

## NEWS RELEASE

# Molson Coors Beverage Company Reports 2024 First Quarter Results

*Delivers First Quarter Top-Line Growth of 10.7% with Growth Across Both Business Units*

*First Quarter Income Before Income Taxes Increases 160.5%, while Underlying Income Before Income Taxes Increases 68.8% on a Constant Currency Basis*

*Reaffirms 2024 Full Year Guidance for Top-Line and Bottom-Line Growth*

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**Golden, Colorado and Montréal, Québec – April 30, 2024** – Molson Coors Beverage Company ("MCBC," "Molson Coors" or "the Company") (NYSE: TAP, TAP.A; TSX: TPX.A, TPX.B) today reported results for the 2024 first quarter.

## 2024 FIRST QUARTER FINANCIAL HIGHLIGHTS<sup>1</sup>

- Net sales increased 10.7% reported and 10.1% in constant currency.
- U.S. GAAP income before income taxes of \$265.4 million increased 160.5% reported.
- Underlying (Non-GAAP) income before income taxes of \$258.8 million improved 68.8% in constant currency.
- U.S. GAAP net income attributable to MCBC of \$207.8 million, \$0.97 per share on a diluted basis. Underlying (Non-GAAP) diluted earnings per share ("EPS") of \$0.95 per share increased 75.9%.

## CEO AND CFO PERSPECTIVES

The first quarter of 2024 was a strong start to the year for Molson Coors. Net sales grew 10.1% on a constant currency basis, while underlying income before income taxes increased 68.8% on a constant currency basis. Results were driven by both business units and were strongly supported by elevated demand and favorable shipment timing in the U.S., our largest market.

The quarterly performance underscores great progress against our Acceleration Plan. The strength of our core power brands led to double-digit brand volume growth for *Coors Light* and *Coors Banquet* and high single-digit brand volume growth for *Miller Lite* in the U.S. and double-digit brand volume growth for *Ožujsko* in Croatia. Our above premium portfolio, including both beer and beyond beer, benefited from continued growth from winning innovations like *Madri* in the U.K. and *Simply Spiked* in the U.S. and Canada.

The trajectory of the business has been improving for several years, we believe positioning us well to benefit from the accelerated demand for our core brands and to sustain our share gains in the U.S. In partnership with our distributors, we have demonstrated our ability to supply the elevated level of demand, to secure more shelf space in retail and more tap handles in the on-premise, and to successfully execute targeted commercial plans that promote trial and retention of consumers, among others.

Our significant progress has been achieved amidst industry softness in the U.S. and Canada so far this year. We remain confident in our business and our strategy but incrementally more cautious on the outlook for the industry this year given early April industry performance. Given this, we believe it prudent to reiterate our guidance for top and bottom-line growth in 2024.

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<sup>1</sup> See Appendix for definitions and reconciliations of non-GAAP financial measures including constant currency.



Gavin Hattersley, President and Chief Executive Officer Statement:

"After back-to-back years of delivering on our growth objectives, we continued that momentum in the first quarter of 2024 with double-digit top and bottom-line growth. We believe our strategy is working and we remain committed to achieving growth in 2024 and in the years to come."



Tracey Joubert, Chief Financial Officer Statement:

"Strong America's volume and favorable net pricing across both business units resulted in double-digit top-line growth while volume leverage and ongoing cost savings drove meaningful margin expansion in the quarter. We achieved this all while continuing to invest in our business and returning over \$200 million to shareholders through a quarterly cash dividend and share repurchases."

## CONSOLIDATED PERFORMANCE - FIRST QUARTER 2024

(\$ in millions, except per share data) (Unaudited)	For the Three Months Ended				
	March 31, 2024	March 31, 2023	Reported Increase (Decrease)	Foreign Exchange Impact	Constant Currency Increase (Decrease) <sup>(1)</sup>
Net sales	\$ 2,596.4	\$ 2,346.3	10.7 %	\$ 12.6	10.1 %
U.S. GAAP income (loss) before income taxes	\$ 265.4	\$ 101.9	160.5 %	\$ (7.6)	167.9 %
Underlying income (loss) before income taxes <sup>(1)</sup>	\$ 258.8	\$ 157.8	64.0 %	\$ (7.5)	68.8 %
U.S. GAAP net income (loss) <sup>(2)</sup>	\$ 207.8	\$ 72.5	186.6 %		
Per diluted share	\$ 0.97	\$ 0.33	193.9 %		
Underlying net income (loss) <sup>(1)</sup>	\$ 202.8	\$ 116.3	74.4 %		
Per diluted share	\$ 0.95	\$ 0.54	75.9 %		
Financial volume <sup>(3)</sup>	17.974	17.006	5.7 %		
Brand volume <sup>(3)</sup>	16.899	16.181	4.4 %		

(1) Represents income (loss) before income taxes and net income (loss) attributable to MCBC adjusted for non-GAAP items. See Appendix for definitions and reconciliations of non-GAAP financial measures including constant currency.

(2) Net income (loss) attributable to MCBC.

(3) See Worldwide and Segmented Brand and Financial Volume in the Appendix for definitions of financial volume and brand volume as well as the reconciliation from financial volume to brand volume.

## QUARTERLY CONSOLIDATED HIGHLIGHTS (VERSUS FIRST QUARTER 2023 RESULTS)

- **Net sales:** The following table highlights the drivers of the change in net sales for the three months ended March 31, 2024 compared to March 31, 2023 (in percentages):

Net Sales Drivers (unaudited)	
Financial volume	5.7%
Price and sales mix	4.4%
Currency	0.6%
Total consolidated net sales	10.7%

Net sales increased 10.7% driven by higher financial volumes, favorable price and sales mix and favorable foreign currency impacts. Net sales increased 10.1% in constant currency.

Financial volumes increased 5.7%, primarily due to higher financial volumes in the Americas segment. Brand volumes increased 4.4% due to a 5.3% increase in the Americas as well as a 1.9% increase in EMEA&APAC.

Price and sales mix favorably impacted net sales by 4.4% primarily due to increased net pricing as well as favorable sales mix as a result of lower contract brewing volume in the Americas segment.

