

Financial Markets Conduct (Haleon plc) Exemption Notice 2022

Pursuant to section 556 of the Financial Markets Conduct Act 2013, the Financial Markets Authority, being satisfied of the matters set out in section 557 of that Act, gives the following notice.

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Notice

1 Title

This notice is the Financial Markets Conduct (Haleon plc) Exemption Notice 2022.

2 Commencement

This notice comes into force on 30 May 2022.

3 Revocation

This notice is revoked on the close of 31 March 2023.

4 Interpretation

(1) In this notice, unless the context otherwise requires –

Act means the Financial Markets Conduct Act 2013

CH Holdings (No.2) means GlaxoSmithKline Consumer Healthcare Holdings (No.2) Limited, a United Kingdom private limited company having its registered office at 980 Great West Road, Brentford, Middlesex, TW8 9GS

demerger means the demerger of the predominant part of GSK's interest in its consumer healthcare business which is currently held by CH Holdings (No.2), to be effected by an in-specie distribution to GSK shareholders, which will be satisfied by the transfer of at least 80 per cent of its 68 per cent interest in CH Holdings (No.2) to Haleon, and the subsequent issue by Haleon of ordinary shares to GSK shareholders in proportion to their holdings in GSK

financial statements means the financial statements that Haleon is required to prepare in respect of either or both Haleon and its group, as applicable, in accordance with the law and regulatory requirements of, or permitted by, the United Kingdom

GSK means GlaxoSmithKline plc, a United Kingdom public limited company admitted to listing on the premium segment of the official list of the UK Listing Authority and to trading on the main market of the London Stock Exchange, having its registered office at 980 Great West Road, Brentford, Middlesex, TW8 9GS

Haleon means Haleon plc, a United Kingdom public limited company having its registered office at 980 Great West Road, Brentford, Middlesex, TW8 9GS

International Financial Reporting Standards means –

- (a) International Financial Reporting Standards, International Accounting Standards, and Standing Interpretations Committee interpretations that have been issued, endorsed, or adopted by the International Account Standards Board in accordance with the constitution of the International Financial Reporting Standards Foundation; and
- (b) final interpretations by the International Financial Reporting Standards Interpretations Committee approved by the International Accounting Standards Board in accordance with that constitution

Regulations means the Financial Markets Conduct Regulations 2014

specified securities means shares in Haleon to be issued to GSK shareholders pursuant to the demerger.

- (2) Any term or expression that is defined in the Act or the Regulations and used, but not defined, in this notice has the same meaning as in the Act or the Regulations.

5 Exemptions

Haleon and GSK are exempted from Part 3 of the Act in respect of any offer of specified securities.

6 Conditions

The exemptions in clause 5 are subject to the conditions that–

- (a) the only persons with a registered address in New Zealand who will receive specified securities under the demerger are GSK shareholders; and
- (b) prior to issue of the specified securities under the demerger to any GSK shareholder with a registered address in New Zealand, application is made for the admission of the specified securities to the premium listing segment of the official list of the UK Listing Authority and to trading on the main market of the London Stock Exchange; and
- (c) at the time of issue of the specified securities under the demerger to any GSK shareholder with a registered address in New Zealand, Haleon will have complied with–
 - (i) all the requirements of the London Stock Exchange relating to the application referred to in subclause 6(b) with which it must comply at that time; and
 - (ii) in relation to any financial statements of Haleon, the law and regulatory requirements of, or permitted by, the United Kingdom that relate to the preparation, content, auditing, and public filing of those statements; and
 - (iii) in relation to any financial statements of Haleon, the generally accepted accounting practice or principles of the United Kingdom equivalents to International Financial Reporting Standards; and
- (a) prior to any offer of specified securities, GSK will–

- (i) send an explanatory circular to the GSK shareholders in New Zealand relating to the demerger; and
- (ii) make available on its website a prospectus relating to the demerger; and
- (a) immediately prior to completion of the demerger, the only persons who are shareholders of Haleon are directors or senior managers of GSK or a subsidiary of GSK; and
- (b) the offer of the specified securities to persons in New Zealand is made in compliance with the laws of the United Kingdom and any code, rules or other requirements relating to the offer of those securities that apply in the United Kingdom.

7 Offers made in reliance on this notice not regulated offers

An offer of specified securities made in reliance on this notice is not a regulated offer.

Dated at Auckland this 22nd day of April 2022.



Paul Gregory
Acting Director of Capital Markets
Financial Markets Authority

Statement of Reasons

This notice comes into force on 30 May 2022 and is revoked on 31 March 2023.

This notice exempts, subject to conditions, Haleon plc (**Haleon**) and GlaxoSmithKline plc (**GSK**), who, in the case of Haleon, will issue shares in Haleon (**specified securities**) to existing GSK shareholders in New Zealand, from Part 3 of the Financial Markets Conduct Act 2013 (the **Act**) in relation to the specified securities offered by GSK to its shareholders under a demerger.

The Financial Markets Authority (FMA), after satisfying itself as to the matters set out in section 557 of the Act, considers it appropriate to grant the exemptions because –

- this notice grants Haleon and GSK similar exemptions that the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021 (**Incidental Offers Exemption**) grants to certain overseas companies in similar circumstances to Haleon and GSK. If structured differently, the issue of specified securities by Haleon would be covered by the Incidental Offers Exemption, however because the specified securities will be issued directly from Haleon to shareholders of GSK, a separate specific exemption is required:
- the offer will only be made to existing shareholders of GSK, which is listed on the London Stock Exchange (**LSE**), and who can be taken to have assumed the degree of risk that might accompany an overseas investment. The offer is only being made to persons who already have exposure to GSK's consumer healthcare business and may be expected to be familiar with its assets and business that will be transferred to Haleon. This notice will enable the demerger to proceed as intended and it cannot be used for an offer of securities to the general public:
- this notice recognises the adequacy of the regulation of securities offerings in the United Kingdom:
- Haleon is subject to an equivalent statutory regime under the laws of the United Kingdom as a similar entity would be in New Zealand. The specified securities in Haleon will need to comply

with the Listing and Prospectus Rules of the Financial Conduct Authority, the Financial Services and Markets Act 2000 and the Companies Act 2006:

- for these reasons, the FMA is satisfied that the exemptions are desirable in order to promote the purposes of the Act, specifically for timely, accurate and understandable information to be provided to GSK shareholders to assist them make a confident and informed decision on the demerger. The exemptions will also promote flexibility in financial markets and avoid unnecessary compliance costs caused by having to prepare separate disclosure documents for the New Zealand shareholders:
- the FMA is further satisfied that the exemptions in this notice are not broader than is reasonably necessary to address the matters that give rise to them, given that Haleon and GSK are subject to regulatory oversight broadly equivalent to New Zealand and the exemptions apply only to the offer of specified securities to a small number of GSK shareholders in New Zealand in the context of the demerger.