Perrigo®

# Third Quarter 2023 Earnings Results

November 7, 2023

**Bradley Joseph,**
**VP Investor Relations &**
**Corporate Communications**

# 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 actual results, levels of activity, performance or achievements of the Company or its industry 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: supply chain impacts on the Company's business, including those caused or exacerbated by armed conflict, trade and other economic sanctions and/or disease; general economic, credit, and market conditions; the impact of the war in Ukraine and any escalation thereof, including the effects of economic and political sanctions imposed by the United States, United Kingdom, European Union, and other countries related thereto; the outbreak or escalation of conflict in other regions where we do business; future impairment charges, if we determine that the carrying amount of specific assets may not be recoverable from the expected future cash flows of such assets; 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 and any litigation relating thereto, ongoing or future government investigations and regulatory initiatives; uncertainty regarding the Company's ability to obtain and maintain, its regulatory approvals; potential costs and reputational impact of product recalls or sales halts; potential adverse changes to U.S. and foreign tax, healthcare and other government policy; the effect of the coronavirus (COVID-19) pandemic and its variants, or other epidemic or pandemic disease; the timing, amount and cost of any share repurchases (or the absence thereof) and/or any refinancing of outstanding debt at or prior to maturity; 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 acquisitions of Héra SAS ("HRA Pharma") and Nestlé's Gateway infant formula plant along with the U.S. and Canadian rights to the GoodStart® infant formula brand and other related formula brands ("Gateway") and/or 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 acquisitions; risks associated with the integration of HRA Pharma and Gateway, including the risk that growth rates are adversely affected by any delay in the integration of sales and distribution networks; 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 other strategic initiatives and investments, including the Company's ability to achieve the expected benefits from its Supply Chain Reinvention Program. Adverse results with respect to pending litigation could have a material adverse impact on the Company's operating results, cash flows and liquidity, and could ultimately require the use of corporate assets to pay damages, reducing assets that would otherwise be 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, 2022, 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.

**Patrick Lockwood-Taylor,**
**President & CEO**

# Delivered Another Solid Quarter in Q3'23

## Q3 Financial Results

*($ in millions, except margin; on an adjusted basis except net sales)*

| Total Perrigo | Q3'23 | YoY Chg. |
|---|---|---|
| **Net Sales** | $1,124 | +2.2% |
| **Gross Profit** | $444 | +10.6% |
| *Gross Margin* | *39.5%* | *+300 bps* |
| **Operating Income** | $150 | +13.0% |
| *Operating Margin* | *13.4%* | *+130 bps* |
| **Diluted EPS** | $0.64 | +14.3% |

## Key Highlights YoY

- Net sales growth +2.2%, including -2.8 percentage points from SKU prioritization and distributor transitions
- Meaningful adj. gross and adj. operating margin expansion
- Double-digit adj. gross profit, adj. operating income and adj. EPS growth


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

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# Business Fundamentals Remain Strong

## CSCI Q3 YoY Highlights[1]

**Higher consumption in several areas including:**

- Cough Cold & Pain
- Skin Care
- U.K. Store Brand


## U.S. OTC Q3 YoY Highlights

**U.S. Store Brand vs. National Brand Volume Share[2]**

**Latest 13 Weeks: +0.7** share points

**U.S. Store Brand vs. National Brand Dollar Share[2]**

**Latest 13 Weeks: +0.2** share points



1. *Consolidation of various sources (IQVIA, IRI, Nielsen, Openhealth, Newline, HMR, reddata, Farmastat) data last 3 months ending May 2023).*
2. *Source: IRI MULO 13-weeks ended 10/8//23 vs. prior year periods.*

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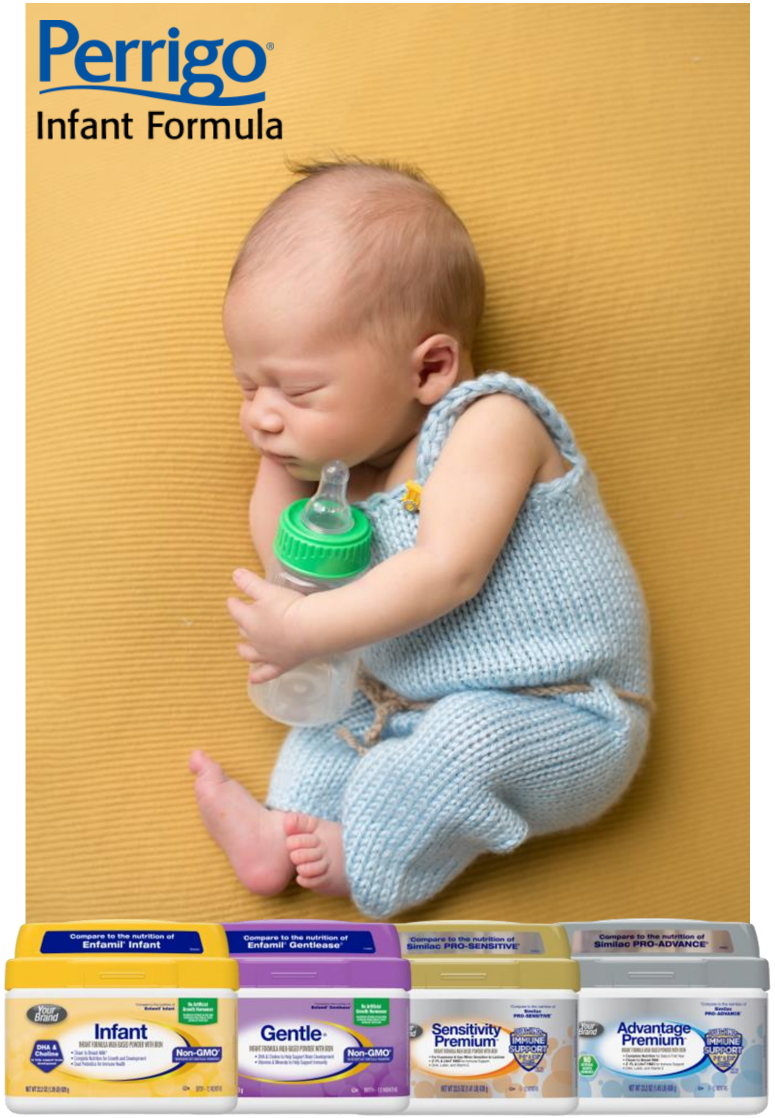
# Continuing to Navigate Current Infant Formula Industry Volatility




