

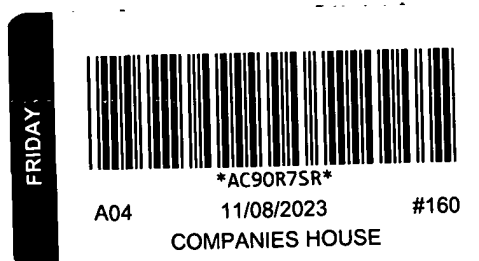
**GlaxoSmithKline Holdings (One) Limited**  
(Registered number: 04230101)

**Annual Report**

**for the year ended 31 December 2022**

**Registered office address:**

980 Great West Road  
Brentford  
Middlesex  
TW8 9GS



**GlaxoSmithKline Holdings (One) Limited**  
**(Registered number: 04230101)**

**Annual Report**

**for the year ended 31 December 2022**

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**GlaxoSmithKline Holdings (One) Limited**  
**(Registered number: 04230101)**

**Strategic report for the year ended 31 December 2022**

The Directors present their strategic report on GlaxoSmithKline Holdings (One) Limited (the "Company") for the year ended 31 December 2022.

**Principal activities and future developments**

The Company is a member of the GSK Group (the "Group"). The Company is a private company limited by shares and is incorporated and domiciled in the UK (England). The address of the registered office is 980 Great West Road, Brentford, Middlesex, TW8 9GS.

The principal activity of the Company is to act as an investment holding company. The Directors do not envisage any change to the nature of the business in the foreseeable future.

**Review of business**

The Company made a loss for the financial year of £910,000 (2021: loss of £272,000). The Directors are of the opinion that the current level of activity and year end financial position are sustainable, and will improve in the future. The net assets position for the financial year is £57,076,000 (2021: £63,746,000). Additionally, the Directors have received confirmation that GlaxoSmithKline Finance plc will support the Company for at least one year after these financial statements are signed. The increase in loss and decrease in net assets position is due to fair value movement of equity investments.

The loss for the financial year of £910,000 will be transferred from reserves (2021: loss for the year of £272,000 transferred from reserves).

**Principal risks and uncertainties**

The Directors of GSK plc manage the risks of the Group at a group level, rather than at an individual statutory entity level. For this reason, the Company's Directors believe that a discussion of the Group's risks would not be appropriate for an understanding of the development, performance or position of the Company's business. The principal risks and uncertainties of the Group, which include those of the Company, are discussed in the Group's 2022 annual report which does not form part of this report.

**Key performance indicators (KPIs)**

The Directors of the Group manage the Group's operations on an operating segment basis. The KPIs including but not limited to operating loss and are reviewed at the Group level. For this reason, the Company's Directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the Company's business. The development, performance and position of the Group are discussed in the Group's 2022 annual report which does not form part of this report.

**Section 172 Companies Act 2006 statement**

The Company's governance architecture and processes are operated to ensure that all relevant matters are considered by the Board in its principal decision-making, as a means of contributing to the delivery of the Company's long-term priorities of Innovation, Performance and Trust.

At Group Level, the Board prioritizes human capital as a key element in enhancing the positive influence within communities, with the Code of Conduct defining our purpose, culture, and performance commitments to ensure the realization of the company's aspirations while also ensuring fair treatment of shareholders.

In the performance of its duty to promote the success of the Company and the long-term priorities, the Board has agreed to a number of matters, including listening to and considering the views of shareholders and the Company's other stakeholders to build trust and ensure it fully understands the potential impacts of the decisions it makes for our stakeholders, the environment and the communities in which we operate.

Further disclosures detailing how, during the year, the Directors addressed the matters set out in Section 172(1) (a) to (f) of the Companies Act, can be found in the consolidated financial statements of the Group, of which the Company is a member and no additional considerations are deemed necessary for the Company as the relevant matters are all considered in the Group accounts. Copies of the consolidated financial statements can be obtained from the Company Secretary, GSK plc, 980 Great West Road, Brentford, Middlesex, TW8 9GS.

On behalf of the Board



L Guittard  
Director  
28 July 2023

**GlaxoSmithKline Holdings (One) Limited**  
**(Registered number: 04230101)**

**Directors' report for the year ended 31 December 2022**

The Directors present their report on the Company and the audited financial statements of the company for the year ended 31 December 2022.