- Cost of goods sold ("COGS"):** increased 3.6% on a reported basis, primarily due to higher financial volumes and unfavorable foreign currency impacts, partially offset by lower COGS per hectoliter. **COGS per hectoliter:** improved 1.9% on a reported basis, including unfavorable foreign currency impacts of 0.6%, primarily due to favorable changes to our unrealized mark-to-market derivative positions of \$52.6 million, the benefits of cost savings and volume leverage, partially offset by cost inflation related to materials and manufacturing expenses and unfavorable mix driven by lower contract brewing volumes in the Americas segment. **Underlying COGS per hectoliter:** increased 0.9% in constant currency, primarily due to cost inflation related to materials and manufacturing expenses and unfavorable mix driven by lower contract brewing volumes in the Americas segment, partially offset by cost savings and volume leverage.
- Marketing, general & administrative ("MG&A"):** increased 6.4% on a reported basis, primarily due to increased marketing investment to support our brands and innovations and unfavorable foreign currency impacts. **Underlying MG&A:** increased 6.4% in constant currency.
- U.S. GAAP income (loss) before income taxes:** U.S. GAAP income before income taxes improved 160.5% on a reported basis, primarily due to higher financial volume, increased net pricing, the favorable changes to our unrealized mark-to-market derivative positions and favorable sales mix, partially offset by cost inflation related to materials and manufacturing expenses and higher MG&A expense.
- Underlying income (loss) before income taxes:** Underlying income before income taxes improved 68.8% in constant currency, primarily due to higher financial volume, increased net pricing and favorable sales mix, partially offset by cost inflation related to materials and manufacturing expenses and higher MG&A expense.

## QUARTERLY SEGMENT HIGHLIGHTS (VERSUS FIRST QUARTER 2023 RESULTS)

### Americas Segment

The following table highlights the Americas segment results for the three months ended March 31, 2024 compared to March 31, 2023.

Americas Segment Results (unaudited)	Q1 2024	Q1 2023	Reported		Constant Currency % Change <sup>(2)</sup>
			% Change	FX Impact	
Net sales <sup>(1)</sup>	\$ 2,145.4	\$ 1,939.0	10.6	\$ 0.8	10.6
Income (loss) before income taxes <sup>(1)</sup>	\$ 320.6	\$ 233.4	37.4	\$ (1.3)	37.9
Underlying income (loss) before income taxes <sup>(1)(2)</sup>	\$ 321.1	\$ 233.9	37.3	\$ (1.3)	37.8

The reported percent change and the constant currency percent change in the above table are presented as (unfavorable) favorable.

- Includes gross inter-segment volumes, sales and purchases, which are eliminated in the consolidated totals.
- Represents income (loss) before taxes adjusted for non-GAAP items. See Appendix for definitions and reconciliations of non-GAAP financial measures including constant currency.

- Net sales:** The following table highlights the drivers of the change in net sales for the three months ended March 31, 2024 compared to March 31, 2023 (in percentages):

Net Sales Drivers (unaudited)	
Financial volume	7.5%
Price and sales mix	3.1%
Currency	—%
<b>Total Americas net sales</b>	<b>10.6%</b>

Net sales increased 10.6% driven by higher financial volumes and favorable price and sales mix.

Financial volumes increased 7.5% primarily due to an increase in U.S. volumes driven by volume growth in our core brands, partially offset by lower contract brewing volume. The increase in U.S. volume was impacted by the continued shifts in consumer purchasing behavior largely within the premium beer segment. In addition, our U.S. volume sales to wholesalers exceeded our sales to retailers in the quarter by 750,000 hectoliters driven by the accelerated building of distributor inventory levels to support the peak summer selling season and to mitigate the impact of the Fort Worth brewery strike that commenced in mid-February 2024. Americas brand volumes increased 5.3%, including a 5.8% increase in the U.S. primarily due to growth in our core brands, with *Coors Light* and *Coors Banquet* each up double digits, and *Miller Lite* up high single digits. Canada brand volumes increased 3.6% driven by growth in our above premium brands.

Price and sales mix favorably impacted net sales by 3.1% primarily due to favorable impacts from both increased net pricing and sales mix. Favorable sales mix was due to lower contract brewing volume in the U.S.

- U.S. GAAP and Underlying income (loss) before income taxes:** U.S. GAAP income before income taxes improved 37.4% on a reported basis and underlying income before income taxes improved 37.8% in constant currency, primarily due to higher financial volumes, increased net pricing, favorable sales mix and cost savings initiatives, partially offset by cost inflation related to materials and manufacturing expenses as well as higher MG&A expense. Higher MG&A spend was primarily due to increased marketing investment to support our brands and innovations.

### EMEA&APAC Segment

The following table highlights the EMEA&APAC segment results for the three months ended March 31, 2024 compared to March 31, 2023.

EMEA&APAC Segment Results (unaudited)	Q1 2024	Q1 2023	Reported % Change	FX Impact	Constant Currency % Change <sup>(2)</sup>
Net sales <sup>(1)</sup>	\$ 454.7	\$ 410.1	10.9	\$ 11.8	8.0
Income (loss) before income taxes <sup>(1)</sup>	\$ (11.0)	\$ (25.4)	56.7	\$ (1.9)	64.2
Underlying income (loss) before income taxes <sup>(1)(2)</sup>	\$ (17.3)	\$ (21.8)	20.6	\$ (1.7)	28.4

The reported percent change and the constant currency percent change in the above table are presented as (unfavorable) favorable.

- Includes gross inter-segment volumes, sales and purchases, which are eliminated in the consolidated totals.
- Represents income (loss) before taxes adjusted for non-GAAP items. See Appendix for definitions and reconciliations of non-GAAP financial measures including constant currency.

- Net sales:** The following table highlights the drivers of the change in net sales for the three months ended March 31, 2024 compared to March 31, 2023 (in percentages):

Net Sales Drivers (unaudited)	
Financial volume	(0.2%)
Price and sales mix	8.2%
Currency	2.9%
Total EMEA&APAC net sales	10.9%

Net sales increased 10.9% driven by favorable price and sales mix as well as favorable foreign currency impacts, partially offset by slightly unfavorable financial volumes. Net sales increased 8.0% in constant currency.

Financial volumes slightly decreased 0.2% due to lower volumes in Western Europe impacted by challenges in the U.K. off-premise, partially offset by increased volumes in Central and Eastern Europe as inflation pressures ease for this market. Brand volumes increased 1.9% primarily due to increased volumes in Central and Eastern Europe as a result of easing inflationary pressures on the consumer, partially offset by lower volumes in Western Europe.

Price and sales mix favorably impacted net sales by 8.2% primarily due to increased net pricing to customers and favorable sales mix driven by premiumization.

- **U.S. GAAP and Underlying income (loss) before income taxes:** U.S. GAAP loss before income taxes improved 56.7% on a reported basis and underlying loss before income taxes improved 28.4% in constant currency, primarily due to increased net pricing to customers and favorable sales mix, partially offset by higher MG&A expense. Higher MG&A spend was primarily due to increased marketing to support our brands and innovations as well as cost inflation and unfavorable foreign currency impacts.