**Long History of Producing Infant Formula**

- Two decades of producing high-quality, safe and effective infant formula
- Perrigo plays an important role in this essential category

**Responding to Evolving FDA Guidelines**

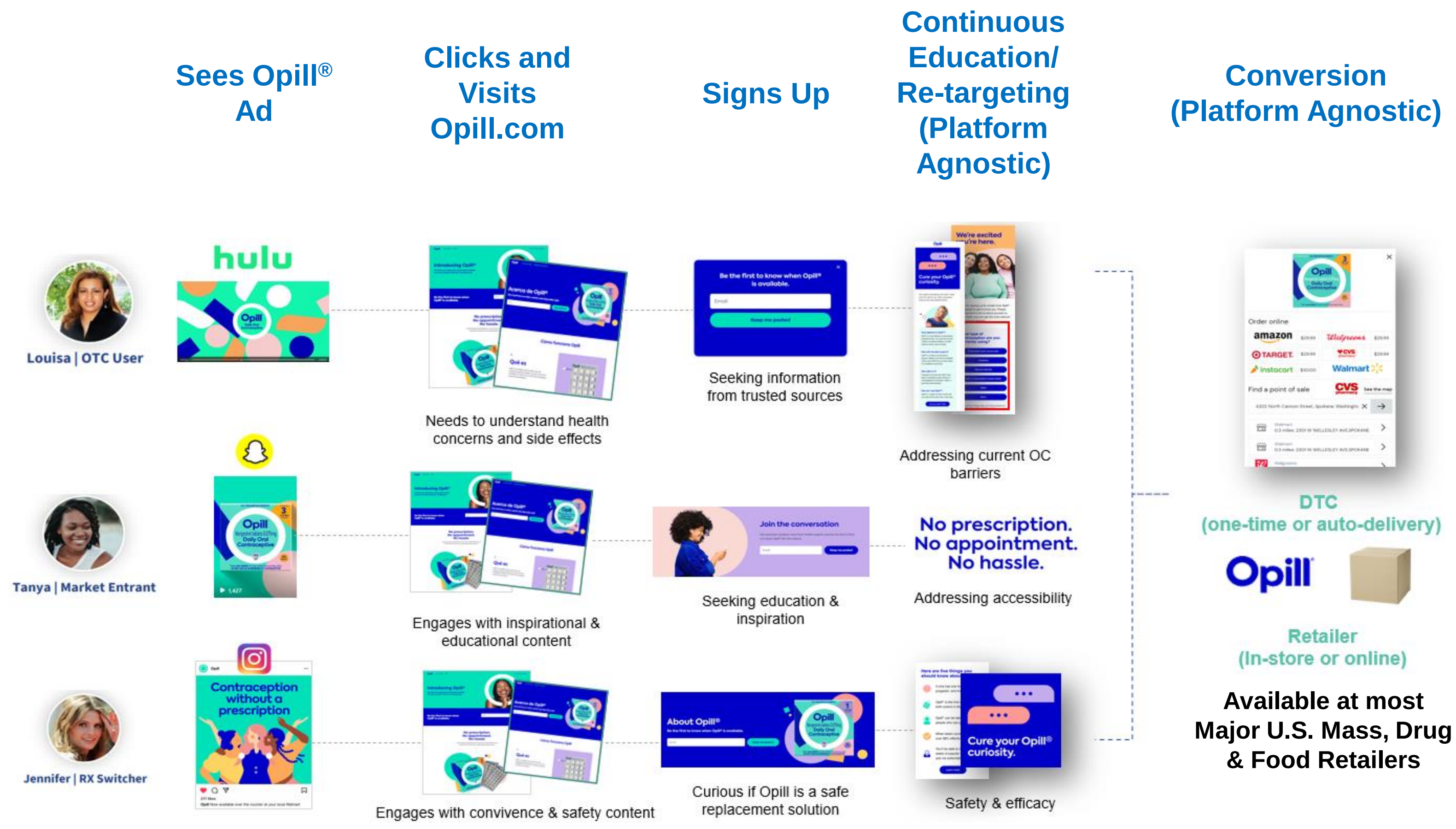
- Shortened production campaigns to perform more frequent major cleanings of facilities
- Implemented enhanced product testing and quality procedures

**Stabilization Expected Mid-2024**

- Rebuild safety stock of highest volume SKUs
- Production is improving and becoming more efficient each week
- Continued strong demand for store brand formula and the annualization of 2023 price actions

# Opill® Pre-Launch Activities Underway; Remain On-Track for Q1'24 Launch

## Opill® Journey and Pre-Launch Activities




- **Pre-launch activities underway**
- **Expect Opill® on retail shelves in Q1'24**
- **Sell-in timing shifts to Q1'24 to meet the build up of consumer demand**



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# Perrigo is Truly a Unique Business – for Consumers, Customers and Investors

**Massive Market Opportunity**

- Long-term secular tailwinds in self-care
- $400B[1] addressable self-care market, growing at 4% CAGR[2]
- Opportunity across brand, value brand and store brand

**Unmatched Size and Scale**

- Provide 65B doses every year
- Every second, of every day 2,200 doses of our products are consumed
- Only company that can produce most major products across categories

**Leading Provider of Value and Access**

- Online, in store, pickup, etc.
- Expands access to millions
- Saves healthcare systems money
- Across brand, value brand and store brand
- Enhancing customer profits

**Diversified and Differentiated Blended-Branded Business**

- Across 9 OTC categories
- Across products/SKUs
- Across value spectrum
- Across geographies
- Across macro-economic environments

1. Source: Nicholas Hall.
2. Source: Euromonitor.



Perrigo®

# Four Pillars to Drive Strategic Roadmap of 'One Perrigo'

## Four Pillars

| | |
|---|---|
| Deliver Consumer-Preferred Brands & Innovation | Drive Category Growth with Our Customers |
| Power Our Business with Our World-class Supply Chain | Evolve to One Operating Model |