**Results and dividends**

The Company's results for the financial year are shown in the income statement page 8.

No dividend was proposed to the holders of ordinary shares in respect of the year ended 31 December 2022 (2021: £nil)

**Directors and their interests**

The Directors of the Company who were in office during the year and up to the date of signing the financial statements were as follows:

Glaxo Group Limited

Edinburgh Pharmaceutical Industries Limited

L Guittard

(Appointed on 11 January 2022)

C Lynch

(Resigned on 11 January 2022)

No Director had, during the year or at the end of the year, any material interest in any contract of significance to the Company's business with the exception of the Corporate Directors, where such an interest may arise in the ordinary course of business. A Corporate Director is a legal entity of the Group, as opposed to a natural person (an individual) Director.

**Directors' indemnity**

Each of the Directors benefits from an indemnity given by the Company under its articles of association. This indemnity is in respect of liabilities incurred by the Director in the execution and discharge of their duties.

In addition, each of the Directors who is an individual benefits from an indemnity given by another Group company, GlaxoSmithKline Services Unlimited. This indemnity is in respect of liabilities arising out of third party proceedings to which the Director is a party by virtue of their engagement in the business of the Company.

**Statement of Directors' responsibilities**

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. The Directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**GlaxoSmithKline Holdings (One) Limited**  
**(Registered number: 04230101)**

**Directors' report for the year ended 31 December 2022 (continued)**

**Statement of Directors' responsibilities (continued)**

The following items have been included in the strategic report on page 1:

- principal activities and future developments;
- review of business;
- principal risks and uncertainties;
- key performance indicators; and
- section 172 Companies Act 2006 statement.

**Corporate Governance**

As a subsidiary company of the Group which is listed on the New York and London Stock Exchanges, the Company has chosen to follow the developed governance practices and processes of the group that are fit for purpose rather than a Corporate Governance code.

The Directors have applied an undocumented system of governance by:

- (a) Promoting the purpose of the Group to deliver manufacturing and distribution of medicines through its subsidiaries' operations.
- (b) Regularly reviewing its composition to ensure that it has an appropriately diverse balance of skills, backgrounds, experience and knowledge and that individual directors have sufficient capacity to make a valuable contribution.
- (c) To support effective decision-making Directors take into account the System of Internal Control and the Code of Conduct when acting in their capacity as a Director of the Company.
- (d) In accordance with the governance practices and processes that it adopts, the Board is supported by Systems of Internal Control to identify opportunities to create and preserve value.
- (e) Having regard to and fostering good stakeholder relationships. [Consumer to amend as necessary for JVCo2]
- (f) The remuneration policies are governed to align executive remuneration with performance outcome.

**Stakeholder engagement**

The Company aims to build enduring relationships with all its stakeholders in the countries where it operates. The Company works with its business partners in an honest, respectful and responsible way and seeks to work with others who share the Company's commitments to safety, ethics and compliance.

On behalf of the Company, the Group participates in industry associations that offer opportunities to share good practices and collaborate on issues of importance. Additionally, the Group works with stakeholders on a range of issues that are relevant to its business and relating to regulatory compliance matters.

**Disclosure of information to auditor**

As far as each of the Directors are aware, there is no relevant audit information of which the Company's auditor is unaware, and the Directors have taken all the steps that ought to have been taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

**Going concern**

Having assessed the principal risks of the Company and other matters the Directors are of the opinion that the current level of activity remains sustainable. The Directors in their considerations have included the potential risks to asset valuations, including indicators of impairment and impacts on fair values. The Directors have taken into account that as part of the Group, the Company has the support from the Group through the access to the Group cash pooling mechanism and can take actions to ensure business continuity through operational channels, as well as the ability to manage variable costs. On the basis of those considerations, the Directors believe that it remains appropriate to adopt the going concern basis of accounting in preparing the financial statements.