## CASH FLOW AND LIQUIDITY HIGHLIGHTS

- **U.S. GAAP cash from operations:** net cash provided by operating activities was \$25.4 million for the three months ended March 31, 2024 which increased \$22.0 million compared to the prior year, primarily due to higher net income and lower interest paid, partially offset by the unfavorable timing of working capital. The unfavorable timing of working capital was primarily driven by the timing of cash receipts on trade receivables as well as higher payments for prior year annual incentive compensation.
- **Underlying free cash flow:** cash used of \$188.6 million for the three months ended March 31, 2024 which represents an increase in cash used of \$14.9 million from the prior year, was primarily due to higher capital expenditures driven by the timing of capital projects partially offset by higher net cash provided by operating activities.
- **Debt:** Total debt as of March 31, 2024 was \$6,217.7 million and cash and cash equivalents totaled \$458.4 million, resulting in net debt of \$5,759.3 million and a net debt to underlying EBITDA ratio of 2.29x. As of March 31, 2023, our net debt to underlying EBITDA ratio was 2.98x.
- **Dividends:** On February 13, 2024, our Company's Board of Directors declared a cash dividend of \$0.44 per share, a CAD equivalent equal to CAD 0.59 per share, paid on March 15, 2024, to eligible shareholders of record on March 1, 2024. On February 20, 2023, our Company's Board of Directors declared a cash dividend of \$0.41 per share, a CAD equivalent equal to CAD 0.55 per share, paid on March 17, 2023, to eligible shareholders of record on March 3, 2023.
- **Share Repurchase Program:** For the three months ended March 31, 2024, we repurchased 1,760,115 shares under the share repurchase program, which was approved on September 29, 2023, through a combination of open market purchases and Rule 10b5-1 trading arrangements for an aggregate value of \$111.2 million, including brokerage commissions and excise taxes. For the three months ended March 31, 2023, we repurchased 275,000 shares under the share repurchase program approved on February 17, 2022 for an aggregate value of \$14.6 million, including brokerage commissions and excise taxes.

## OTHER RESULTS

### Tax Rates Table

<i>(Unaudited)</i>	For the Three Months Ended	
	March 31, 2024	March 31, 2023
U.S. GAAP effective tax rate	21%	28%
Underlying effective tax rate <sup>(1)</sup>	21%	26%

(1) See Appendix for definitions and reconciliations of non-GAAP financial measures.

- The decrease in our first quarter **U.S. GAAP effective tax rate and Underlying effective tax rate** was primarily due to the impact of discrete tax. We recognized a \$5.7 million GAAP discrete tax benefit in the three months ended March 31, 2024 compared to \$7.5 million of GAAP discrete tax expense in the prior year.

## 2024 OUTLOOK

We continue to expect to achieve the following key financial targets for full year 2024:

- **Net Sales:** low single-digit increase versus 2023 on a constant currency basis.
- **Underlying income (loss) before income taxes:** mid single-digit increase compared to 2023 on a constant currency basis.
- **Underlying diluted earnings per share:** mid single-digit increase compared to 2023.

- **Capital expenditures:** \$750 million incurred, plus or minus 5%.
- **Underlying free cash flow:** \$1.2 billion, plus or minus 10%.
- **Underlying depreciation and amortization:** \$700 million, plus or minus 5%.
- **Consolidated net interest expense:** \$210 million, plus or minus 5%.
- **Underlying effective tax rate:** in the range of 23% to 25% for 2024.

These targets are based on the following key considerations:

- U.S. brand volume is expected to outpace domestic shipment volume during the remaining three quarters of 2024. For perspective, first quarter of 2024 U.S. volume sales to wholesalers exceeded volume sales to retailers by over 750,000 hectoliters, while in the first quarter of 2023, this difference was only approximately 100,000 hectoliters.
- The wind down of a contract brewing agreement leading up to the termination by the end of 2024 is expected to result in a reduction in Americas' financial volume by 1.6 million hectoliters for the balance of the year.
- Underlying COGS per hectoliter are expected to be higher in full year 2024 as compared to full year 2023. This is due to expected continued, albeit moderating inflation, mix impacts from premiumization and a lower volume leverage impact as compared to full year 2023 and the first quarter of 2024.
- MG&A expense for full year 2024 is expected to be relatively flat to full year 2023.

## NOTES

Unless otherwise indicated in this release, all \$ amounts are in U.S. Dollars, and all quarterly comparative results are for the Company's first quarter ended March 31, 2024 compared to the first quarter ended March 31, 2023. Some numbers may not sum due to rounding.

## CONTACTS

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## 2024 FIRST QUARTER INVESTOR CONFERENCE CALL

Molson Coors Beverage Company will conduct an earnings conference call with financial analysts and investors at 11:00 a.m. Eastern Time today to discuss the Company's 2024 first quarter results. The live webcast will be accessible via our website, [ir.molsoncoors.com](http://ir.molsoncoors.com). An online replay of the webcast will be available until 11:59 p.m. Eastern Time on August 5, 2024. The Company will post this release and related financial statements on its website today.

## OVERVIEW OF MOLSON COORS BEVERAGE COMPANY

For more than two centuries, Molson Coors Beverage Company has been brewing beverages that unite people to celebrate all life's moments. From our core power brands *Coors Light*, *Miller Lite*, *Coors Banquet*, *Molson Canadian*, *Carling* and *Ožujsko* to our above premium brands including *Madri*, *Staropramen*, *Blue Moon Belgian White* and *Leinenkugel's Summer Shandy*, to our economy and value brands like *Miller High Life* and *Keystone*, we produce many beloved and iconic beer brands. While our Company's history is rooted in beer, we offer a modern portfolio that expands beyond the beer aisle as well, including flavored beverages like *Vizy Hard Seltzer*, spirits like *Five Trail* whiskey as well as non-alcoholic beverages. As a business, our ambition is to be the first choice for our people, our consumers and our customers, and our success depends on our ability to make our products available to meet a wide range of consumer segments and occasions.

Our reporting segments include: Americas, operating in the U.S., Canada and various countries in the Caribbean, Latin and South America; and EMEA&APAC, operating in Bulgaria, Croatia, Czech Republic, Hungary, Montenegro, the Republic of Ireland, Romania, Serbia, the U.K., various other European countries, and certain countries within the Middle East, Africa and Asia Pacific. In addition to our reporting segments, we also have certain activity that is not allocated to our reporting segments and reported as "Unallocated", which primarily includes financing-related costs such as interest expense and income, foreign exchange gains and losses on intercompany balances and realized and unrealized changes in fair value on instruments not designated in hedging relationships related to financing and other treasury-related activities and the unrealized changes in fair value on our commodity swaps not designated in hedging relationships recorded within cost of goods sold, which are later reclassified when realized to the segment in which the underlying exposure resides. Additionally, only the service cost component of net periodic pension and OPEB cost is reported within each operating segment, and all other components remain in Unallocated.