## Plan to Operationalize

**Portfolio Configuration, Investment, and Operational Analysis Underway**

## To Deliver

**A Sustainable And Value Accretive Growth Engine**

**Accelerating Financial Performance**

# We Will Continue Focusing to Win!

## Establish Sustainable and Value Accretive Growth Engine

- Deliver consumer led innovation
- Drive category growth with our customers
- Power our business with our world class supply chain
- Evolve to 'One Perrigo' operating model

## Execute to Drive Success

- Focus on operational excellence and continue delivering our trusted self-care products
- Continue to improve infant formula production and efficiencies, rebuilding safety stock

**We Will Optimize and Unlock Our Full Potential**

**We Will Accelerate and Sustain Top Performance**

# Eduardo Bezerra,
# EVP & CFO

# Non-GAAP Adjustments

| Consolidated Continuing Operations | Three Months Ended September 30, 2023 Gross Profit | Operating Income | Income from Continuing Operations[1] | Diluted Earnings per Share[1] | Three Months Ended October 1, 2022 Gross Profit | Operating Income | Income (Loss) from Continuing Operations[1] | Diluted Earnings (Loss) per Share[1] |
|---|---|---|---|---|---|---|---|---|
| **Reported** | **$ 411.2** | **$ 62.1** | **$ 15.4** | **$ 0.11** | **$ 362.9** | **$ 33.1** | **$ (52.1)** | **$ (0.39)** |
| As a % of reported net sales[2] | 36.6 % | 5.5 % | 1.4 % | | 33.0 % | 3.0 % | (4.7)% | |
| *Pre-tax adjustments:* | | | | | | | | |
| Amortization expense related primarily to acquired intangible assets | 32.5 | 68.3 | 68.3 | 0.50 | 34.6 | 68.2 | 68.7 | 0.50 |
| Restructuring charges and other termination benefits | — | 15.1 | 15.1 | 0.11 | — | 19.5 | 19.5 | 0.15 |
| Unusual litigation | — | 2.5 | 2.5 | 0.02 | — | 0.8 | 0.8 | 0.01 |
| Acquisition and integration-related charges and contingent consideration adjustments | — | 0.7 | 0.7 | 0.01 | 3.7 | 11.5 | 11.5 | 0.08 |
| Gain on investment securities | — | — | — | — | — | (0.1) | — | — |
| Loss on early debt extinguishment | — | — | — | — | — | — | (0.3) | — |
| Other[3] | (0.1) | 1.7 | 1.8 | 0.01 | — | — | — | — |
| Non-GAAP tax adjustments[4] | — | — | (16.8) | (0.12) | — | — | 27.5 | 0.21 |
| **Adjusted** | $ 443.6 | $ 150.3 | $ 87.0 | $ 0.64 | $ 401.2 | $ 133.0 | $ 75.6 | $ 0.56 |
| As a % of reported net sales[2] | 39.5 % | 13.4 % | 7.7 % | | 36.5 % | 12.1 % | 6.9 % | |

**Diluted weighted average shares outstanding (in millions)**

| | Three Months Ended September 30, 2023 | Three Months Ended October 1, 2022 |
|---|---|---|
| **Reported** | **136.9** | **134.6** |
| Effect of dilution as reported amount was a loss, while adjusted amount was income[5] | — | 1.6 |
| **Adjusted** | 136.9 | 136.2 |

Note: amounts may not add due to rounding. Percentages are based on actuals.

(1) 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.
(2) Reported net sales for the three months ended September 30, 2023 and October 1, 2022 were $1,123.8 and $1,100.2, respectively.
(3) Other pre-tax adjustments include $1.0 million related to professional consulting fees for potential divestitures and $0.8 million related to a foreign jurisdiction transfer tax payment, allocated across DSG&A Expense and Interest and Other.
(4) Non-GAAP tax adjustments for the Three Months Ended September 30, 2023 are primarily due to $13.4 million of tax expense related to pre-tax non-GAAP adjustments, the interim tax accounting requirements in ASC740 - Income Taxes, plus the removal of (1) $2.8 million of tax benefit related to audit settlements and (2) $1.0 million of tax benefit related to valuation allowance. Non-GAAP tax adjustments for the Three Months Ended October 1, 2022 are primarily due to $28.6 million tax benefit related to pre-tax non-GAAP adjustments and the effect of the interim tax accounting requirements in ASC 740, Income Taxes, plus the removal of $1.5 million of tax benefit for nonrecurring legal entity restructuring.
(5) In the period of a net loss, reported diluted shares outstanding equal basic shares outstanding.



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# Third Quarter Earnings Results

| Perrigo ($ in millions, except margin) | Third Quarter Results: Q3 2023 | Q3 2022 | $ Change YoY | % Change YoY | Constant Currency % Change | YTD Results: % Change YoY | Constant Currency % Change |
|---|---|---|---|---|---|---|---|
| **Net Sales** | **$1,124** | **$1,100** | **$24** | **2.2%** | **0.1%** | **6.1%** | **6.5%** |
| **Adjusted Gross Profit** | **$444** | **$401** | **$42** | **10.6%** | **7.4%** | **15.2%** | **15.7%** |
| *Adjusted Gross Profit Margin %* | *39.5%* | *36.5%* | --- | *300bps* | *270bps* | *300bps* | *310bps* |
| **Adjusted Operating Income** | **$150** | **$133** | **$17** | **13.0%** | **8.9%** | **21.1%** | **22.0%** |
| *Adjusted Operating Margin %* | *13.4%* | *12.1%* | --- | *130bps* | *100bps* | *140bps* | *150bps* |
| **Adjusted Interest & Other** | **$43** | **$36** | **$6** | **17.6%** | | **25.0%** | |
| **Adjusted Effective Tax Rate** | *19.2%* | *21.8%* | --- | *(570)bps* | | *(860)bps* | |
| **Adjusted Net Income** | **$87** | **$76** | **$11** | **14.9%** | | **32.7%** | |
| **Adjusted Diluted EPS** | **$0.64** | **$0.56** | **$0.08** | **14.3%** | **9.3%** | **30.3%** | **31.7%** |

