

# Perrigo®

2021 Annual General Meeting  
May 6, 2022



Murray S. Kessler,  
President & CEO



# Forward-Looking Statements

Certain statements in this presentation are “forward-looking statements.” These statements relate to future events or the Company’s future financial performance and involve known and unknown risks, uncertainties and other factors that may cause the our or our industry’s actual results, levels of activity, performance or achievements to be materially different from those expressed or implied by any forward-looking statements. In some cases, forward-looking statements can be identified by terminology such as “may,” “will,” “could,” “would,” “should,” “expect,” “forecast,” “plan,” “anticipate,” “intend,” “believe,” “estimate,” “predict,” “potential” or the negative of those terms or other comparable terminology. The Company has based these forward-looking statements on its current expectations, assumptions, estimates and projections. While the Company believes these expectations, assumptions, estimates and projections are reasonable, such forward-looking statements are only predictions and involve known and unknown risks and uncertainties, many of which are beyond the Company’s control, including: the effect of the coronavirus (COVID-19) pandemic and its variants and the associated supply chain impacts on the Company’s business; general economic, credit, and market conditions; the impact of the war in Ukraine, including the effects of economic and political sanctions imposed by the United States, European Union, and other countries related thereto, and/or the outbreak or escalation of conflict in other regions where we do business; future impairment charges; customer acceptance of new products; competition from other industry participants, some of whom have greater marketing resources or larger market shares in certain product categories than the Company does; pricing pressures from customers and consumers; resolution of uncertain tax positions, including the Company’s appeal of the draft and final Notices of Proposed Assessment (“NOPAs”) issued by the U.S. Internal Revenue Service and the impact that an adverse result in any such proceedings would have on operating results, cash flows, and liquidity; pending and potential third-party claims and litigation, including litigation relating to the Company’s restatement of previously-filed financial information, and litigation relating to uncertain tax positions, including the NOPAs; potential impacts of ongoing or future government investigations and regulatory initiatives; potential costs and reputational impact of product recalls or sales halts; the impact of tax reform legislation and healthcare policy; the timing, amount and cost of any share repurchases; fluctuations in currency exchange rates and interest rates; the Company’s ability to achieve the benefits expected from the sale of its RX business, and the risk that potential costs or liabilities incurred or retained in connection with that transaction may exceed the Company’s estimates or adversely affect the Company’s business or operations; the Company’s ability to achieve the benefits expected from the acquisition of HRA Pharma and the risks that the Company’s synergy estimates are inaccurate or that the Company faces higher than anticipated integration or other costs in connection with the acquisition; the consummation and success of other announced and unannounced acquisitions or dispositions, and the Company’s ability to realize the desired benefits thereof; and the Company’s ability to execute and achieve the desired benefits of announced cost-reduction efforts and strategic and other initiatives. An adverse result with respect to the Company’s appeal of any material outstanding tax assessments or pending litigation, including securities or drug pricing matters, could ultimately require the use of corporate assets to pay such assessments, damages from third-party claims, and related interest and/or penalties, and any such use of corporate assets would limit the assets available for other corporate purposes. These and other important factors, including those discussed under “Risk Factors” in the Company’s Form 10-K for the year ended December 31, 2021, as well as the Company’s subsequent filings with the United States Securities and Exchange Commission, may cause actual results, performance or achievements to differ materially from those expressed or implied by these forward-looking statements. The forward-looking statements in this presentation are made only as of the date hereof, and unless otherwise required by applicable securities laws, the Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

**Non-GAAP Measures:** This presentation contains Non-GAAP measures. The reconciliation of those measures to the most comparable GAAP measures are included at the end of this presentation.



**Thank You to  
Outgoing Chairman  
Rolf Classon and  
Welcome Orlando  
Ashford as New  
Chairman of  
Perrigo**



# Thank You to the Perrigo Team for Successfully Overcoming Challenges Faced in 2021!



We Delivered Our Much-Needed Solutions  
*Without Missing A Shift,* Despite the Dynamic Environment

# Three Major Strategic Milestones Achieved in 2021, Despite Pandemic Related Challenges

**Closed Rx  
Divestiture  
for \$1.6B in  
cash**

✓ **Reduces Earnings  
Volatility**

✓ **Completes Portfolio  
Reconfiguration**

**Announced  
€1.8B  
Acquisition  
of HRA  
Pharma**

✓ **Adds Leading Portfolio of  
Consumer Self-Care Brands**

✓ **Revenue, OI & Margin  
Scale Accretion**

**Resolved  
€1.6B Irish  
Tax  
Assessment  
for €266M in  
Cash**

✓ **Dramatically Reduced  
Major Overhang**

✓ **Funded with €355M  
Belgian arbitration award**

# Transformation to a Pure-Play Consumer Self-Care Company Now Complete



## Portfolio Reconfigured

- Sold Generic Rx
  - Sold Latin America Ops.
  - Sold Rosemont Rx
  - Sold Animal Health
  - Closed India R&D
- 
- Bought HRA Pharma
  - Bought Ranir Oral Care
  - Bought Dr. Fresh
  - Bought Steripod®
  - Bought Prevacid®
  - Bought E. Europe Skin-Care Products
  - Invested in Kazmira (CBD)