Our Imprint strategy is focused on People & Planet initiatives that support our commitment to raising industry standards and leaving a positive imprint on our employees, consumers, communities and the environment. To learn more about Molson Coors Beverage Company, visit [molsoncoors.com](https://molsoncoors.com), [MolsonCoorsOurImprint.com](https://MolsonCoorsOurImprint.com) or on X (formerly Twitter) through [@MolsonCoors](https://twitter.com/MolsonCoors).

## **ABOUT MOLSON COORS CANADA INC.**

Molson Coors Canada Inc. ("MCCI") is a subsidiary of Molson Coors Beverage Company. MCCI Class A and Class B exchangeable shares offer substantially the same economic and voting rights as the respective classes of common shares of MCBC, as described in MCBC's annual proxy statement and Form 10-K filings with the U.S. Securities and Exchange Commission. The trustee holder of the special Class A voting stock and the special Class B voting stock has the right to cast a number of votes equal to the number of then outstanding Class A exchangeable shares and Class B exchangeable shares, respectively.

## **FORWARD-LOOKING STATEMENTS**

This press release includes "forward-looking statements" within the meaning of the U.S. federal securities laws. Generally, the words "expects," "intend," "goals," "plans," "believes," "continues," "may," "anticipate," "seek," "estimate," "outlook," "trends," "future benefits," "potential," "projects," "strategies," "implies," and variations of such words and similar expressions are intended to identify forward-looking statements. Statements that refer to projections of our future financial performance, our anticipated growth and trends in our businesses, and other characterizations of future events or circumstances are forward-looking statements, and include, but are not limited to, statements under the headings "CEO and CFO Perspectives" and "2024 Outlook," with respect to, among others, expectations of cost inflation, limited consumer disposable income, consumer preferences, overall volume and market share trends, pricing trends, industry forces, cost reduction strategies, shipment levels and profitability, the sufficiency of capital resources, anticipated results, expectations for funding future capital expenditures and operations, effective tax rate, debt service capabilities, timing and amounts of debt and leverage levels, Preserving the Planet and related initiatives and expectations regarding future dividends and share repurchases. In addition, statements that we make in this press release that are not statements of historical fact may also be forward-looking statements.

Although the Company believes that the assumptions upon which its forward-looking statements are based are reasonable, it can give no assurance that these assumptions will prove to be correct. Important factors that could cause actual results to differ materially from the Company's historical experience, and present projections and expectations are disclosed in the Company's filings with the Securities and Exchange Commission ("SEC"), including the risks discussed in our filings with the SEC, including our most recent Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q. All forward-looking statements in this press release are expressly qualified by such cautionary statements and by reference to the underlying assumptions. You should not place undue reliance on forward-looking statements, which speak only as of the date they are made. We do not undertake to update forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

## **MARKET AND INDUSTRY DATA**

The market and industry data used, if any, in this press release are based on independent industry publications, customer specific data, trade or business organizations, reports by market research firms and other published statistical information from third parties, including Circana (formerly Information Resources, Inc.) for U.S. market data and Beer Canada for Canadian market data (collectively, the “Third Party Information”), as well as information based on management’s good faith estimates, which we derive from our review of internal information and independent sources. Such Third Party Information generally states that the information contained therein or provided by such sources has been obtained from sources believed to be reliable.



**STATEMENTS OF OPERATIONS - MOLSON COORS BEVERAGE COMPANY AND SUBSIDIARIES**
**Condensed Consolidated Statements of Operations**

<i>(In millions, except per share data) (Unaudited)</i>	<b>For the Three Months Ended</b>	
	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Sales	\$ 3,049.3	\$ 2,774.8
Excise taxes	(452.9)	(428.5)
Net sales	2,596.4	2,346.3
Cost of goods sold	(1,632.9)	(1,575.6)
Gross profit	963.5	770.7
Marketing, general and administrative expenses	(654.6)	(615.0)
Other operating income (expense), net	6.3	(0.5)
Equity income (loss)	(0.9)	3.0
Operating income (loss)	314.3	158.2
Interest income (expense), net	(48.4)	(59.1)
Other pension and postretirement benefits (costs), net	7.4	2.6
Other non-operating income (expense), net	(7.9)	0.2
Income (loss) before income taxes	265.4	101.9
Income tax benefit (expense)	(55.5)	(28.7)
Net income (loss)	209.9	73.2
Net (income) loss attributable to noncontrolling interests	(2.1)	(0.7)
Net income (loss) attributable to MCBC	<u>\$ 207.8</u>	<u>\$ 72.5</u>
Basic net income (loss) attributable to MCBC per share	\$ 0.98	\$ 0.33
Diluted net income (loss) attributable to MCBC per share	\$ 0.97	\$ 0.33
Weighted average shares outstanding - basic	212.7	216.5
Weighted average shares outstanding - diluted	214.2	217.3
Dividends per share	\$ 0.44	\$ 0.41

## BALANCE SHEETS - MOLSON COORS BEVERAGE COMPANY AND SUBSIDIARIES

### Condensed Consolidated Balance Sheets

<i>(In millions, except par value) (Unaudited)</i>	As of	
	March 31, 2024	December 31, 2023
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 458.4	\$ 868.9
Trade receivables, net	894.1	757.8
Other receivables, net	122.1	121.6
Inventories, net	870.9	802.3
Other current assets, net	331.5	297.9
Total current assets	2,677.0	2,848.5
Property, plant and equipment, net	4,443.0	4,444.5
Goodwill	5,321.3	5,325.3
Other intangibles, net	12,472.3	12,614.6
Other assets	1,158.7	1,142.2
Total assets	<u>\$ 26,072.3</u>	<u>\$ 26,375.1</u>
<b>Liabilities and equity</b>		
Current liabilities		
Accounts payable and other current liabilities	\$ 2,957.5	\$ 3,180.8
Current portion of long-term debt and short-term borrowings	905.5	911.8
Total current liabilities	3,863.0	4,092.6
Long-term debt	5,312.2	5,312.1
Pension and postretirement benefits	459.3	465.8
Deferred tax liabilities	2,706.8	2,697.2
Other liabilities	372.8	372.3
Total liabilities	12,714.1	12,940.0
Redeemable noncontrolling interest	27.3	27.9
Molson Coors Beverage Company stockholders' equity		
Capital stock		
Preferred stock, \$0.01 par value (authorized: 25.0 shares; none issued)	—	—
Class A common stock, \$0.01 par value (authorized: 500.0 shares; issued and outstanding: 2.6 shares and 2.6 shares, respectively)	—	—
Class B common stock, \$0.01 par value (authorized: 500.0 shares; issued: 213.2 shares and 212.5 shares, respectively)	2.1	2.1
Class A exchangeable shares, no par value (issued and outstanding: 2.7 shares and 2.7 shares, respectively)	100.8	100.8
Class B exchangeable shares, no par value (issued and outstanding: 9.4 shares and 9.4 shares, respectively)	352.3	352.3
Paid-in capital	7,106.9	7,108.4
Retained earnings	7,597.4	7,484.3
Accumulated other comprehensive income (loss)	(1,192.6)	(1,116.3)
Class B common stock held in treasury at cost (15.7 shares and 13.9 shares, respectively)	(846.8)	(735.6)
Total Molson Coors Beverage Company stockholders' equity	13,120.1	13,196.0
Noncontrolling interests	210.8	211.2
Total equity	13,330.9	13,407.2
Total liabilities and equity	<u>\$ 26,072.3</u>	<u>\$ 26,375.1</u>