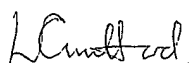
**GlaxoSmithKline Holdings (One) Limited**  
**(Registered number: 04230101)**

**Directors' report for the year ended 31 December 2022 (continued)**

**Independent auditor**

The auditor, Deloitte LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

On behalf of the Board



L Guittard  
Director  
28 July 2023

**GlaxoSmithKline Holdings (One) Limited**  
**(Registered number: 04230101)**

**Independent auditor's report to the members of GlaxoSmithKline Holdings (One) Limited**

**Report on the audit of the financial statements**

**Opinion**

In our opinion the financial statements of GlaxoSmithKline Holdings (One) Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at December 31, 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the income statement;
- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity;
- the related notes 1 to 15.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

**Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Independent auditor's report to the members of GlaxoSmithKline Holdings (One) Limited**  
**(continued)**

**Responsibilities of Directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and their directors about their own identification and assessment of the risks of irregularities including those that are specific to the company's business sector.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included General Data Protection requirements, Anti-bribery and corruption policy and the Foreign Corrupt Practices Act.

We discussed among the audit engagement team and the valuation specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.



**GlaxoSmithKline Holdings (One) Limited**  
**(Registered number: 04230101)**

**Independent auditor's report to the members of GlaxoSmithKline Holdings (One) Limited**  
**(continued)**

**Report on other legal and regulatory requirements**

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

**Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

The Company has passed a resolution in accordance with section 506 of the Companies Act that the senior statutory auditor's name should not be stated.



Deloitte LLP  
Statutory Auditor  
Reading, United Kingdom  
31 July 2023

**GlaxoSmithKline Holdings (One) Limited**  
**(Registered number: 04230101)**

**Income statement**  
**for the year ended 31 December 2022**

	Notes	2022 £'000	2021 £'000
Other operating expenses		(12)	(11)
<b>Operating loss</b>	<b>4</b>	<b>(12)</b>	<b>(11)</b>
<b>Loss before interest and taxation</b>		<b>(12)</b>	<b>(11)</b>
Finance income	<b>6</b>	<b>684</b>	<b>2</b>
Finance expense	<b>7</b>	<b>(1,795)</b>	<b>(327)</b>
Finance expense - net		<b>(1,111)</b>	<b>(325)</b>
<b>Loss before taxation</b>		<b>(1,123)</b>	<b>(336)</b>
Taxation	<b>8</b>	<b>213</b>	<b>64</b>
<b>Loss for the year</b>		<b>(910)</b>	<b>(272)</b>

The results disclosed above for both the current year and prior year relate entirely to continuing operations.

**GlaxoSmithKline Holdings (One) Limited**  
**(Registered number: 04230101)**

**Statement of other comprehensive income**  
**for the year ended 31 December 2022**

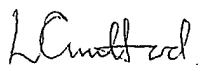
<b>Notes</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
<b>Loss for the year</b>	<b>(910)</b>	<b>(272)</b>
<b>Items that will not be reclassified to the income statement:</b>		
Fair value movements on financial assets at fair value through other comprehensive income	(5,760)	13,372
<b>Other comprehensive (loss)/ income for the year</b>	<b>(5,760)</b>	<b>13,372</b>
<b>Total comprehensive (loss)/ income for the year</b>	<b>(6,670)</b>	<b>13,100</b>

**GlaxoSmithKline Holdings (One) Limited**  
**(Registered number: 04230101)**

**Balance sheet**  
**as at 31 December 2022**

	Notes	2022 £'000	2021 £'000
<b>Non-current assets</b>			
Equity investment	9	124,680	130,440
Total Non current assets		124,680	130,440
<b>Current assets</b>			
Trade and other receivables	10	53,208	52,472
Corporation tax		213	64
Total current assets		53,421	52,536
<b>Total assets</b>		178,101	182,976
<b>Current liabilities</b>			
Trade and other payables	11	(121,025)	(119,230)
<b>Net current liabilities</b>		(67,604)	(66,694)
<b>Total assets less current liabilities</b>		57,076	63,746
<b>Net assets</b>		57,076	63,746
<b>Equity</b>			
Share capital	12	18,000	18,000
Other reserves	13	(89,750)	(83,990)
Retained earnings		128,826	129,736
<b>Shareholder's equity</b>		57,076	63,746

The financial statements on pages 8 to 19 were approved by the Board of Directors on 28 July 2023 and signed on its behalf by:



L Guittard  
Director

**GlaxoSmithKline Holdings (One) Limited**  
**(Registered number: 04230101)**

**Statement of changes in equity**  
**for the year ended 31 December 2022**

	Notes	Share capital £'000	Other reserves £'000	Retained earnings £'000	Total £'000
<b>At 1 January 2021</b>		18,000	(97,362)	130,008	50,646
Loss for the year		-	-	(272)	(272)
Other comprehensive income for the year	9	-	13,372	-	13,372
Total comprehensive income for the year		-	13,372	(272)	13,100
<b>At 31 December 2021</b>		<b>18,000</b>	<b>(83,990)</b>	<b>129,736</b>	<b>63,746</b>
Loss for the year		-	-	(910)	(910)
Other comprehensive loss for the year	9	-	(5,760)	-	(5,760)
Total comprehensive loss for the year		-	(5,760)	(910)	(6,670)
<b>At 31 December 2022</b>		<b>18,000</b>	<b>(89,750)</b>	<b>128,826</b>	<b>57,076</b>

**GlaxoSmithKline Holdings (One) Limited**  
**(Registered number: 04230101)**

**Notes to the financial statements for the year ended 31 December 2022**

**1 Presentation of the financial statements**

**General information**

The Company is a private Company limited by shares and is incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the registered office is 980 Great West Road, Brentford, Middlesex, TW8 9GS.

The principal activity of the Company is to act as an investment holding company.

**2 Summary of significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied, unless otherwise stated.

**(a) Basis of Preparation**

The financial statements have been prepared in accordance with Financial Reporting Standard 100 Application of Financial Reporting Requirements ("FRS 100") and Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

The Company has received a letter of support from GlaxoSmithKline Finance plc which confirms its intention to provide financial support for at least twelve months from the date of signing off the financial statements. As a result of continued financial support, the Directors of the Company are satisfied that the going concern basis remains appropriate.

These financial statements have been prepared on the going concern basis under the historical cost convention, as modified by the revaluation of equity investment designated as financial assets at fair value through other comprehensive income, and in accordance with the Companies Act 2006.

The financial statements are presented in Pounds Sterling which is the currency of the primary economic environment in which the Company operates.

**Going concern**

Having assessed the principal risks of the Company and other matters the Directors are of the opinion that the current level of activity remains sustainable. The Directors in their considerations have included the potential risks to asset valuations, including indicators of impairment and impacts on fair values. The Directors have taken into account that as part of the Group, the Company has the support from the Group through the access to the Group cash pooling mechanism and can take actions to ensure business continuity through operational channels, as well as the ability to manage variable costs. On the basis of those considerations, the Directors believe that it remains appropriate to adopt the going concern basis of accounting in preparing the financial statements.

**Notes to the financial statements for the year ended 31 December 2022**

**2 Summary of significant accounting policies (continued)**

**(a) Basis of preparation (continued)**

**Disclosure exemptions adopted**

In preparing these financial statements the Company has taken advantage of all disclosure exemptions conferred by FRS 101 to requirements set by the International Financial Reporting Standards (IFRS). Therefore these financial statements do not include:

- Paragraphs 45(b) and 46 to 52 of IFRS 2, 'Share-based payments' (details of the number and weighted-average exercise prices of share options, and how the fair value of goods or services received was determined);
- The requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3, 'Business Combinations';
- The requirements of paragraph 33(c) of IFRS 5, 'Non-current Assets Held for Sale and Discontinued Operations';
- IFRS 7, 'Financial instruments: disclosures';
- The requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15, 'Revenue from Contracts with Customers';
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities);
- Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of:
  - (i) paragraph 79(a) (iv) of IAS 1;
  - (ii) paragraph 73(e) of IAS 16, 'Property, plant and equipment';
  - (iii) paragraph 118(e) of IAS 38, 'Intangible assets' (reconciliations between the carrying amount at the beginning and end of the period);
  - (iv) paragraph 76 and 79(d) of IAS 40, 'Investment property'; and
- The following paragraphs of IAS 1, 'Presentation of financial statements':
  - 10(d), (statement of cash flows),
  - 10(f) (a balance sheet as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or make a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements),
  - 16 (statement of compliance with all IFRS),
  - 38A (requirements for minimum of two primary statements, including cash flow statements),
  - 38B-D (additional comparative information),
  - 40A-D (requirements for a third balance sheet),
  - 111 (cash flow statement information), and
  - 134 - 136 (capital management disclosures).
- IAS 7, 'Statement of cash flows';
- The requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16, 'Leases';
- The requirements of paragraph 58 of IFRS 16, provided that the disclosure of details of indebtedness required by paragraph 61(1) of Schedule 1 to the Regulations is presented separately for lease liabilities and other liabilities, and in total;
- Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective);
- Paragraph 17 and 18A of IAS 24, 'Related party disclosures' (key management compensation);
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more wholly owned members of a group; and
- The requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e) of IAS 36, 'Impairment of Assets'.