## Businesses Revitalized & Returned to Growth

- Built \$500MM New Product Pipeline
- Launched >\$400M in Total Consumer NP's in '19, '20 & '21
- Invested \$130M+ in IT & Infrastructure
- Significantly Strengthened Management Team
- Delivering \$100M Cost Savings
- Improved Service from 70% to 90%+, Before Disruptions
- Built Strong e-Comm Platform
- Installed Business Intelligence Capabilities



## Uncertainty Reduced

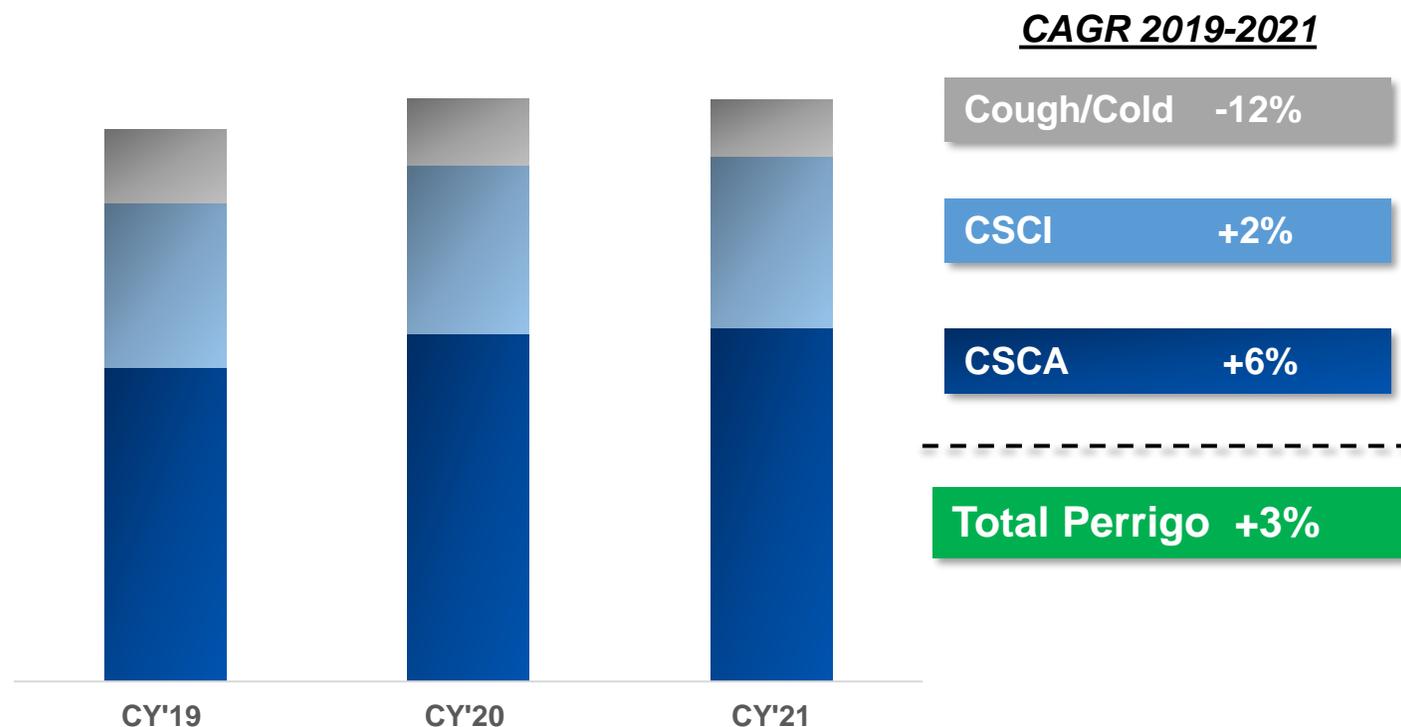
- Irish Tax NOA favorably settled
- Athena IRS case to M.A.P.
- IRS Interest Rate NOPA Reduced
- Strengthened Cyber Security
- Divested Most Volatile Businesses
- Strengthened Governance – ESG, D&I
- Awarded ~ €355M from sellers of Omega Pharma
- Proven Ability to Adapt to COVID-Era Challenges