## CASH FLOW STATEMENTS - MOLSON COORS BEVERAGE COMPANY AND SUBSIDIARIES

### Condensed Consolidated Statements of Cash Flows

<i>(In millions) (Unaudited)</i>	<b>For the Three Months Ended</b>	
	<b>March 31, 2024</b>	<b>March 31, 2023</b>
<b>Cash flows from operating activities</b>		
Net income (loss) including noncontrolling interests	\$ 209.9	\$ 73.2
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities		
Depreciation and amortization	169.0	171.5
Amortization of debt issuance costs and discounts	1.3	1.5
Share-based compensation	12.8	9.8
(Gain) loss on sale or impairment of property, plant, equipment and other assets, net	(5.8)	(2.5)
Unrealized (gain) loss on foreign currency fluctuations and derivative instruments, net	6.3	52.5
Equity (income) loss	0.9	(3.0)
Income tax (benefit) expense	55.5	28.7
Income tax (paid) received	(9.3)	(10.0)
Interest expense, excluding amortization of debt issuance costs and discounts	54.1	59.7
Interest paid	(73.6)	(80.4)
Change in current assets and liabilities and other	(395.7)	(297.6)
Net cash provided by (used in) operating activities	<u>25.4</u>	<u>3.4</u>
<b>Cash flows from investing activities</b>		
Additions to property, plant and equipment	(214.7)	(181.4)
Proceeds from sales of property, plant, equipment and other assets	1.7	4.6
Other	0.5	(0.6)
Net cash provided by (used in) investing activities	<u>(212.5)</u>	<u>(177.4)</u>
<b>Cash flows from financing activities</b>		
Dividends paid	(96.8)	(89.5)
Payments for purchases of treasury stock	(113.6)	(14.6)
Payments on debt and borrowings	(1.6)	(1.6)
Proceeds on debt and borrowings	—	3.0
Other	(4.2)	0.2
Net cash provided by (used in) financing activities	<u>(216.2)</u>	<u>(102.5)</u>
Effect of foreign exchange rate changes on cash and cash equivalents	(7.2)	4.7
Net increase (decrease) in cash and cash equivalents	(410.5)	(271.8)
Balance at beginning of year	868.9	600.0
Balance at end of period	<u>\$ 458.4</u>	<u>\$ 328.2</u>

## SUMMARIZED SEGMENT RESULTS (hectoliter volume and \$ in millions) (Unaudited)

Americas	Q1 2024	Q1 2023	Reported % Change	FX Impact	Constant Currency % Change <sup>(3)</sup>
Net sales <sup>(1)</sup>	\$ 2,145.4	\$ 1,939.0	10.6	\$ 0.8	10.6
COGS <sup>(1)(2)</sup>	\$ (1,315.5)	\$ (1,223.7)	(7.5)		
MG&A	\$ (506.7)	\$ (484.7)	(4.5)		
Income (loss) before income taxes	\$ 320.6	\$ 233.4	37.4	\$ (1.3)	37.9
Underlying income (loss) before income taxes <sup>(3)</sup>	\$ 321.1	\$ 233.9	37.3	\$ (1.3)	37.8
Financial volume <sup>(1)(4)</sup>	13.910	12.936	7.5		
Brand volume	12.891	12.246	5.3		
EMEA&APAC	Q1 2024	Q1 2023	Reported % Change	FX Impact	Constant Currency % Change <sup>(3)</sup>
Net sales <sup>(1)</sup>	\$ 454.7	\$ 410.1	10.9	\$ 11.8	8.0
COGS <sup>(1)(2)</sup>	\$ (321.6)	\$ (304.0)	(5.8)		
MG&A	\$ (147.9)	\$ (130.3)	(13.5)		
Income (loss) before income taxes	\$ (11.0)	\$ (25.4)	56.7	\$ (1.9)	64.2
Underlying income (loss) before income taxes <sup>(3)</sup>	\$ (17.3)	\$ (21.8)	20.6	\$ (1.7)	28.4
Financial volume <sup>(1)(4)</sup>	4.064	4.071	(0.2)		
Brand volume	4.008	3.935	1.9		
Unallocated & Eliminations	Q1 2024	Q1 2023	Reported % Change	FX Impact	Constant Currency % Change <sup>(3)</sup>
Net sales	\$ (3.7)	\$ (2.8)	(32.1)		
COGS <sup>(2)</sup>	\$ 4.2	\$ (47.9)	N/M		
Income (loss) before income taxes	\$ (44.2)	\$ (106.1)	58.3	\$ (4.4)	62.5
Underlying income (loss) before income taxes <sup>(3)</sup>	\$ (45.0)	\$ (54.3)	17.1	\$ (4.5)	25.4
Financial volume	—	(0.001)	N/M		
Consolidated	Q1 2024	Q1 2023	Reported % Change	FX Impact	Constant Currency % Change <sup>(3)</sup>
Net sales	\$ 2,596.4	\$ 2,346.3	10.7	\$ 12.6	10.1
COGS	\$ (1,632.9)	\$ (1,575.6)	(3.6)		
MG&A	\$ (654.6)	\$ (615.0)	(6.4)		
Income (loss) before income taxes	\$ 265.4	\$ 101.9	160.5	\$ (7.6)	167.9
Underlying income (loss) before income taxes <sup>(3)</sup>	\$ 258.8	\$ 157.8	64.0	\$ (7.5)	68.8
Financial volume <sup>(4)</sup>	17.974	17.006	5.7		
Brand volume	16.899	16.181	4.4		

N/M = Not meaningful

The reported percent change and the constant currency percent change in the above table are presented as (unfavorable) favorable.