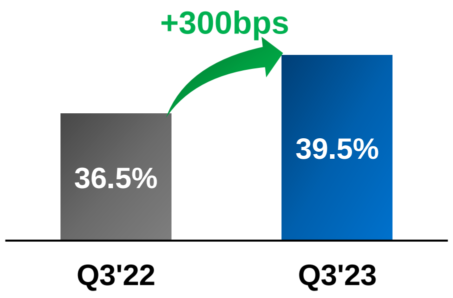
- Q3 organic net sales -1.2% YoY, including -2.8 ppts from SKU prioritization and HRA distributor transition
- YTD organic net sales +2.4% YoY, including -1.9 ppts from SKU prioritization and HRA distributor transition
- Q3 and YTD double-digit adjusted gross profit, adjusted operating income and adjusted EPS growth YoY

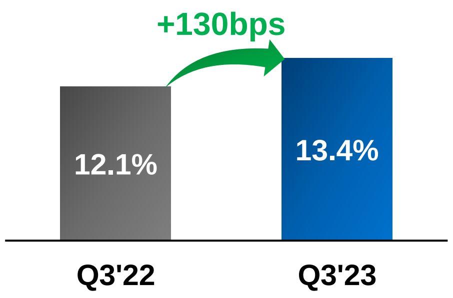
1. *See attached Appendix for reconciliation of Adjusted (Non-GAAP) to Reported (GAAP) amounts.*
2. *Change in organic net sales excludes the effects of acquisitions, divestitures, exited product lines and the impact of currency. See attached appendix.*

# Perrigo Achieved Meaningful Adjusted Gross and Operating Margin Expansion Year-Over-Year

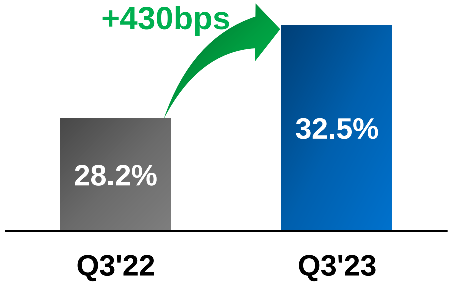
**Adj. Gross Margin Growth YoY** | **Adj. Operating Margin Growth YoY**

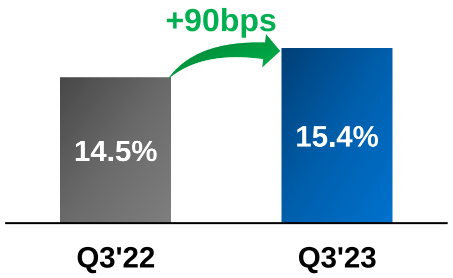
## Total Perrigo



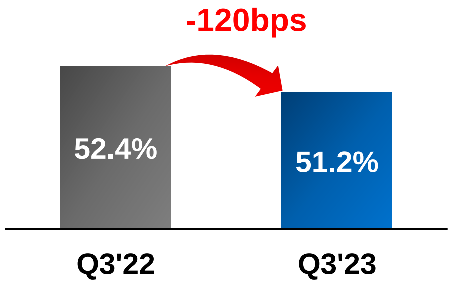



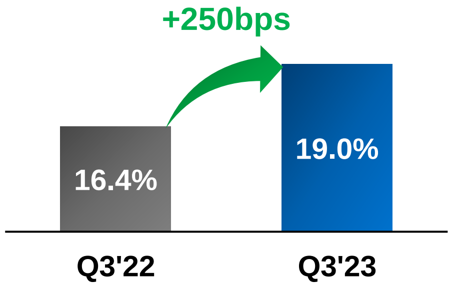

## CSCA




## CSCI




*1. See attached Appendix for reconciliation of Adjusted (Non-GAAP) to Reported (GAAP) amounts.*
*Note: amounts may not add due to rounding. Percentages are based on actuals.*

# Solid Cash Generation in Q3; Remain On-Track for FY’23 Operating Cash Flow Conversion of ~100%

## Cash Metrics Q3’23

**$598M in Cash & Cash Equivalents**

**Operating Cash Flow of $125M**

*143% Operating Cash Flow Conversion[2]*

**$32M in Capital Expenditures**

**$39M Returned to Shareholders in Dividends**

## Cash Metrics YTD’23

**Operating Cash Flow of $197M**

*84% Operating Cash Flow Conversion[2]*

**$75M in Capital Expenditures**

**$112M Returned to Shareholders in Dividends**

1. *See attached Appendix for reconciliation of Adjusted (Non-GAAP) to Reported (GAAP) amounts.*
2. *Cash conversion defined as operating cash flow as a percentage of adjusted net income.*

# Updating Our 2023 Outlook

## FY 2023 Outlook[1,2]

| | *As of 8/8/2023* | *As of 11/7/2023* | *Drivers of Change* |
|---|---|---|---|
| **Organic Net Sales Growth YoY** | *3.0% - 6.0%* | 1.0% - 3.0% | • Infant formula dynamics |
| **Reported Net Sales Growth YoY** | *7.0% - 11.0%* | 4.0% - 6.0% | • Infant formula dynamics<br>• Adverse Fx |
| **Adj. Effective Tax Rate** | *~17.0%* | ~14.0% | • Release of reserves |
| **Adj. EPS Range** | *$2.50 - $2.70* | $2.50 - $2.60 | • Total result of above |
| **Interest Expense** | *~$180M* | ~$180M | |
| **Operating Cash Flow Conversion[4]** | *~100%* | ~100% | |

## Assumptions[3]

- Normal cough cold season in U.S. and Europe; in better position to capitalize in U.S. if season is strong
- Q4 infant formula sales similar to prior year; work to rebuild safety stock
- No change to pre-launch investments for Opill®; anticipate channel fill and launch in Q1'24
- Fx translation expected to adversely impact Q4 adj. EPS by $0.03
- Expect Q4 impact similar to Q3 from HRA one-time distributor transitions

1. *Cash conversion defined as operating cash flow as a percentage of adjusted net income.*
2. *Guidance based upon U.S. dollar/euro exchange rate of $1.06/€1.00 as of 10/26/23.*
3. *Acquisitions & Divestitures: HRA annualized April 29, 2023; Gateway infant formula annualizes November 1, 2023; Latin American businesses annualized March 9, 2023; ScarAway brand asset annualized March 24, 2023.*
4. *Cash conversion defined as operating cash flow as a percentage of adjusted net income.*



