Delivering shareholder value

Emma Walmsley, CEO

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All outlooks, targets, ambitions and expectations regarding future performance and the dividend, as well as the medium term outlooks and 2022 considerations, should be read together with this disclaimer and the Appendix at the end of this Presentation.

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Unless otherwise stated, statements of market position are on the basis of sales to consumers in the relevant geographic market or product category in 2020, as reported by: (i) in the case of statements relating to OTC/VMS, Nicholas Hall's DB6 Consumer Healthcare Database at manufacturer's selling prices; and (ii) in the case of statements relating to Oral Health, Euromonitor Passport at manufacturer's selling prices. The value of a geographic market or product category and market size are provided on the basis of sales to consumers in 2020 in the relevant market or product category, as reported by: (i) in the case of statements relating to OTC/VMS, Nicholas Hall's DB6 Consumer Healthcare Database at manufacturer's selling prices; and (ii) in the case of statements relating to Oral Health, Euromonitor Passport at manufacturer's selling prices.

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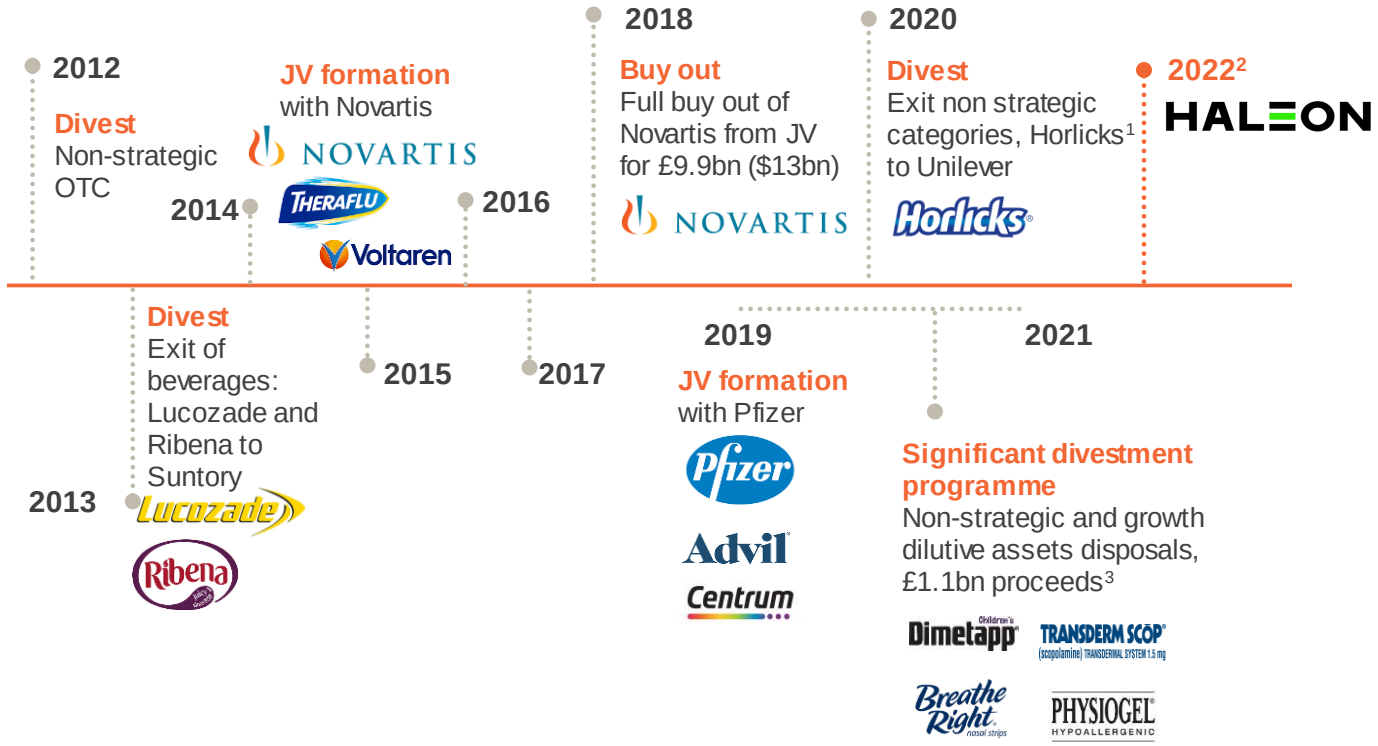
A number of Adjusted measures are used to report the performance of our business, which are non-IFRS measures. Adjusted results, CER and other non-IFRS measures may be considered in addition to, but not as a substitute for or superior to, information presented in accordance with IFRS. These measures are defined and set out in the "Glossary" slide at the end of this presentation. Reconciliations to the nearest IFRS measure are included in the Appendix and will be provided as part of the Haleon prospectus.