- (1) Includes gross inter-segment volumes, sales and purchases, which are eliminated in the consolidated totals.
- (2) The unrealized changes in fair value on our commodity swaps, which are economic hedges, are recorded as COGS within Unallocated. As the exposure we are managing is realized, we reclassify the gain or loss to the segment in which the underlying exposure resides, allowing our segments to realize the economic effects of the derivative without the resulting unrealized mark-to-market volatility.
- (3) Represents income (loss) before taxes adjusted for non-GAAP items. See Appendix for definitions and reconciliations of non-GAAP financial measures including constant currency.

- (4) Financial volume in hectoliters for the Americas and EMEA&APAC segments excludes royalty volume of 0.591 million hectoliters and 0.218 million hectoliters, respectively, for the three months ended March 31, 2024, and excludes royalty volume of 0.618 million hectoliters and 0.156 million hectoliters, respectively, for the three months ended March 31, 2023.

## WORLDWIDE AND SEGMENTED BRAND AND FINANCIAL VOLUME (in millions of hectoliters and unaudited)

	For the Three Months Ended			
	Americas	March 31, 2024	March 31, 2023	Change
<b>Financial Volume</b>		13.910	12.936	7.5 %
Contract brewing and wholesale/factored volume		(0.870)	(1.202)	(27.6)%
Royalty volume		0.591	0.618	(4.4)%
Sales-To-Wholesaler to Sales-To-Retail adjustment and other <sup>(1)</sup>		(0.740)	(0.106)	N/M
<b>Total Americas Brand Volume</b>		<u>12.891</u>	<u>12.246</u>	5.3 %
	EMEA&APAC	March 31, 2024	March 31, 2023	Change
<b>Financial Volume</b>		4.064	4.071	(0.2)%
Contract brewing and wholesale/factored volume		(0.274)	(0.291)	(5.8)%
Royalty volume		0.218	0.156	39.7 %
Sales-To-Wholesaler to Sales-To-Retail adjustment and other <sup>(1)</sup>		—	(0.001)	N/M
<b>Total EMEA&amp;APAC Brand Volume</b>		<u>4.008</u>	<u>3.935</u>	1.9 %
	Consolidated	March 31, 2024	March 31, 2023	Change
<b>Financial Volume</b>		17.974	17.006	5.7 %
Contract brewing and wholesale/factored volume		(1.144)	(1.493)	(23.4)%
Royalty volume		0.809	0.774	4.5 %
Sales-To-Wholesaler to Sales-To-Retail adjustment and other		(0.740)	(0.106)	N/M
<b>Total Worldwide Brand Volume</b>		<u>16.899</u>	<u>16.181</u>	4.4 %

N/M = Not meaningful

- (1) Includes gross inter-segment volumes which are eliminated in the consolidated totals.

Worldwide brand volume (or "brand volume" when discussed by segment) reflects owned or actively managed brands sold to unrelated external customers within our geographic markets (net of returns and allowances), royalty volume and our proportionate share of equity investment worldwide brand volume calculated consistently with MCBC owned volume. Financial volume represents owned or actively managed brands sold to unrelated external customers within our geographical markets, net of returns and allowances as well as contract brewing, wholesale non-owned brand volume and company-owned distribution volume. Contract brewing and wholesale/factored volume is included within financial volume, but is removed from worldwide brand volume, as this is non-owned volume for which we do not directly control performance. Factored volume in our EMEA&APAC segment is the distribution of beer, wine, spirits and other products owned and produced by other companies to the on-premise channel, which is a common arrangement in the U.K. Royalty volume consists of our brands produced and sold by third parties under various license and contract brewing agreements and because this is owned volume, it is included in worldwide brand volume. Our worldwide brand volume definition also includes an adjustment from Sales-to-Wholesaler ("STW") volume to Sales-to-Retailer ("STR") volume. We believe the brand volume metric is important because, unlike financial volume and STWs, it provides the closest indication of the performance of our brands in relation to market and competitor sales trends.

We also utilize COGS per hectoliter, as well as the year over year changes in this metric, as a key metric for analyzing our results. This metric is calculated as COGS per our unaudited condensed consolidated statements of operations divided by financial volume for the respective period. We believe this metric is important and useful for investors and management because it provides an indication of the trends of sales mix and other cost impacts on our COGS.

## NON-GAAP MEASURES AND RECONCILIATIONS

### Use of Non-GAAP Measures

In addition to financial measures presented on the basis of accounting principles generally accepted in the U.S. (“U.S. GAAP”), we also use non-GAAP financial measures, as listed and defined below, for operational and financial decision making and to assess Company and segment business performance. These non-GAAP measures should be viewed as supplements to (not substitutes for) our results of operations presented under U.S. GAAP. We have provided reconciliations of all historical non-GAAP measures to their nearest U.S. GAAP measure and have consistently applied the adjustments within our reconciliations in arriving at each non-GAAP measure.

Our management uses these metrics to assist in comparing performance from period to period on a consistent basis; as a measure for planning and forecasting overall expectations and for evaluating actual results against such expectations; in communications with the Board of Directors, stockholders, analysts and investors concerning our financial performance; as useful comparisons to the performance of our competitors; and as metrics of certain management incentive compensation calculations. We believe these measures are used by, and are useful to, investors and other users of our financial statements in evaluating our operating performance.

- **Underlying Income (Loss) before Income Taxes (Closest GAAP Metric: Income (Loss) Before Income Taxes)** – Measure of the Company’s or segment’s income (loss) before income taxes excluding the impact of certain non-GAAP adjustment items from our U.S. GAAP financial statements. Non-GAAP adjustment items include goodwill and other intangible and tangible asset impairments, restructuring and integration related costs, unrealized mark-to-market gains and losses, potential or incurred losses related to certain litigation accruals and settlements and gains and losses on sales of non-operating assets, among other items included in our U.S. GAAP results that warrant adjustment to arrive at non-GAAP results. We consider these items to be necessary adjustments for purposes of evaluating our ongoing business performance and are often considered non-recurring. Such adjustments are subjective, involve significant management judgment and can vary substantially from company to company.
- **Underlying COGS (Closest GAAP Metric: COGS)** – Measure of the Company’s COGS adjusted to exclude non-GAAP adjustment items (as defined above). Non-GAAP adjustment items include the impact of unrealized mark-to-market gains and losses on our commodity derivative instruments, which are economic hedges, and are recorded through COGS within Unallocated. As the exposure we are managing is realized, we reclassify the gain or loss to the segment in which the underlying exposure resides, allowing our segments to realize the economic effects of the derivatives without the resulting unrealized mark-to-market volatility.