Perrigo®

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

# Q & A

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

| | Three Months Ended September 30, 2023 | | | | Three Months Ended October 1, 2022 | | | |
|---|---|---|---|---|---|---|---|---|
| **Consolidated Continuing Operations** | **Gross Profit** | **Operating Income** | **Income from Continuing Operations[1]** | **Diluted Earnings per Share[1]** | **Gross Profit** | **Operating Income** | **Income (Loss) from Continuing Operations[1]** | **Diluted Earnings (Loss) per Share[1]** |
| **Reported** | **$ 411.2** | **$ 62.1** | **$ 15.4** | **$ 0.11** | **$ 362.9** | **$ 33.1** | **$ (52.1)** | **$ (0.39)** |
| As a % of reported net sales[2] | 36.6 % | 5.5 % | 1.4 % | | 33.0 % | 3.0 % | (4.7)% | |
| *Pre-tax adjustments:* | | | | | | | | |
| Amortization expense related primarily to acquired intangible assets | 32.5 | 68.3 | 68.3 | 0.50 | 34.6 | 68.2 | 68.7 | 0.50 |
| Restructuring charges and other termination benefits | — | 15.1 | 15.1 | 0.11 | — | 19.5 | 19.5 | 0.15 |
| Unusual litigation | — | 2.5 | 2.5 | 0.02 | — | 0.8 | 0.8 | 0.01 |
| Acquisition and integration-related charges and contingent consideration adjustments | — | 0.7 | 0.7 | 0.01 | 3.7 | 11.5 | 11.5 | 0.08 |
| Gain on investment securities | — | — | — | — | — | (0.1) | — | — |
| Loss on early debt extinguishment | — | — | — | — | — | — | (0.3) | — |
| Other [3] | (0.1) | 1.7 | 1.8 | 0.01 | — | — | — | — |
| Non-GAAP tax adjustments[4] | — | — | (16.8) | (0.12) | — | — | 27.5 | 0.21 |
| **Adjusted** | $ 443.6 | $ 150.3 | $ 87.0 | $ 0.64 | $ 401.2 | $ 133.0 | $ 75.6 | $ 0.56 |
| As a % of reported net sales[2] | 39.5 % | 13.4 % | 7.7 % | | 36.5 % | 12.1 % | 6.9 % | |

**Diluted weighted average shares outstanding (in millions)**

| | Three Months Ended September 30, 2023 | Three Months Ended October 1, 2022 |
|---|---|---|
| **Reported** | **136.9** | **134.6** |
| Effect of dilution as reported amount was a loss, while adjusted amount was income[5] | — | 1.6 |
| **Adjusted** | 136.9 | 136.2 |

Note: amounts may not add due to rounding. Percentages are based on actuals.

(1) 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.
(2) Reported net sales for the three months ended September 30, 2023 and October 1, 2022 were $1,123.8 and $1,100.2, respectively.
(3) Other pre-tax adjustments include $1.0 million related to professional consulting fees for potential divestitures and $0.8 million related to a foreign jurisdiction transfer tax payment.
(4) Non-GAAP tax adjustments for the Three Months Ended September 30, 2023 are primarily due to $13.4 million of tax expense related to pre-tax non-GAAP adjustments, the interim tax accounting requirements in ASC740 - Income Taxes, plus the removal of (1) $2.8 million of tax benefit related to audit settlements and (2) $1.0 million of tax benefit related to valuation allowance. Non-GAAP tax adjustments for the Three Months Ended October 1, 2022 are primarily due to $28.6 million tax benefit related to pre-tax non-GAAP adjustments and the effect of the interim tax accounting requirements in ASC 740, Income Taxes, plus the removal of $1.5 million of tax benefit for nonrecurring legal entity restructuring.
(5) In the period of a net loss, reported diluted shares outstanding equal basic shares outstanding.



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## TABLE I (CONTINUED)
## PERRIGO COMPANY PLC
## RECONCILIATION OF NON-GAAP MEASURES
(in millions, except per share amounts)
(unaudited)

| | Nine Months Ended September 30, 2023 | | | | Nine Months Ended October 1, 2022 | | | |
|---|---|---|---|---|---|---|---|---|
| **Consolidated Continuing Operations** | **Gross Profit** | **Operating Income** | **Income from Continuing Operations[1]** | **Diluted Earnings per Share[1]** | **Gross Profit** | **Operating Income** | **Income (Loss) from Continuing Operations[1]** | **Diluted Earnings (Loss) per Share[1]** |
| **Reported** | **$ 1,253.1** | **$ 167.5** | **$ 23.3** | **$ 0.17** | **$ 1,072.8** | **$ 47.9** | **$ (118.2)** | **$ (0.88)** |
| As a % of reported net sales[2] | 35.8 % | 4.8 % | 0.7 % | | 32.5 % | 1.5 % | (3.6)% | |
| *Pre-tax adjustments:* | | | | | | | | |
| Amortization expense related primarily to acquired intangible assets | 95.1 | 203.5 | 204.6 | 1.49 | 86.8 | 179.7 | 181.2 | 1.34 |
| Restructuring charges and other termination benefits | 0.1 | 24.3 | 24.3 | 0.18 | — | 33.3 | 33.3 | 0.25 |
| Acquisition and integration-related charges and contingent consideration adjustments | — | 7.1 | 7.1 | 0.05 | 10.2 | 71.1 | 127.1 | 0.94 |
| Unusual litigation | — | 7.7 | 7.7 | 0.06 | — | 3.6 | 3.6 | 0.03 |
| Loss on early debt extinguishment | — | — | — | — | — | — | 8.9 | 0.07 |
| Impairment charges | — | — | — | — | — | 4.6 | 4.6 | 0.03 |
| Gain on divestitures and investment securities | — | (4.6) | (4.7) | (0.03) | — | (3.9) | (2.0) | (0.02) |
| Milestone payments received related to royalty rights | — | — | (10.0) | (0.07) | — | — | — | — |
| Other[3] | (0.1) | 1.7 | 1.8 | 0.01 | — | — | — | — |
| Non-GAAP tax adjustments[4] | — | — | (19.4) | (0.14) | — | — | (59.2) | (0.44) |
| **Adjusted** | $ 1,348.2 | $ 407.2 | $ 234.6 | $ 1.72 | $ 1,169.8 | $ 336.3 | $ 179.3 | $ 1.32 |
| As a % of reported net sales[2] | 38.5 % | 11.6 % | 6.7 % | | 35.5 % | 10.2 % | 5.4 % | |

| **Diluted weighted average shares outstanding (in millions)** | Nine Months Ended September 30, 2023 | Nine Months Ended October 1, 2022 |
|---|---|---|
| **Reported** | **136.6** | **134.4** |
| Effect of dilution as reported amount was a loss, while adjusted amount was income[5] | — | 1.3 |
| **Adjusted** | 136.6 | 135.7 |

Note: amounts may not add due to rounding. Percentages are based on actuals.