The financial statements of GSK plc can be obtained as described in note 2(b).

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

**Notes to the financial statements for the year ended 31 December 2022**

**2 Summary of significant accounting policies (continued)**

**(b) Consolidation**

The Company is a wholly owned subsidiary of the ultimate parent company and as such has taken advantage of the exemption from preparing group financial statements under section 400 of the Companies Act 2006. It has also met all of the exemption conditions under section 400 of the Companies Act 2006. GSK plc, a company registered in United Kingdom (England), is the Company's ultimate and immediate parent undertaking and controlling party. The largest and smallest group of undertakings for which group financial statements are prepared and which include the results of the Company are the consolidated financial statements of GSK plc. Copies of the consolidated financial statements can be obtained from the Company Secretary, GSK plc, 980 Great West Road, Brentford, Middlesex, TW8 9GS. The immediate parent undertaking is GSK plc. These financial statements are separate financial statements.

**(c) Foreign currency transactions**

Foreign currency transactions are booked in the functional currency of the Company at the exchange rate ruling on the date of the transaction. Foreign currency monetary assets and liabilities are translated into the functional currency at rates of exchange ruling at the balance sheet date. Exchange differences are included in the income statement. The functional and presentation currency of the Company is Pounds Sterling.

**(d) Expenditure**

Expenditure is recognised in respect of services received when supplied in accordance with contractual terms.

**(e) Dividends received**

Interim dividends received are included in the income statement in the year in which the right to receive the payment is established. Dividends in specie are recognised at their fair value at the date of receipt.

**(f) Finance income and expense**

Finance income and expenses are recognised on an accruals basis using the effective interest method.

**(g) Financial assets**

Financial assets are measured at amortised cost, fair value through other comprehensive income ('FVTOCI') or fair value through profit or loss ('FVTPL'). The measurement basis is determined by reference to both the business model for managing the financial asset and the contractual cash flow characteristics of the financial asset.

The Company has elected to designate equity investments as measured at FVTOCI. They are initially recorded at fair value plus transaction costs and then remeasured at subsequent reporting dates to fair value. Unrealised gains and losses are recognised in other comprehensive income. On disposal of the equity investment, gains and losses that have been deferred in other comprehensive income are transferred directly to retained earnings.

Dividends on equity investments and distributions from funds are recognised in the income statement when the Company's right to receive payment is established. Purchases and sales of equity investments are accounted for on the trade date.

**(h) Trade and other receivables**

Trade and other receivables are carried at original invoice amount less allowance for expected credit losses. Expected credit losses are calculated in accordance with the approaches permitted by IFRS 9. For trade receivables, the simplified approach is used by using a provision matrix applying lifetime historical credit loss experience to the trade receivables. The expected credit loss rate varies depending on whether and the extent to which settlement of the trade receivables is overdue and it is also adjusted as appropriate to reflect current economic conditions and estimates of future conditions. For the purpose of determining credit loss rates, customers are classified into groupings that have similar loss patterns. The key drivers of the loss rate are the nature of the business unit and the location and type of customer.



**Notes to the financial statements for the year ended 31 December 2022**

**2 Summary of significant accounting policies (continued)**

**(h) Trade and other receivables (continued)**

For other receivables, the general approach is used where the entity recognises the losses that are expected to result from all possible default events over the expected life of the receivable, when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the receivable has not increased significantly since initial recognition, the entity measures the expected loss allowance based on losses that are expected to result from default events that are possible within 12 months after the reporting date. When a trade and other receivable is determined to be uncollectable it is written off, firstly against any expected credit loss allowance available and then to the income statement.

Subsequent recoveries of amounts previously provided for are credited to the income statement. Long-term receivables are discounted where the effect is material.

**(i) Trade and other payables**

Trade and other payables are initially recognised at fair value and then held at amortised cost using the effective interest method. Long-term payables are discounted where the effect is material.