We also use underlying COGS per hectoliter, as well as the year over year change in such metric, as a key metric for analyzing our results. This metric is calculated as underlying COGS divided by financial volume for the respective period.

- **Underlying MG&A (Closest GAAP Metric: MG&A)** – Measure of the Company’s MG&A expense excluding the impact of certain non-GAAP adjustment items (as defined above).
- **Underlying net income (loss) attributable to MCBC (Closest GAAP Metric: Net income (loss) attributable to MCBC)** – Measure of net income (loss) attributable to MCBC excluding the impact of non-GAAP adjustment items (as defined above), the related tax effects of non-GAAP adjustment items and certain other discrete tax items.
- **Underlying net income (loss) attributable to MCBC per diluted share (also referred to as Underlying Diluted Earnings per Share) (Closest GAAP Metric: Net income (loss) attributable to MCBC per diluted share)** – Measure of underlying net income (loss) attributable to MCBC (as defined above) per diluted share. If applicable, a reported net loss attributable to MCBC per diluted share is calculated using the basic share count due to dilutive shares being antidilutive. If underlying net income (loss) attributable to MCBC becomes income excluding the impact of our non-GAAP adjustment items, we include the incremental dilutive shares, using the treasury stock method, into the dilutive shares outstanding.

- **Underlying effective tax rate (Closest GAAP Metric: Effective Tax Rate)** – Measure of the Company’s effective tax rate excluding the related tax impact of pre-tax non-GAAP adjustment items (as defined above) and certain other discrete tax items. Discrete tax items include certain significant tax audit and prior year reserve adjustments, impact of significant tax legislation and tax rate changes and significant non-recurring and period specific tax items.
- **Underlying free cash flow (Closest GAAP Metric: Net Cash Provided by (Used in) Operating Activities)** – Measure of the Company’s operating cash flow calculated as Net Cash Provided by (Used In) Operating Activities less Additions to property, plant, and equipment, net and excluding the pre-tax cash flow impact of certain non-GAAP adjustment items (as defined above). We consider underlying free cash flow an important measure of our ability to generate cash, grow our business and enhance shareholder value, driven by core operations and after adjusting for non-GAAP adjustment items, which can vary substantially from company to company depending upon accounting methods, book value of assets and capital structure.
- **Underlying depreciation and amortization (Closest GAAP Metric: Depreciation & Amortization)** – Measure of the Company’s depreciation and amortization excluding the impact of non-GAAP adjustment items (as defined above). These adjustments primarily consist of accelerated depreciation or amortization taken related to the Company’s strategic exit or restructuring activities.
- **Net debt and net debt to underlying earnings before interest, taxes, depreciation, and amortization ("underlying EBITDA") (Closest GAAP Metrics: Cash, Debt, & Net Income (Loss))** – Measure of the Company’s leverage calculated as net debt (defined as current portion of long-term debt and short-term borrowings plus long-term debt less cash and cash equivalents) divided by the trailing twelve month underlying EBITDA. Underlying EBITDA is calculated as Net income (loss) excluding Interest expense (income), Income tax expense (benefit), depreciation and amortization, and the impact of non-GAAP adjustment items (as defined above). This measure is not the same as the Company’s maximum leverage ratio as defined under its revolving credit facility, which allows for other adjustments in the calculation of net debt to EBITDA.
- **Constant currency** - Constant currency is a non-GAAP measure utilized to measure performance, excluding the impact of translational and certain transactional foreign currency movements, and is intended to be indicative of results in local currency. As we operate in various foreign countries where the local currency may strengthen or weaken significantly versus the U.S. dollar or other currencies used in operations, we utilize a constant currency measure as an additional metric to evaluate the underlying performance of each business without consideration of foreign currency movements. We present all percentage changes for net sales, underlying COGS, underlying MG&A and underlying income (loss) before income taxes in constant currency and calculate the impact of foreign exchange by translating our current period local currency results (that also include the impact of the comparable prior period currency hedging activities) at the average exchange rates during the respective period throughout the year used to translate the financial statements in the comparable prior year period. The result is the current period results in U.S. dollars, as if foreign exchange rates had not changed from the prior year period. Additionally, we exclude any transactional foreign currency impacts, reported within the other non-operating income (expense), net line item, from our current period results.

Our guidance for any of the measures noted above are also non-GAAP financial measures that exclude or otherwise have been adjusted for non-GAAP adjustment items from our U.S. GAAP financial statements. When we provide guidance for any of the various non-GAAP metrics described above, we do not provide reconciliations of the U.S. GAAP measures as we are unable to predict with a reasonable degree of certainty the actual impact of the non-GAAP adjustment items. By their very nature, non-GAAP adjustment items are difficult to anticipate with precision because they are generally associated with unexpected and unplanned events that impact our Company and its financial results. Therefore, we are unable to provide a reconciliation of these measures without unreasonable efforts.

## RECONCILIATION TO NEAREST U.S. GAAP MEASURES

### Reconciliation by Line Item

<i>(In millions, except per share data) (Unaudited)</i>		<b>For the Three Months Ended March 31, 2024</b>				
	<b>Cost of goods sold</b>	<b>Marketing, general and administrative expenses</b>	<b>Income (loss) before income taxes</b>	<b>Net income (loss) attributable to MCBC</b>	<b>Diluted earnings per share</b>	
<b>Reported (U.S. GAAP)</b>	\$ (1,632.9)	\$ (654.6)	\$ 265.4	\$ 207.8	\$ 0.97	
<i>Adjustments to arrive at underlying</i>						
Restructuring	—	—	(0.9)	(0.9)	—	
(Gains) losses on other disposals	—	—	(5.4)	(5.4)	(0.03)	
Unrealized mark-to-market (gains) losses	(0.8)	—	(0.8)	(0.8)	—	
Other items	—	0.5	0.5	0.5	—	
<b>Total</b>	<b>\$ (0.8)</b>	<b>\$ 0.5</b>	<b>\$ (6.6)</b>	<b>\$ (6.6)</b>	<b>\$ (0.03)</b>	
Tax effects on non-GAAP adjustments	—	—	—	1.6	0.01	
<b>Underlying (Non-GAAP)</b>	<b>\$ (1,633.7)</b>	<b>\$ (654.1)</b>	<b>\$ 258.8</b>	<b>\$ 202.8</b>	<b>\$ 0.95</b>	