# Transformation Actions Returned Perrigo To Consistent Topline Growth!

## Now a Focused & Growing Consumer Self-Care Company

- Net sales<sup>1</sup> 2-year CAGR of +3%, despite a 12% negative impact from the '20/'21 cough/cold season
- Built \$500M new product pipeline
- Built strong e-commerce platform, which now accounts for ~10% of net sales

## Perrigo Net Sales<sup>1</sup> 2019-2021 (excluding Currency)



# Full Year 2021 Impacted by Pandemic Pressures & Weak 2020/21 Cough/Cold Season, but the Fourth Quarter Recovered Strongly

## Q4 2021<sup>2</sup>

## Full Year 2021<sup>2</sup>

### Net Sales

YoY % Change

**\$1,105M**

**+5%**

- Fourth consecutive quarter of sequential YoY topline growth
- Rebound in cough/cold
- Supply chain issues fixed

**\$4,139M**

**+1%**

- Impacts from weak cough/cold and supply chain issues

### Adjusted Operating Income

YoY % Change

**\$132M**

**+12%**

- Higher profit from increase in net sales
- Lower operating expenses, including planned lower A&P and Project Momentum savings

**\$479M**

**(11)%**

- Lower operating efficiencies from COVID-related cost pressures and lower plant efficiencies
- Lower operating expenses, including lower A&P and Project Momentum savings
- Achieved updated 2021 guidance range

### Adjusted Diluted EPS

YoY % Change

**\$0.60**

**+28%**

**\$2.06**

**(12)%**

1. See attached Appendix for reconciliation of Adjusted (Non-GAAP) to Reported (GAAP) amounts.

2. In addition to other non-GAAP adjustments as described in the attached appendix, adjusted profit measures, including adjusted EPS and adjusted operating income, exclude from Q4 2020 and full year 2020 and 2021 periods certain costs, which are reported in GAAP continuing operations but were previously allocated to the RX business. On a go-forward basis, such costs are either covered by the transition services agreement or have been eliminated following closing. We do not believe such operational costs are representative of the future expenses of our continuing operations. See attached appendix for additional details.

# The Path Ahead is Clear...

We are excited about the opportunities over the next few years, while planning pragmatically given the challenges in the current environment

## Key Drivers for 2022/23

|   |   |                      |
|---|---|----------------------|
| Continued Execution on Self-Care Strategy | Cough/Cold Market Recovery              | CSCA Margin Recovery |
| Continued Supply Chain Remediation        | Highly Accretive HRA Pharma Acquisition | Deliver Guidance     |

## Risks

### External

- ✓ Logistics/supply chain recovery
- ✓ Labor shortages and wage increases
- ✓ Material and freight inflation
- ✓ Currency Fluctuations

### Internal

- ✓ New Product launch delays
- ✓ Loss of market share due to pricing

## Opportunities

### External

- ✓ Quicker cough/cold recovery
- ✓ Material/freight cost reductions
- ✓ Faster close to HRA Deal

### Internal

- ✓ Pricing actions
- ✓ Productivity improvements
- ✓ Increase in market share from competitive takeaway



**To make lives better by bringing *Quality, Affordable Self-Care Products* that consumers trust everywhere they are sold**

**TABLE I**  
**PERRIGO COMPANY PLC**  
**RECONCILIATION OF NON-GAAP MEASURES**  
**ADJUSTED NET SALES GROWTH - SELECTED**  
**SEGMENTS**  
(in millions)  
(unaudited)

|  | Twelve Months Ended  |                      |                      | CAGR 2019 - 2021 |
|--|----------------------|----------------------|----------------------|------------------|
|  | December 31,<br>2021 | December 31,<br>2020 | December 31,<br>2019 |                  |
| <b>Consumer Self-care Americas reported net sales</b>      | \$ 2,693.1           | \$ 2,693.0           | \$ 2,487.7           |                  |
| Less: Currency   | (10.6)               | (6.6)                | —                    |                  |
| Less: Cough/Cold   | (215.9)              | (254.3)              | (291.8)              |                  |
| <b>Net sales less Cough/Cold and Currency</b>              | \$ 2,466.6           | \$ 2,432.1           | \$ 2,195.9           | 6.0 %            |
| <b>Consumer Self-care International reported net sales</b> | \$ 1,445.6           | \$ 1,395.2           | \$ 1,382.2           |                  |
| Less: Currency   | (61.0)               | (4.1)                | —                    |                  |
| Less: Cough/Cold   | (181.3)              | (210.1)              | (222.1)              |                  |
| <b>Net sales less Cough/Cold and Currency</b>              | \$ 1,203.3           | \$ 1,181.0           | \$ 1,160.1           | 1.8 %            |
| <b>Cough/Cold reported net sales</b>                       | \$ 397.2             | \$ 464.4             | \$ 513.9             | (12.1)%          |
| <b>Consolidated reported net sales</b>                     | \$ 4,138.7           | \$ 4,088.2           | \$ 3,869.9           |                  |
| Less: Currency   | (71.6)               | (10.7)               | —                    |                  |
| <b>Net sales less Currency</b>                             | \$ 4,067.1           | \$ 4,077.5           | \$ 3,869.9           | 2.5 %            |