**(j) Taxation**

Current tax is provided at the amounts expected to be paid or refunded applying the rates that have been enacted or substantively enacted by the balance sheet date.

**(k) Share capital**

Ordinary shares are classified as equity.

**3 Critical accounting judgements and key sources of estimation uncertainty**

In preparing the financial statements, the Directors are required to make estimates and assumptions that affect the amounts of assets, liabilities, revenue and expenses reported in the financial statements. Actual amounts and results could differ from those estimates. The following are considered to be the key sources of estimation uncertainty made.

The Directors do not consider that there are any critical accounting judgements, apart from those involving estimations (which are dealt with separately below), that have been made in the process of applying the Company's accounting policies and that have had a significant effect on the amounts recognised in the financial statements.

**(a) Valuation of equity investment**

Estimation

The Company's investment is classified as an equity investment and consist entirely of a 10% holding of the ordinary share capital of GlaxoSmithKline Beteiligungs GmbH ("equity investment"), an unlisted company incorporated in Germany whose main activities are discovery, development, and delivery of medicines,

Management has estimated a fair value of the investment of £124,680,000 using a discounted future cash flow model. The fair value movements of the equity investment are accounted for in the fair value reserve. The assumptions relating to the future cash flows, growth rates and discount rates are based on business forecasts and are therefore inherently judgemental. Future events could cause the assumptions used in the cash flow model to change which would result in a movement in the asset's fair value in the next accounting period. The decrease in fair value recognised during the year was £5,760,000 (2021: increase of £13,372,000). Sensitivity analysis is provided in note 9, Equity investment.

**GlaxoSmithKline Holdings (One) Limited**  
**(Registered number: 04230101)**

**Notes to the financial statements for the year ended 31 December 2022**

**4 Operating loss**

	<b>2022</b>	2021
	<b>£'000</b>	£'000
<b>The following items have been charged in operating loss:</b>		
Management fee	<b>12</b>	11

GlaxoSmithKline Services Unlimited provides various services and facilities to the Company including finance and administrative services for which a management fee of £11,726 (2021: £11,380) is charged. Included in the management fee is a charge for auditor's remuneration of £5,000 (2021: £4,800).

**5 Employees**

All UK employees are remunerated by GlaxoSmithKline Services Unlimited and receive no remuneration from the Company. A management fee is charged by GlaxoSmithKline Services Unlimited for services provided to the Company (see note 4). The Company has no employees (2021: nil).

**6 Finance income**

	<b>2022</b>	2021
	<b>£'000</b>	£'000
On loans with Group undertakings	<b>684</b>	2

**7 Finance expense**

	<b>2022</b>	2021
	<b>£'000</b>	£'000
On loans with Group undertakings	<b>(1,795)</b>	(327)

**8 Taxation**

	<b>2022</b>	2021
	<b>£'000</b>	£'000
<b>Income tax credit on loss</b>		
Current tax:		
UK corporation tax	<b>(213)</b>	(64)
Total current tax	<b>(213)</b>	(64)

**GlaxoSmithKline Holdings (One) Limited**  
**(Registered number: 04230101)**

**Notes to the financial statements for the year ended 31 December 2022**

**8 Taxation (continued)**

The tax assessed for the year is the same as (2021: same as) the standard rate of corporation tax in the UK for the year ended 31 December 2022 of 19% (2021: 19%). The differences are explained below:

	<b>2022</b>	2021
	<b>£'000</b>	£'000
<b>Reconciliation of total tax credit</b>		
<b>Loss on ordinary activities before tax</b>	<b>(1,123)</b>	(336)
Tax on ordinary activities at the UK standard rate 19% (2021: 19%)	<b>(213)</b>	(64)
Total tax credit for the year	<b>(213)</b>	(64)

Factors that may effect future tax rates:

An increase in the UK corporation rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. This will increase the Company's future current tax charge accordingly. There is no impact of this change as there are no instances of deferred taxation recognised in the statement of comprehensive income or directly in equity in the current year.