(1) 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.
(2) Reported net sales for the nine months ended September 30, 2023 and October 1, 2022 were $3,498.7 and $3,296.3, respectively.
(3) Other pre-tax adjustments include $1.0 million related to professional consulting fees for potential divestitures and $0.8 million related to a foreign jurisdiction transfer tax payment.
(4) Non-GAAP tax adjustments for the Nine Months Ended September 30, 2023 are primarily due to $39.6 million of tax expense related to pre-tax non-GAAP adjustments, the interim tax accounting requirements in ASC740 - Income Taxes, plus the removal of (1) $17.8 million of tax expense related to audit settlements and (2) $2.1 million of tax expense related to valuation allowance. Non-GAAP tax adjustments for the Nine Months Ended October 1, 2022 are primarily due to $45.7 million of tax expense related to pre-tax non-GAAP adjustments, and the removal of (1) $17.2 million tax benefit on dispositions of entities, offset by (2) $4.5 million tax expense for non-recurring legal entity restructuring.
(5) In the period of a net loss, reported diluted shares outstanding equal basic shares outstanding.

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

| | Three Months Ended September 30, 2023 | | | | Three Months Ended October 1, 2022 | | | |
|---|---|---|---|---|---|---|---|---|
| **Consumer Self-Care Americas** | **Gross Profit** | **R&D Expense** | **DSG&A Expense** | **Operating Income** | **Gross Profit** | **R&D Expense** | **DSG&A Expense** | **Operating Income** |
| **Reported** | **$ 224.0** | **$ 19.6** | **$ 111.1** | **$ 91.1** | **$ 190.3** | **$ 16.7** | **$ 91.6** | **$ 75.2** |
| As a % of reported net sales(1) | 31.8 % | 2.8 % | 15.8 % | 12.9 % | 26.3 % | 2.3 % | 12.7 % | 10.4 % |
| *Pre-tax adjustments:* | | | | | | | | |
| Amortization expense related primarily to acquired intangible assets | 4.5 | — | (10.1) | 14.5 | 7.1 | — | (7.4) | 14.6 |
| Restructuring charges and other termination benefits | — | — | — | 2.1 | — | — | (0.4) | 7.2 |
| Acquisition and integration-related charges and contingent consideration adjustments | — | — | (0.5) | 0.5 | 5.9 | — | (1.6) | 7.5 |
| **Adjusted** | $ 228.5 | $ 19.6 | $ 100.5 | $ 108.1 | $ 203.3 | $ 16.7 | $ 82.2 | $ 104.4 |
| As a % of reported net sales | 32.5 % | 2.8 % | 14.3 % | 15.4 % | 28.2 % | 2.3 % | 11.4 % | 14.5 % |

| | Three Months Ended September 30, 2023 | | | | Three Months Ended October 1, 2022 | | | |
|---|---|---|---|---|---|---|---|---|
| **Consumer Self-Care International** | **Gross Profit** | **R&D Expense** | **DSG&A Expense** | **Operating Income** | **Gross Profit** | **R&D Expense** | **DSG&A Expense** | **Operating Income** |
| **Reported** | **$ 187.2** | **$ 10.0** | **$ 151.2** | **$ 13.6** | **$ 172.6** | **$ 13.1** | **$ 151.8** | **$ 1.3** |
| As a % of reported net sales(1) | 44.5 % | 2.4 % | 36.0 % | 3.2 % | 45.7 % | 3.5 % | 40.2 % | 0.3 % |
| *Pre-tax adjustments:* | | | | | | | | |
| Amortization expense related primarily to acquired intangible assets | 28.0 | (0.2) | (25.5) | 53.7 | 27.4 | (0.6) | (25.6) | 53.5 |
| Restructuring charges and other termination benefits | — | — | — | 12.5 | — | — | — | 6.4 |
| Acquisition and integration-related charges and contingent consideration adjustments | — | — | — | — | (2.1) | — | (3.0) | 0.9 |
| Other | (0.1) | — | — | (0.1) | — | — | — | — |
| **Adjusted** | $ 215.1 | $ 9.7 | $ 125.7 | $ 79.7 | $ 197.9 | $ 12.5 | $ 123.2 | $ 62.1 |
| As a % of reported net sales | 51.2 % | 2.3 % | 29.9 % | 19.0 % | 52.4 % | 3.3 % | 32.6 % | 16.4 % |

Note: amounts may not add due to rounding. Percentages are based on actuals.

(1) CSCA reported net sales for the three months ended September 30, 2023 and October 1, 2022 were $703.5 million and $722.3 million, respectively. CSCI reported net sales for the three months ended September 30, 2023 and October 1, 2022 were $420.3 million and $377.9 million, respectively.

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

| | Three Months Ended September 30, 2023 | | Three Months Ended October 1, 2022 | |
|---|---|---|---|---|
| **Consolidated Continuing Operations** | **Interest and Other** | **Income Tax Expense** | **Interest and Other** | **Income Tax Expense** |
| **Reported** | **$ 42.9** | **$ 3.8** | **$ 36.6** | **$ 48.6** |
| As a % of reported net sales[(1)] | 3.8 % | 0.3 % | 3.3 % | 4.4 % |
| Effective tax rate | | *19.7 %* | | n/m |
| *Pre-tax adjustments:* | | | | |
| Amortization expense related primarily to acquired intangible assets | — | — | (0.5) | — |
| Gain on investment securities | — | — | (0.1) | — |
| Loss on early debt extinguishment | — | — | 0.3 | — |
| Other | (0.1) | — | — | — |
| Non-GAAP tax adjustments[(2)] | — | 16.8 | — | (27.5) |
| **Adjusted** | $ 42.8 | $ 20.6 | $ 36.3 | $ 21.1 |
| As a % of reported net sales [(1)] | 3.8 % | 1.8 % | 3.3 % | 1.9 % |
| Adjusted effective tax rate | | 19.2 % | | 21.8 % |

Note: amounts may not add due to rounding. Percentages are based on actuals.