Haleon built through progressive strategic M&A and divestment moves

Focused consumer healthcare portfolio



Significantly improved business performance

2014[4]		2021[5]
£4.3bn revenue	2 major integrations	£9.5bn +12% CAGR[8]
£0.8bn EBITDA[6]	£4bn portfolio optimisation[3]	£2.4bn +18% CAGR[8]
15.2% margin[7]		22.8% +760bps[9]

[1] Horlicks not part of the GSK Pfizer JV
[2] Target demerger date July 2022
[3] Net, GSK Q4 2021 results press release, pg. 27
[4] GSK plc Consumer Healthcare segment results
[5] Haleon results subject to audit
[6] 2014 shows Core EBITDA and 2021 shows Adjusted EBITDA
[7] 2014 shows Core Operating Margin and 2021 shows Adjusted Operating Margin
[8] Compound annual growth rate 2014-2021
[9] Increase in margin 2014-2021

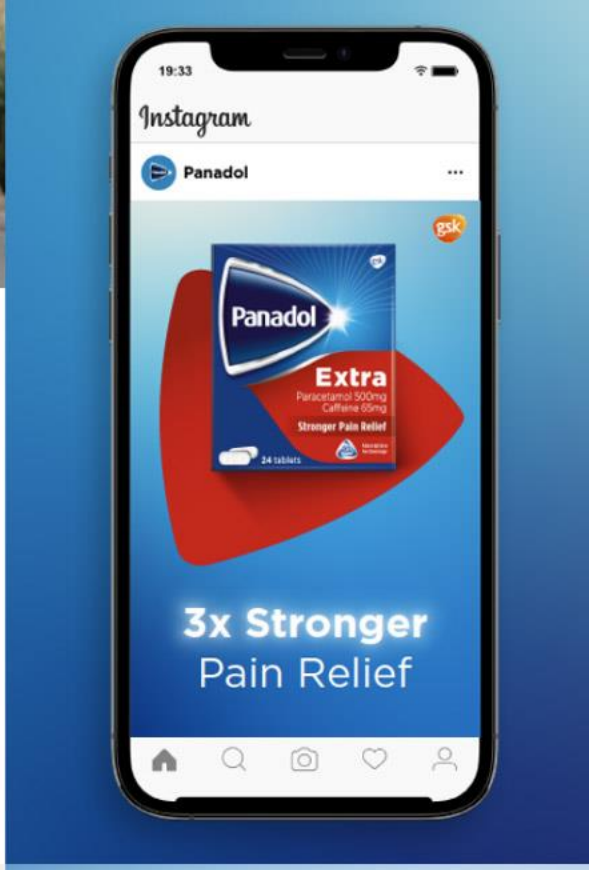
Delivering value for shareholders

Target demerger date:
July 2022

- Unlocks value and strengthens prospects
- Two highly focussed businesses
- Two new distinctive equity investment options
- Positive, global human-health impact
- Compelling performance outlooks and attractive returns

Emergen-C

Thank you



Otrivin

ENO

Centrum

POLIGRIP

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.

Haleon financial reporting considerations[1]

IFRS Income Statement

Reportable segments

North America

2021	£m
Revenue[2]	3,525
Adj. Op. Margin	23.5%

EMEA & LatAm

2021	£m
Revenue[2]	3,877
Adj. Op. Margin	24.8%

APAC

2021	£m
Revenue[2]	2,143
Adj. Op. Margin	21.5%

Corporate & Unallocated

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

Revenue[2] on a Category basis

[1] See glossary for definition of Adjusted measures
[2] Revenue, revenue growth, revenue growth at CER and organic revenue growth (see glossary for definition) will be published for the reportable segments and categories

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

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[1] Haleon financial results
[2] GSK Consumer Healthcare segment financial results
3 See glossary for definition of Adjusted measures

Revenue Reconciliation[1]

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

	2019	2020	2021
Revenue £bn	8.5	9.9	9.5
Growth %	*n/a*	***16.7%***	***(3.5%)***
Growth CER %	*n/a*	*19.3%*	*1.0%*
Organic revenue growth %	*n/a*	***2.8%***	***3.8%***
Haleon portfolio revenue £bn	9.3	9.6	9.5
Growth %	*n/a*	*2.6%*	*(0.7%)*
Growth CER %	*n/a*	***4.9%***	***3.9%***

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

	2020	2021
Revenue growth %	***16.7%***	***(3.5%)***
Organic growth adjustments of which:	*(16.6%)*	*2.7%*
Effect of acquisitions	*(19.7%)*	*-*
Effect of divestments	*3.2%*	*2.7%*
Effect of manufacturing service agreements (MSAs)[2]	*(0.1%)*	*0.0%*
Effect of exchange rates	*2.7%*	*4.6%*
Organic revenue growth %	***2.8%***	***3.8%***
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)[2]	*-*	*-*
Effect of exchange rates	*(0.2%)*	*0.0%*
Haleon portfolio revenue growth %	***4.9%***	***3.9%***