**9 Equity investment**

	<b>£'000</b>
<b>Cost</b>	
Cost as at 1 January 2021, 31 December 2021 and 31 December 2022	<b>214,430</b>
<b>Revaluation reserve</b>	
At 1 January 2021	<b>(97,362)</b>
Movement in the current year	<b>13,372</b>
At 31 December 2021	<b>(83,990)</b>
Movement in the current year	<b>(5,760)</b>
At 31 December 2022	<b>(89,750)</b>
Carrying value at 31 December 2021	<b>130,440</b>
Carrying value at 31 December 2022	<b>124,680</b>

**GlaxoSmithKline Holdings (One) Limited**  
**(Registered number: 04230101)**

**Notes to the financial statements for the year ended 31 December 2022**

**9 Equity investment (continued)**

The equity investment comprises of a 10% stake in GlaxoSmithKline Beteiligungs GmbH which is an unlisted entity. There is no movement in the cost of investment in this equity asset in the current year. There has been no change in the shareholding percentages of GlaxoSmithKline Beteiligungs GmbH.

The carrying value of the equity instrument has been calculated based on discounted future cash flows. See note 3 for further detail.

The revaluation movement in 2022 for the equity investment relates to the downward movement in the fair value of GlaxoSmithKline Beteiligungs GmbH of £5,760,000.

The Directors believe that the carrying value of the investment is supported by its underlying net assets and future cash flows.

**Sensitivity analysis:**

Future cash flows used to assess the fair value of investment are discounted in the range of 7.89% to 8.04%. The table below shows on an indicative basis the statement of comprehensive income and balance sheet sensitivity to reasonably possible changes in key inputs to the valuations of its equity investment:

<b>Increase/(decrease) in value of investment and gain/(loss) in the statement of other comprehensive income</b>	<b>2022</b>
	<b>£'000</b>
2% increase in sales forecasts	23,095
2% decrease in sales forecasts	(28,428)
1.5% increase in discount rate	(18,406)
1.5% decrease in discount rate	27,519

**10 Trade and other receivables**

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
<b>Amounts due within one year</b>		
Amounts owed by Group undertakings	53,208	52,472
	<b>53,208</b>	<b>52,472</b>

The amounts owed by Group undertakings are unsecured, interest free and are repayable on demand, except for call account balances with GlaxoSmithKline IHC Limited of £53,208,000 (2021: £52,472,000) with interest received at SONIA rate less 0.05% per annum (2021: LIBOR rate less 0.125% per annum up to 1 November 2021. From 1 November 2021, the interest rate changed to SONIA rate less 0.05% per annum).

**11 Trade and other payables**

	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
<b>Amounts falling due within one year</b>		
Amounts owed to Group undertakings	121,025	119,230
	<b>121,025</b>	<b>119,230</b>

Amounts owed to Group undertakings are unsecured, interest free and repayable on demand, except for a call account balance with GlaxoSmithKline Finance plc of £121,025,000 (2021: £119,230,000) which is unsecured and repayable on demand with interest paid at SONIA rate plus 0.1% per annum (2021: LIBOR rate plus 0.25% per annum up to 1 November 2021. From 1 November 2021, the interest rate changed to SONIA rate plus 0.1% per annum).

**GlaxoSmithKline Holdings (One) Limited**  
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**Notes to the financial statements for the year ended 31 December 2022**

**12 Share capital**

	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>	<b>£'000</b>	<b>£'000</b>
	<b>of shares</b>	<b>of shares</b>		
<b>Issued and fully paid</b>				
Ordinary Shares of £1 each (2021: £1 each)	<b>18,000,000</b>	18,000,000	<b>18,000</b>	18,000

**13 Other reserves**

	<b>Fair value reserve £'000</b>
At 1 January 2021	(97,362)
Net fair value movements on equity investment	13,372
At 31 December 2021	(83,990)
Net fair value movements on equity investment	(5,760)
At 31 December 2022	(89,750)

**14 Directors' remuneration**

During the year the Directors of the Company, with the exception of the Corporate Directors, were remunerated as executives of the Group and received no remuneration in respect of their services to the Company (2021: £nil). Corporate Directors received no remuneration during the year, either as executives of the Group or in respect of their services to the Company (2021: £nil).

**15 Related party transactions**

As a wholly owned subsidiary of the ultimate parent company, GSK plc, advantage has been taken of the exemption afforded by FRS 101 'Reduced disclosure framework' not to disclose any related party transactions with other wholly owned members of the Group, or information around remuneration of key management personnel compensation.