(1) Reported net sales for the three months ended September 30, 2023 and October 1, 2022 were $1,123.8 and $1,100.2, respectively.
(2) Non-GAAP tax adjustments for the Three Months Ended September 30, 2023 are primarily due to $13.4 million of tax expense related to pre-tax non-GAAP adjustments, the interim tax accounting requirements in ASC740 - Income Taxes, plus the removal of (1) $2.8 million of tax benefit related to audit settlements and (2) $1.0 million of tax benefit related to valuation allowance. Non-GAAP tax adjustments for the Three Months Ended October 1, 2022 are primarily due to $28.6 million tax benefit related to pre-tax non-GAAP adjustments and the effect of the interim tax accounting requirements in ASC 740, Income Taxes, plus the removal of $1.5 million of tax benefit for nonrecurring legal entity restructuring.


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

| Consolidated Continuing Operations | Nine Months Ended September 30, 2023 Interest and Other | Nine Months Ended September 30, 2023 Income Tax Expense | Nine Months Ended October 1, 2022 Interest and Other | Nine Months Ended October 1, 2022 Income Tax Expense (Benefit) |
|---|---|---|---|---|
| **Reported** | **$ 121.5** | **$ 22.7** | **$ 172.7** | **$ (6.6)** |
| As a % of reported net sales [(1)] | 3.5 % | 0.6 % | 5.2 % | (0.2)% |
| Effective tax rate | | 49.5 % | | 5.3 % |
| *Pre-tax adjustments:* | | | | |
| Acquisition and integration-related charges and contingent consideration adjustments | — | — | (56.0) | — |
| Amortization expense primarily related to acquired intangible assets | (1.1) | — | (1.5) | — |
| Loss on early debt extinguishment | — | — | (8.9) | — |
| Loss (gain) on divestitures and investment securities | 0.1 | — | (1.9) | — |
| Milestone payments received related to royalty rights | 10.0 | — | — | — |
| Other | (0.1) | — | — | — |
| Non-GAAP tax adjustments[(2)] | — | 19.4 | — | 59.2 |
| **Adjusted** | $ 130.4 | $ 42.2 | $ 104.4 | $ 52.6 |
| As a % of reported net sales [(1)] | 3.7 % | 1.2 % | 3.2 % | 1.6 % |
| Adjusted effective tax rate | | 15.2 % | | 22.7 % |

Note: amounts may not add due to rounding. Percentages are based on actuals.

(1) Reported net sales for the nine months ended September 30, 2023 and October 1, 2022 were $3,498.7 and $3,296.3, respectively.
(2) Non-GAAP tax adjustments for the Nine Months Ended September 30, 2023 are primarily due to $39.6 million of tax expense related to pre-tax non-GAAP adjustments, the interim tax accounting requirements in ASC740 - Income Taxes, plus the removal of (1) $17.8 million of tax expense related to audit settlements and (2) $2.1 million of tax expense related to valuation allowance. Non-GAAP tax adjustments for the Nine Months Ended October 1, 2022 are primarily due to $45.7 million of tax expense related to pre-tax non-GAAP adjustments, and the removal of (1) $17.2 million tax benefit on dispositions of entities, offset by (2) $4.5 million tax expense for non-recurring legal entity restructuring.



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**TABLE III**

**PERRIGO COMPANY PLC**
**RECONCILIATION OF NON-GAAP MEASURES**

(in millions, except per share amounts)
(unaudited)

| | Three Months Ended | | | Nine Months Ended | | |
|---|---|---|---|---|---|---|
| **Consolidated Continuing Operations** | **September 30, 2023** | **October 1, 2022** | **% Change** | **September 30, 2023** | **October 1, 2022** | **% Change** |
| Net Sales | $ 1,123.8 | $ 1,100.2 | 2.2% | $ 3,498.7 | $ 3,296.3 | 6.1% |
| Less: Currency impact[(1)] | 22.4 | — | (2.1)% | (12.7) | — | 0.4% |
| Constant currency net sales | $ 1,101.4 | $ 1,100.2 | 0.1% | $ 3,511.4 | $ 3,296.3 | 6.5% |
| Less: Divestitures[(2)] | — | — | —% | — | 19.3 | 0.7% |
| Less: Exited product lines[(4)] | 1.0 | 13.4 | 1.1% | 9.1 | 40.5 | 1.0% |
| Less: Acquisitions[(3)] | 27.0 | — | (2.5)% | 188.8 | — | (5.8)% |
| Organic net sales | $ 1,073.4 | $ 1,086.8 | (1.2)% | $ 3,313.4 | 3,236.7 | 2.4% |

| | Three Months Ended | | | Nine Months Ended | | |
|---|---|---|---|---|---|---|
| **Consumer Self-Care Americas** | **September 30, 2023** | **October 1, 2022** | **% Change** | **September 30, 2023** | **October 1, 2022** | **% Change** |
| Net Sales | $ 703.5 | $ 722.3 | (2.6)% | $ 2,217.9 | $ 2,160.2 | 2.7% |
| Less: Currency impact[(1)] | (0.3) | — | —% | (1.5) | — | —% |
| Constant currency net sales | $ 703.9 | $ 722.3 | (2.6)% | $ 2,219.4 | $ 2,160.2 | 2.7% |
| Less: Divestitures[(2)] | — | — | —% | — | 19.3 | 0.9% |
| Less: Exited product lines[(4)] | 1.0 | 10.0 | 1.2% | 8.2 | 30.1 | 1.1% |
| Less: Acquisitions[(3)] | 27.0 | — | (3.8)% | 120.6 | — | (5.5)% |
| Organic net sales | $ 675.8 | $ 712.3 | (5.1)% | $ 2,090.6 | $ 2,111.0 | (1.0)% |

| | Three Months Ended | | | Nine Months Ended | | |
|---|---|---|---|---|---|---|
| **Consumer Self-Care International** | **September 30, 2023** | **October 1, 2022** | **% Change** | **September 30, 2023** | **October 1, 2022** | **% Change** |
| Net Sales | $ 420.3 | $ 377.9 | 11.2% | $ 1,280.7 | $ 1,136.1 | 12.7% |
| Less: Currency impact[(1)] | 22.7 | — | (6.0)% | (11.2) | — | 1.0% |
| Constant currency net sales | $ 397.6 | $ 377.9 | 5.2% | $ 1,291.9 | $ 1,136.1 | 13.7% |
| Less: Exited product lines[(4)] | — | 3.4 | 1.0% | 0.9 | 10.4 | 1.0% |
| Less: Acquisitions[(3)] | — | — | —% | 68.3 | — | (6.1)% |
| Organic net sales | $ 397.6 | $ 374.5 | 6.2% | $ 1,222.8 | $ 1,125.7 | 8.6% |