# APPENDIX

**TABLE II**  
**PERRIGO COMPANY PLC**  
**RECONCILIATION OF NON-GAAP**  
**MEASURES**  
**SELECTED CONSOLIDATED INFORMATION**  
(in millions, except per share amounts)  
(unaudited)

Three Months Ended December 31, 2021

| Consolidated Continuing Operations Reported  | Net Sales       | Gross Profit   | R&D Expense     | DSG&A Expense | Restructuring, Impairment Charges, and Other Operating Income | Operating Income | Interest and Other | Income from continuing operations before income taxes | Income Tax Expense (Benefit) | Income from continuing operations* | Diluted Earnings per Share* |
|--|-----------------|----------------|-----------------|---------------|---|------------------|--------------------|---|------------------------------|------------------------------------|-----------------------------|
|  | \$ 1,104.9      | \$ 362.3       | \$ 30.3         | \$ 269.2      | \$ 16.2   | \$ 46.6          | \$ 36.7            | \$ 9.9  | \$ (22.2)                    | \$ 32.1                            | \$ 0.24                     |
| As a % of reported net sales   |                 | 32.8 %         | 2.7 %           | 24.4 %        | 1.5 %   | 4.2 %            | 3.3 %              | 0.9 %   | (2.0)%                       | 2.9 %                              |                             |
| Effective tax rate   |                 |                |                 |               |   |                  |                    |   | (224.8)%                     |                                    |                             |
| <i>Pre-tax adjustments:</i>  |                 |                |                 |               |   |                  |                    |   |                              |                                    |                             |
| Amortization expense related primarily to acquired intangible assets                 |                 | \$ 22.8        | \$ (0.6)        | \$ (28.2)     | \$ —  | \$ 51.6          | \$ (0.5)           | \$ 52.1   | \$ —                         | \$ 52.1                            | \$ 0.37                     |
| Acquisition and integration-related charges and contingent consideration adjustments |                 | —              | —               | (10.5)        | (11.0)  | 10.5             | (8.3)              | 18.8  | —                            | 18.8                               | 0.14                        |
| Impairment charges   |                 | —              | —               | —             | —   | 11.0             | —                  | 11.0  | —                            | 11.0                               | 0.08                        |
| Unusual litigation   |                 | —              | —               | (4.9)         | —   | 4.9              | —                  | 4.9   | —                            | 4.9                                | 0.04                        |
| Restructuring charges and other termination benefits                                 |                 | —              | —               | —             | (5.2)   | 5.2              | —                  | 5.2   | —                            | 5.2                                | 0.04                        |
| (Gain) loss on investment securities   |                 | —              | —               | —             | —   | —                | (1.1)              | 1.1   | —                            | 1.1                                | 0.01                        |
| Separation and reorganization expense  |                 | —              | —               | (1.7)         | —   | 1.7              | —                  | 1.7   | —                            | 1.7                                | 0.01                        |
| Non-GAAP tax adjustments**   |                 | —              | —               | —             | —   | —                | —                  | —   | 44.9                         | (44.9)                             | (0.33)                      |
| <b>Adjusted</b>  | <b>\$ 385.1</b> | <b>\$ 29.7</b> | <b>\$ 223.9</b> | <b>\$ —</b>   | <b>\$ 131.5</b>   | <b>\$ 26.8</b>   | <b>\$ 104.7</b>    | <b>\$ 22.7</b>  | <b>\$ 82.0</b>               | <b>\$ 0.60</b>                     |                             |
| As a % of reported net sales   |                 | 34.8 %         | 2.7 %           | 20.3 %        |   | 11.9 %           | 2.4 %              | 9.5 %   | 2.1 %                        | 7.4 %                              |                             |
| Adjusted effective tax rate  |                 |                |                 |               |   |                  |                    |   | 21.7 %                       |                                    |                             |

**Diluted weighted average shares outstanding**

**Reported**

**135.5**

\*Individual pre-tax line item adjustments have not been tax effected, as tax expense on these items are aggregated in the "Non-GAAP tax adjustments" line item.

\*\*The non-GAAP tax adjustments are primarily due to \$20.3 million tax expense related to pre-tax non-GAAP adjustments and the removal of the following reported items: (1) \$18.8 million tax benefit for release of certain non-US tax reserves and (2) \$6.4 million tax benefit for non-recurring intra-entity transfers of intellectual property; offset by (3) \$6.8 million tax expense related to Base Erosion and Anti-Abuse Tax (BEAT).