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

[1] See glossary for definitions
[2] Manufacturing service agreements ("MSAs") relating to divestments and the closure of sites or brands

IFRS and Adjusted Income Statement[1]

	2020 (£m)							2021 (£m)						
	IFRS Result	Net Intangible Amortisation and Impairment	Restructuring Costs	Transaction Related Costs	Separation and Admission Costs	Disposal and others	**Adjusted Result**	**IFRS Result**	Net Intangible Amortisation and Impairment	Restructuring Costs	Transaction Related Costs	Separation and Admission Costs	Disposal and others	**Adjusted Result**
Revenue	**9,892**						**9,892**	**9,545**						**9,545**
Cost of Sales	**(3,982)**	81	89	91		2	**(3,719)**	**(3,595)**	8	44				**(3,543)**
Gross Profit	**5,910**	**81**	**89**	**91**		**2**	**6,173**	**5,950**	**8**	**44**				**6,002**
% Gross Margin	*59.7%*						*62.4%*	*62.3%*						*62.9%*
Selling, general and admin	**(4,220)**		314		66	21	**(3,819)**	**(4,086)**	-	150		278	76	**(3,582)**
Research and development	**(304)**	16	8				**(280)**	**(257)**	8	1		-	-	**(248)**
Other operating income	**212**					(212)	**0**	**31**					(31)	**-**
Operating Profit	**1,598**	97	411	91	66	(189)	**2,074**	**1,638**	16	195		278	45	**2,172**
% Margin	*16.2%*						*21.0%*	*17.2%*						*22.8%*
Finance income	**20**						**20**	**17**						**17**
Finance expense	**(27)**						**(27)**	**(19)**						**(19)**
Profit before taxation	**1,591**	97	411	91	66	(189)	**2,067**	**1,636**	16	195		278	45	**2,170**
Taxation	**(410)**	(19)	(90)	(20)	(13)	69	**(483)**	**(197)**	8	(36)		(47)	(197)	**(469)**
Tax rate %	*25.8%*						*23.4%*	*12.0%*						*21.6%*
Profit after tax for the year	**1,181**	**78**	**321**	**71**	**53**	**(120)**	**1,584**	**1,439**	24	159		231	(152)	**1,701**

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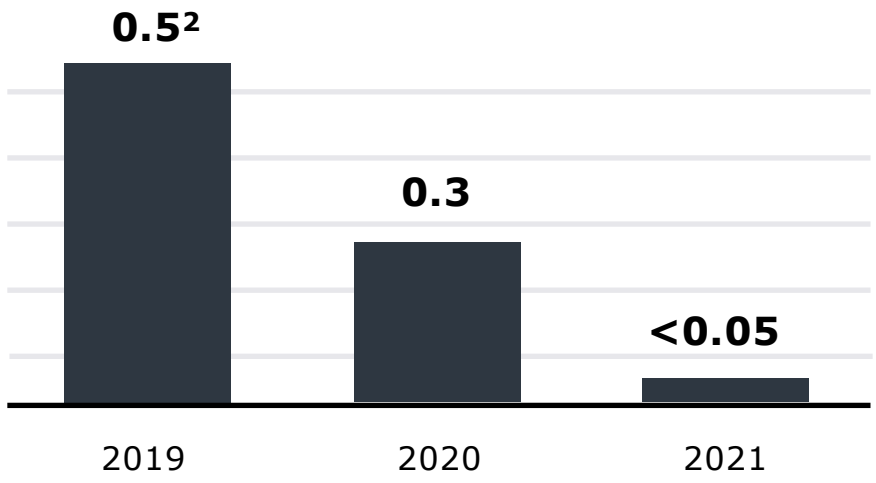
[1] See glossary for definitions of Adjusting Items and comments regarding the use of Adjusted measures

Haleon divestments

Revenue of divested brands (£bn; 2019-2021)[1]



Brands divested 2019-2021[3]

2019

Bialcol, Ceridal, Cibalgina, Eurax, Keri, Magnesia Bisurada[4], Oilatum, Polytar/Tarmed, Prevacid, Savlon, Tixylix

2020

Alavert, Anbesol, Argus, Boost[5], Breathe Right, Capent, Cetebe, Cholinex, Clindo, Coldrex, Dimetapp, Dristan, Duofilm, Eclipsol, Fibercon, Hinds[3], Horlicks[5], KCI-retard[6], 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[6], Spalt, Spectraban, Transderm scop

[1] Excludes revenue of Horlicks / Boost, which were excluded from the Haleon perimeter
[2] On a reported basis including 5 months' August-December revenue of Pfizer brands
[3] Brands are listed by year of closing of divestment
[4] Partial divestment
[5] 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
[6] 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