<i>(In millions, except per share data) (Unaudited)</i>		<b>For the Three Months Ended March 31, 2023</b>				
	<b>Cost of goods sold</b>	<b>Marketing, general and administrative expenses</b>	<b>Income (loss) before income taxes</b>	<b>Net income (loss) attributable to MCBC</b>	<b>Diluted earnings per share</b>	
<b>Reported (U.S. GAAP)</b>	\$ (1,575.6)	\$ (615.0)	\$ 101.9	\$ 72.5	\$ 0.33	
<i>Adjustments to arrive at underlying</i>						
Restructuring	—	—	0.5	0.5	—	
Unrealized mark-to-market (gains) losses	51.8	—	51.8	51.8	0.24	
Other items	—	3.6	3.6	3.6	0.02	
<b>Total</b>	<b>\$ 51.8</b>	<b>\$ 3.6</b>	<b>\$ 55.9</b>	<b>\$ 55.9</b>	<b>\$ 0.26</b>	
Tax effects on non-GAAP adjustments	—	—	—	(12.1)	(0.06)	
<b>Underlying (Non-GAAP)</b>	<b>\$ (1,523.8)</b>	<b>\$ (611.4)</b>	<b>\$ 157.8</b>	<b>\$ 116.3</b>	<b>\$ 0.54</b>	

### Reconciliation to Underlying Income (Loss) Before Income Taxes by Segment

<i>(In millions) (Unaudited)</i>		<b>For the Three Months Ended March 31, 2024</b>			
	<b>Americas</b>	<b>EMEA&amp;APAC</b>	<b>Unallocated</b>	<b>Consolidated</b>	
<b>Income (loss) before income taxes</b>	\$ 320.6	\$ (11.0)	\$ (44.2)	\$ 265.4	
<i>Add/Less:</i>					
Cost of goods sold <sup>(1)</sup>	—	—	(0.8)	(0.8)	
Marketing, general & administrative	0.5	—	—	0.5	
Other non-GAAP adjustment items	—	(6.3)	—	(6.3)	
<b>Total non-GAAP adjustment items</b>	<b>\$ 0.5</b>	<b>\$ (6.3)</b>	<b>\$ (0.8)</b>	<b>\$ (6.6)</b>	
<b>Underlying income (loss) before income taxes</b>	<b>\$ 321.1</b>	<b>\$ (17.3)</b>	<b>\$ (45.0)</b>	<b>\$ 258.8</b>	



<i>(In millions) (Unaudited)</i>	For the Three Months Ended March 31, 2023			
	Americas	EMEA&APAC	Unallocated	Consolidated
<b>Income (loss) before income taxes</b>	\$ 233.4	\$ (25.4)	\$ (106.1)	\$ 101.9
<i>Add/Less:</i>				
Cost of goods sold <sup>(1)</sup>	—	—	51.8	51.8
Marketing, general & administrative	0.5	3.1	—	3.6
Other non-GAAP adjustment items	—	0.5	—	0.5
<i>Total non-GAAP adjustment items</i>	\$ 0.5	\$ 3.6	\$ 51.8	\$ 55.9
<b>Underlying income (loss) before income taxes</b>	<u>\$ 233.9</u>	<u>\$ (21.8)</u>	<u>\$ (54.3)</u>	<u>\$ 157.8</u>

- (1) Reflects changes in our mark-to-market positions on our derivative hedges recorded as COGS within Unallocated. As the exposure we are managing is realized, we reclassify the gain or loss to the segment in which the underlying exposure resides, allowing our segments to realize the economic effects of the derivative without the resulting unrealized mark-to-market volatility.

### Effective Tax Rate Reconciliation

<i>(Unaudited)</i>	For the Three Months Ended	
	March 31, 2024	March 31, 2023
<b>U.S. GAAP Effective Tax Rate</b>	21%	28%
<i>Add/Less:</i>		
Tax effect of non-GAAP adjustment items <sup>(1)</sup>	—%	(2%)
<b>Underlying (Non-GAAP) Effective Tax Rate</b>	<u>21%</u>	<u>26%</u>

- (1) Adjustments related to the tax effect of non-GAAP adjustment items excluded from our underlying effective tax rate.

### Underlying Free Cash Flow

<i>(In millions) (Unaudited)</i>		For the Three Months Ended	
		March 31, 2024	March 31, 2023
U.S. GAAP	<b>Net Cash Provided by (Used In) Operating Activities</b>	\$ 25.4	\$ 3.4
<i>Less:</i>	Additions to property, plant and equipment, net <sup>(1)</sup>	(214.7)	(181.4)
<i>Add/Less:</i>	Cash impact of non-GAAP adjustment items <sup>(2)</sup>	0.7	4.3
Non-GAAP	<b>Underlying Free Cash Flow</b>	<u>\$ (188.6)</u>	<u>\$ (173.7)</u>

- (1) Included in net cash provided by (used in) investing activities.
- (2) Included in net cash provided by (used in) operating activities and primarily reflects costs paid for restructuring activities for the three months ended March 31, 2024 and March 31, 2023.

## Net Debt and Net Debt to Underlying EBITDA Ratio

<i>(In millions except net debt to underlying EBITDA ratio) (Unaudited)</i>		As of	
		March 31, 2024	March 31, 2023
U.S. GAAP	Current portion of long-term debt and short-term borrowings	\$ 905.5	\$ 412.7
<i>Add:</i>	Long-term debt	5,312.2	6,177.7
<i>Less:</i>	Cash and cash equivalents	458.4	328.2
	<b>Net debt</b>	<b>5,759.3</b>	<b>\$ 6,262.2</b>
	Q1 Underlying EBITDA	476.2	388.4
	Q4 Underlying EBITDA	566.1	555.5
	Q3 Underlying EBITDA	742.9	593.5
	Q2 Underlying EBITDA	725.2	566.4
Non-GAAP	Underlying EBITDA <sup>(1)</sup>	\$ 2,510.4	\$ 2,103.8
	<b>Net debt to underlying EBITDA ratio</b>	<b>2.29</b>	<b>2.98</b>

(1) Represents underlying EBITDA on a trailing twelve month basis.

## Underlying EBITDA Reconciliation

<i>(In millions) (Unaudited)</i>		For the Three Months Ended	
		March 31, 2024	March 31, 2023
U.S. GAAP	<b>Net income (loss)</b>	209.9	73.2
<i>Add:</i>	Interest expense (income), net	48.4	59.1
<i>Add:</i>	Income tax expense (benefit)	55.5	28.7
<i>Add:</i>	Depreciation and amortization	169.0	171.5
<i>Add:</i>	Adjustments included in underlying income <sup>(1)</sup>	(6.6)	55.9
Non-GAAP	<b>Underlying EBITDA</b>	<b>\$ 476.2</b>	<b>\$ 388.4</b>

(1) Includes adjustments to income (loss) before income taxes related to non-GAAP adjustment items. See Reconciliations to Nearest U.S. GAAP Measures by Line Item table for detailed adjustments.