**TABLE II (CONTINUED)**  
**PERRIGO COMPANY PLC**  
**RECONCILIATION OF NON-GAAP MEASURES**  
**SELECTED CONSOLIDATED INFORMATION**  
(in millions, except per share amounts)  
(unaudited)

Three Months Ended December 31, 2020

| Consolidated Continuing Operations   | Net Sales  | Gross Profit | R&D Expense | DSG&A Expense | Restructuring, Impairment Charges, and Other Operating Income | Operating Income | Interest, Other, and Change in Financial Assets | Income (Loss) from continuing operations before income taxes | Income Tax Expense (Benefit) | Income (Loss) from continuing operations* | Diluted Earnings (Loss) per Share* |
|--|------------|--------------|-------------|---------------|---|------------------|---|--|------------------------------|---|------------------------------------|
| <b>Reported</b>  | \$ 1,053.2 | \$ 384.3     | \$ 33.0     | \$ 312.5      | \$ 1.2  | \$ 37.6          | \$ 153.0  | \$ (115.4)   | \$ (63.2)                    | \$ (52.2)                                 | \$ (0.39)                          |
| As a % of reported net sales   |            | 36.5 %       | 3.1 %       | 29.7 %        | 0.1 %   | 3.6 %            | 14.5 %  | (11.0)%  | (6.0)%                       | (5.0)%                                    |                                    |
| Effective tax rate   |            |              |             |               |   |                  |   |  | 54.7 %                       |   |                                    |
| <i>Pre-tax adjustments:</i>  |            |              |             |               |   |                  |   |  |                              |   |                                    |
| Amortization expense primarily related to acquired intangible assets                 |            | \$ 23.5      | \$ (0.4)    | \$ (39.1)     | \$ —  | \$ 63.0          | \$ —  | \$ 63.0  | \$ —                         | \$ 63.0                                   | \$ 0.46                            |
| Acquisition and integration-related charges and contingent consideration adjustments |            | 0.8          | —           | (3.4)         | —   | 4.2              | —   | 4.2  | —                            | 4.2                                       | 0.03                               |
| Change in financial assets   |            | —            | —           | —             | —   | —                | (121.2)   | 121.2  | —                            | 121.2                                     | 0.89                               |
| Separation and reorganization expense  |            | —            | —           | (0.2)         | —   | 0.2              | —   | 0.2  | —                            | 0.2                                       | —                                  |
| (Gain) loss on divestitures  |            | —            | —           | —             | —   | —                | (2.3)   | 2.3  | —                            | 2.3                                       | 0.02                               |
| Unusual litigation   |            | —            | —           | (1.5)         | 0.5   | 1.0              | —   | 1.0  | —                            | 1.0                                       | 0.01                               |
| (Gain) loss on investment securities   |            | —            | —           | —             | —   | —                | (0.7)   | 0.7  | —                            | 0.7                                       | 0.01                               |
| Restructuring charges and other termination benefits                                 |            | —            | —           | —             | (1.7)   | 1.7              | —   | 1.7  | —                            | 1.7                                       | 0.01                               |
| Indirect RX business support costs**   |            | (0.5)        | (0.4)       | (9.3)         | —   | 9.2              | —   | 9.2  | —                            | 9.2                                       | 0.07                               |
| Non-GAAP tax adjustments***  |            | —            | —           | —             | —   | —                | —   | —  | 87.5                         | (87.5)                                    | (0.64)                             |
| <b>Adjusted</b>  | \$ 408.1   | \$ 32.2      | \$ 32.2     | \$ 259.0      | \$ —  | \$ 116.9         | \$ 28.8   | \$ 88.1  | \$ 24.3                      | \$ 63.8                                   | \$ 0.47                            |
| As a % of reported net sales   |            | 38.7 %       | 3.1 %       | 24.6 %        |   | 11.1 %           | 2.7 %   | 8.4 %  | 2.3 %                        | 6.1 %                                     |                                    |
| Adjusted effective tax rate  |            |              |             |               |   |                  |   |  | 27.6 %                       |   |                                    |

**Diluted weighted average shares outstanding**

|  |              |
|--|--------------|
| <b>Reported</b>  | <b>135.4</b> |
| Effect of dilution as reported amount was a loss, while adjusted amount was income**** | 1.2          |
| <b>Adjusted</b>  | <b>136.6</b> |

\*Individual pre-tax line item adjustments have not been tax effected, as tax expense on these items are aggregated in the "Non-GAAP tax adjustments" line item.

\*\*Includes certain costs, which are reported in GAAP continuing operations but were previously allocated to the RX business. On a go-forward basis, such costs will either be covered by the transition services agreement or eliminated following closing. Accordingly, we do not believe such operational costs are representative of the future expenses of our continuing operations.

\*\*\*The non-GAAP tax adjustments are primarily due to the removal of \$78.2 million tax benefits related to valuation allowance releases in the U.S.

\*\*\*\*In the period of a reported net loss, diluted shares outstanding equal basic shares outstanding.

**TABLE II (CONTINUED)**  
**PERRIGO COMPANY PLC**  
**RECONCILIATION OF NON-GAAP MEASURES**  
**SELECTED CONSOLIDATED INFORMATION**  
(in millions, except per share amounts)  
(unaudited)

|  | Twelve Months Ended December 31, 2021 |                 |                 |                 |   |                  |                    |   |                    |   |                                    |
|--|---------------------------------------|-----------------|-----------------|-----------------|---|------------------|--------------------|---|--------------------|---|------------------------------------|
|  | Net Sales                             | Gross Profit    | R&D Expense     | DSG&A Expense   | Restructuring, Impairment Charges, and Other Operating Income | Operating Income | Interest and Other | Income from continuing operations before income taxes | Income Tax Expense | Income (loss) from continuing operations* | Diluted Earnings (Loss) per Share* |
| <b>Consolidated Continuing Operations Reported</b>                                   | \$ 4,138.7                            | \$ 1,416.2      | \$ 122.0        | \$ 1,111.4      | \$ (227.6)  | \$ 410.4         | \$ 151.7           | \$ 258.7  | \$ 389.6           | \$ (130.9)                                | \$ (0.98)                          |
| As a % of reported net sales   |                                       | 34.2 %          | 2.9 %           | 26.9 %          | (5.5)%  | 9.9 %            | 3.7 %              | 6.3 %   | 9.4 %              | (3.2)%                                    |                                    |
| Effective tax rate   |                                       |                 |                 |                 |   |                  |                    |   | 150.6 %            |   |                                    |
| <i>Pre-tax adjustments:</i>  |                                       |                 |                 |                 |   |                  |                    |   |                    |   |                                    |
| Amortization expense related primarily to acquired intangible assets                 |                                       | \$ 91.8         | \$ (3.0)        | \$ (118.4)      | \$ —  | \$ 213.2         | \$ (2.8)           | \$ 216.0  | \$ —               | \$ 216.0                                  | \$ 1.61                            |
| Acquisition and integration-related charges and contingent consideration adjustments |                                       | 1.5             | (0.4)           | (14.4)          | —   | 16.3             | (21.4)             | 37.7  | —                  | 37.7                                      | 0.28                               |
| Restructuring charges and other termination benefits                                 |                                       | —               | —               | —               | (16.9)  | 16.9             | —                  | 16.9  | —                  | 16.9                                      | 0.13                               |
| (Gain) loss on divestitures  |                                       | —               | —               | —               | —   | —                | (2.5)              | 2.5   | —                  | 2.5                                       | 0.02                               |
| Unusual litigation   |                                       | —               | —               | (52.4)          | 417.6   | (365.2)          | —                  | (365.2)   | —                  | (365.2)                                   | (2.71)                             |
| Separation and reorganization expense  |                                       | —               | —               | (2.1)           | —   | 2.1              | —                  | 2.1   | —                  | 2.1                                       | 0.02                               |
| Impairment charges   |                                       | —               | —               | —               | (173.1)   | 173.1            | —                  | 173.1   | —                  | 173.1                                     | 1.28                               |
| (Gain) loss on investment securities   |                                       | —               | —               | —               | —   | —                | (2.0)              | 2.0   | —                  | 2.0                                       | 0.01                               |
| Indirect RX business support costs**   |                                       | 2.9             | 0.3             | (9.6)           | —   | 12.2             | —                  | 12.2  | —                  | 12.2                                      | 0.09                               |
| Non-GAAP tax adjustments***  |                                       | —               | —               | —               | —   | —                | —                  | —   | (311.2)            | 311.2                                     | 2.31                               |
| <b>Adjusted</b>  | <b>\$ 1,512.4</b>                     | <b>\$ 118.9</b> | <b>\$ 118.9</b> | <b>\$ 914.5</b> | <b>\$ —</b>   | <b>\$ 479.0</b>  | <b>\$ 123.0</b>    | <b>\$ 356.0</b>                                       | <b>\$ 78.4</b>     | <b>\$ 277.6</b>                           | <b>\$ 2.06</b>                     |
| As a % of reported net sales   |                                       | 36.5 %          | 2.9 %           | 22.1 %          |   | 11.6 %           | 3.0 %              | 8.6 %   | 1.9 %              | 6.7 %                                     |                                    |
| Adjusted effective tax rate  |                                       |                 |                 |                 |   |                  |                    |   | 22.0 %             |   |                                    |

**Diluted weighted average shares outstanding**

**Reported**

**133.6**

Effect of dilution as reported amount was a loss, while adjusted amount was income\*\*\*\*

1.3

**Adjusted**

**134.9**

\*Individual pre-tax line item adjustments have not been tax effected, as tax expense on these items are aggregated in the "Non-GAAP tax adjustments" line item.