Note: amounts may not add due to rounding. Percentages are based on actuals.
(1) Currency impact is calculated using the exchange rates used to translate our financial statements in the comparable prior year period to show what current period US dollar results would have been if such currency exchange rates had not changed.
(2) Represents divestitures of Latin American businesses and ScarAway®.
(3) Represents acquisition of HRA Pharma in CSCA and CSCI on a constant currency basis (four months of sales for the first half of 2023, as it was acquired on April 29, 2022), and Nestlé's Gateway Infant Formula Plant and Good Start® infant formula brand in CSCA.
(4) Exited product lines represents strategic actions taken across multiple product categories as part of our Supply Chain Reinvention Program, primarily driven by Nutritional drinks within the Nutrition category.

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

| | Three Months Ended | | | | Nine Months Ended | | | |
|---|---|---|---|---|---|---|---|---|
| **Consolidated Continuing Operations** | **September 30, 2023** | **October 1, 2022** | **Total Change** | | **September 30, 2023** | **October 1, 2022** | **Total Change** | |
| Adjusted gross profit | $ 443.6 | $ 401.2 | $ 42.4 | 10.6% | $ 1,348.2 | $ 1,169.8 | | 15.2% |
| Adjusted gross margin | 39.5 % | 36.5 % | | 300 bps | 38.5 % | 35.5 % | | 300 bps |
| Less: Currency impact[1] | 12.7 | — | | | (5.1) | — | | |
| Constant currency adjusted gross profit | $ 430.9 | $ 401.2 | | 7.4% | $ 1,353.4 | $ 1,169.8 | | 15.7% |
| Constant currency adjusted gross margin | 39.1 % | 36.5 % | | 270 bps | | | | |
| Adjusted operating income | $ 150.3 | $ 133.0 | $ 17.3 | 13.0% | $ 407.2 | $ 336.3 | | 21.1% |
| Adjusted operating margin | 13.4 % | 12.1 % | | 130 bps | 11.6 % | 10.2 % | | 140 bps |
| Less: Currency impact[1] | 5.5 | — | | | (2.9) | — | | |
| Constant currency adjusted operating income | $ 144.8 | $ 133.0 | | 8.9% | $ 410.1 | $ 336.3 | | 22.0% |
| Constant currency adjusted operating margin | 13.1 % | 12.1 % | | 100 bps | 11.7 % | 10.2 % | | 150 bps |
| Adjusted EPS | $ 0.64 | $ 0.56 | $ 0.08 | 14.3% | $ 1.72 | $ 1.32 | | 30.3% |
| Less: Currency impact[1] | 0.03 | — | | | (0.02) | — | | |
| Constant currency EPS | $ 0.61 | $ 0.56 | $ 0.05 | 9.3 % | $ 1.74 | $ 1.32 | $ 0.42 | 31.7 % |

| **Consumer Self-Care International** | | | |
|---|---|---|---|
| Adjusted gross margin | 51.2 % | 52.4 % | (120) bps |
| Adjusted operating margin | 19.0 % | 16.4 % | 250 bps |

| **Consumer Self-Care Americas** | | | |
|---|---|---|---|
| Adjusted gross margin | 32.5 % | 28.2 % | 430 bps |
| Adjusted operating margin | 15.4 % | 14.5 % | 90 bps |

| **Consolidated Continuing Operations** | **Three Months Ended** | **Nine Months Ended** |
|---|---|---|
| **Cash Conversion** | **September 30, 2023** | **September 30, 2023** |
| Adjusted net income | $87.0 | $234.6 |
| Net cash from operating activities | $124.7 | $196.8 |
| Cash conversion | 143% | 84% |

Note: amounts may not add due to rounding. Percentages are based on actuals.

(1) Currency impact is calculated using the exchange rates used to translate our financial statements in the comparable prior year period to show what current period US dollar results would have been if such currency exchange rates had not changed.



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

| | Trailing Twelve Months Ended | |
|---|---|---|
| | September 30, 2023 | December 31, 2022 |
| **Reported income (loss) from continuing operations** | $ 10.6 | $ (130.9) |
| Income tax expense (benefit) | 21.1 | (8.2) |
| Interest expense, net | 172.0 | 156.0 |
| Depreciation and amortization | 370.8 | 338.6 |
| EBITDA | $ 574.4 | $ 355.5 |
| Non-cash stock-based compensation expense | 66.3 | 54.9 |
| Acquisition and integration-related charges and contingent consideration adjustments | 44.3 | 164.3 |
| Restructuring charges and other termination benefits | 34.8 | 43.1 |
| Unusual litigation | 12.2 | 8.1 |
| Impairment and abandonment charges | — | 4.6 |
| Other, net(1) | (10.8) | 10.0 |
| **Adjusted EBITDA** | $ 721.3 | $ 640.5 |
| | | |
| Reported Debt | $ 4,086.6 | $ 4,106.6 |
| Less: Cash and cash equivalents | (598.3) | (600.7) |
| **Net Debt** | $ 3,488.2 | $ 3,505.9 |
| | | |
| **Leverage Ratio (Net Debt / Adjusted EBITDA)** (2) | 4.8 | 5.5 |

Note: amounts may not add due to rounding. Percentages are based on actuals.

(1) Represents loss on debt extinguishment, (gain) loss on divestitures and investment securities, milestones payments received related to royalty rights, and certain other adjustments.
(2) No GAAP leverage ratio calculation provided as it is not meaningful.



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

| | Full Year 2023 Guidance |
|---|---|
| **Reported Diluted EPS** | $0.40 - $0.50 |
| Pre-tax adjustments:[1] | |
| