moderate adjusted operating margin expansion at constant currency³ per annum.
- Net debt/Adjusted EBITDA³ expect to be below 3x during 2024.

Capital allocation priorities

1. Invest for growth
2. Strengthen balance sheet
3. Explore acquisitions
4. Return surplus capital to shareholders

¹ Reconciliation of IFRS to Adjusted results can be found in the Appendix of FY 2022 results presentation materials

² A definition and reconciliation of Free Cash Flow can be found in the "use of non-IFRS measures" section of the most recent annual report

³ See 2022 Annual Report for definitions

Leverage

£9.9bn

Net Debt

3.6x

Net Debt / Adj. EBITDA¹

3.1%

Weighted average
cost of bond debt²

7.8years

Weighted average
bond debt maturity

Credit Ratings

Long-term rating

Baa1

Stable
Moody's

BBB

Stable
S&P

Short-term rating

P2

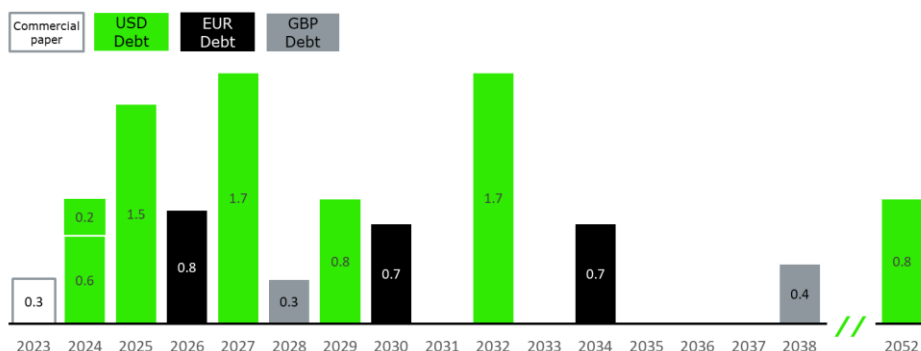
Moody's

A2

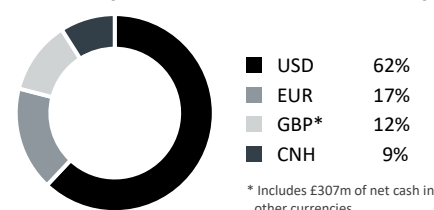
S&P

Funding Overview

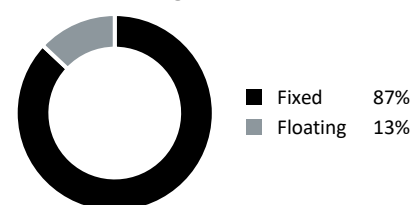
Debt maturity profile³ (£bn)



Currency mix of net debt (incl. swaps)



Fixed/Floating mix of net debt⁴



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 (£0.6bn at 31/12/22)
- \$1.4bn Revolving Credit Facility (initial maturity date of 24th September 2023)
- £1bn Revolving Credit Facility (initial maturity date of 24th September 2025)

Both Revolving Credit Facilities were undrawn at 31st December 2022

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	✓	-	-
Euro Medium Term Note Programme	£10bn	✓	✓	-
24 th March 2022 144a offering	n/a	✓	-	✓

¹ Reconciliation of IFRS to Adjusted results can be found in the Appendix of FY 2022 results presentation materials

² Average effective pre-swap interest rate of all notes in issue as at 31 December 2022

³ Principal value of bond debt and issued commercial paper using spot rates on 31.12.22

⁴ Floating rate debt includes any fixed rate debt maturing within the next six months

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