\*\*Includes certain costs, which are reported in GAAP continuing operations but were previously allocated to the RX business. On a go-forward basis, such costs will either be covered by the transition services agreement or eliminated following closing. Accordingly, we do not believe such operational costs are representative of the future expenses of our continuing operations.

\*\*\*The non-GAAP tax adjustments are primarily due to \$42.4 million tax expense related to pre-tax non-GAAP adjustments and the removal of the following reported items: (1) \$307.9 million tax expense related to the settlement of the Irish Notice of Assessment, (2) \$47.8 million tax expense related to non-recurring intra-entity transfers of intellectual property and (3) \$15.7 million tax expense related to Base Erosion and Anti-Abuse Tax (BEAT); offset by (4) \$18.8 million tax benefit for release of certain non-US tax reserves.

\*\*\*\*In the period of a net loss, diluted shares outstanding equal basic shares outstanding.

**TABLE II (CONTINUED)**  
**PERRIGO COMPANY PLC**  
**RECONCILIATION OF NON-GAAP MEASURES**  
**SELECTED CONSOLIDATED INFORMATION**  
(in millions, except per share amounts)  
(unaudited)

|  | Twelve Months Ended December 31, 2020 |                     |                        |                          |  |                         |  |  |                                     |   |                                    |
|--|---------------------------------------|---------------------|------------------------|--------------------------|--|-------------------------|--|--|-------------------------------------|---|------------------------------------|
| <b>Consolidated Continuing Operations</b>  | <b>Net Sales</b>                      | <b>Gross Profit</b> | <b>R&amp;D Expense</b> | <b>DSG&amp;A Expense</b> | <b>Restructuring, Impairment Charges, and Other Operating Income</b> | <b>Operating Income</b> | <b>Interest, Other, and Change in Financial Assets</b> | <b>Income from continuing operations before income taxes</b> | <b>Income Tax Expense (Benefit)</b> | <b>Income from continuing operations*</b> | <b>Diluted Earnings per Share*</b> |
| <b>Reported</b>  | \$ 4,088.2                            | \$ 1,494.9          | \$ 121.7               | \$ 1,109.1               | \$ (1.1)   | \$ 265.2                | \$ 259.3   | \$ 5.9   | \$ (38.3)                           | \$ 44.2                                   | \$ 0.32                            |
| As a % of reported net sales   |                                       | 36.6 %              | 3.0 %                  | 27.1 %                   | — %  | 6.5 %                   | 6.3 %  | 0.1 %  | (0.9)%                              | 1.1 %                                     |                                    |
| Effective tax rate   |                                       |                     |                        |                          |  |                         |  |  | (648.1)%                            |   |                                    |
| <i>Pre-tax adjustments:</i>  |                                       |                     |                        |                          |  |                         |  |  |                                     |   |                                    |
| Amortization expense primarily related to acquired intangible assets                 |                                       | \$ 90.0             | \$ (1.5)               | \$ (128.2)               | \$ —   | \$ 219.7                | \$ —   | \$ 219.7   | \$ —                                | \$ 219.7                                  | \$ 1.60                            |
| Acquisition and integration-related charges and contingent consideration adjustments |                                       | 2.8                 | —                      | (9.8)                    | —  | 12.6                    | —  | 12.6   | —                                   | 12.6                                      | 0.09                               |
| Separation and reorganization expense  |                                       | —                   | —                      | (1.1)                    | —  | 1.1                     | —  | 1.1  | —                                   | 1.1                                       | 0.01                               |
| Unusual litigation   |                                       | —                   | —                      | (14.0)                   | 4.3  | 9.7                     | —  | 9.7  | —                                   | 9.7                                       | 0.07                               |
| (Gain) loss on investment securities   |                                       | —                   | —                      | —                        | —  | —                       | (4.2)  | 4.2  | —                                   | 4.2                                       | 0.03                               |
| Restructuring charges and other termination benefits                                 |                                       | —                   | —                      | —                        | (3.2)  | 3.2                     | —  | 3.2  | —                                   | 3.2                                       | 0.02                               |
| (Gain) loss on divestitures  |                                       | —                   | —                      | (0.3)                    | —  | 0.3                     | (20.8)   | 21.1   | —                                   | 21.1                                      | 0.15                               |
| Change in financial assets   |                                       | —                   | —                      | —                        | —  | —                       | (95.3)   | 95.3   | —                                   | 95.3                                      | 0.69                               |
| Loss on early debt extinguishment  |                                       | —                   | —                      | —                        | —  | —                       | (20.0)   | 20.0   | —                                   | 20.0                                      | 0.15                               |
| Indirect RX business support costs**   |                                       | 2.4                 | (0.9)                  | (25.3)                   | —  | 28.6                    | —  | 28.6   | —                                   | 28.6                                      | 0.21                               |
| Non-GAAP tax adjustments***  |                                       | —                   | —                      | —                        | —  | —                       | —  | —  | 139.4                               | (139.4)                                   | (1.01)                             |
| <b>Adjusted</b>  | \$ 1,590.1                            | \$ 119.3            | \$ 930.4               | \$ —                     | \$ 540.4   | \$ 119.0                | \$ 421.4   | \$ 101.1   | \$ 320.3                            | \$ 2.33                                   |                                    |
| As a % of reported net sales   |                                       | 38.9 %              | 2.9 %                  | 22.8 %                   |  | 13.2 %                  | 2.9 %  | 10.3 %   | 2.5 %                               | 7.8 %                                     |                                    |
| Adjusted effective tax rate  |                                       |                     |                        |                          |  |                         |  |  | 24.0 %                              |   |                                    |

**Diluted weighted average shares outstanding**  
**Reported**

**137.2**

\*Individual pre-tax line item adjustments have not been tax effected, as tax expense on these items are aggregated in the "Non-GAAP tax adjustments" line item.

\*\*Includes certain costs, which are reported in GAAP continuing operations but were previously allocated to the RX business. On a go-forward basis, such costs will either be covered by the transition services agreement or eliminated following closing. Accordingly, we do not believe such operational costs are representative of the future expenses of our continuing operations.

\*\*\*The non-GAAP tax adjustments are primarily due to \$53.0 million tax expense related to pre-tax non-GAAP adjustments and the removal of the following reported items: (1) \$78.2 million tax benefits related to U.S. valuation allowance releases and (2) \$15.9 million related to retroactive U.S. CARES Act adjustments to prior tax years; offset by (3) \$9.0 million tax expense related to Base Erosion and Anti-Abuse Tax (BEAT).

**TABLE III**  
**PERRIGO COMPANY PLC**  
**RECONCILIATION OF NON-GAAP MEASURES**  
**SELECTED CONSOLIDATED INFORMATION**  
(in millions, except per share amounts)  
(unaudited)

|   | Adjusted Net Sales - Constant Currency<br>Twelve Months Ended |                      |                      |                      | 2015-2018 Change | Adjusted Constant<br>Currency 2015-2018<br>CAGR |
|---|---|----------------------|----------------------|----------------------|------------------|---|
|   | December 31,<br>2015  | December 31,<br>2016 | December 31,<br>2017 | December 31,<br>2018 |                  |   |
| <b>Consolidated Continuing Operations</b>                         |   |                      |                      |                      |                  |   |
| <b>Reported Net Sales</b>   | \$ 3,845  | \$ 4,087             | \$ 3,836             | \$ 3,811             | \$ (34)          | (0.3)%  |
| Sales related to VMS business                                     | (162)   | (110)                | —                    | —                    |                  |   |
| Sales related to CSCI exited businesses <sup>(1)</sup>            | (229)   | (242)                | (32)                 | —                    |                  |   |
| Pro-forma Omega <sup>(1)(2)</sup>                                 | 260   | —                    | —                    | —                    |                  |   |
| Pro-forma other acquisition <sup>(1)(3)</sup>                     | 86  | —                    | —                    | —                    |                  |   |
| Sales related to Animal Health                                    | (154)   | (144)                | (141)                | (94)                 |                  |   |
| Sales related to Infant foods                                     | (29)  | (34)                 | (32)                 | (34)                 |                  |   |
| Sales related to Rosemont Pharmaceuticals business <sup>(1)</sup> | (64)  | (66)                 | (60)                 | (57)                 |                  |   |
| Sales related to Nordics <sup>(1)</sup>                           | (11)  | (11)                 | (13)                 | (15)                 |                  |   |
| FX impact <sup>(1)</sup>  | 19  | 39                   | 31                   | —                    |                  |   |
| <b>Adjusted Net Sales - Constant Currency</b>                     | \$ 3,561  | \$ 3,519             | \$ 3,589             | \$ 3,611             | \$ 50            | 0.5%  |

(1) Converted 2015-2017 and adjustments made in currencies other than USD at 2018 average FX rate for comparable presentation to 2018.

(2) Omega acquired 3/31/2015; annualized 2015 for comparable presentation to 2018.

(3) Includes GlaxoSmithKline Consumer Healthcare product portfolio and Naturwohl Pharma GmbH acquired in September 2015; annualized 2015 for comparable presentation to 2018.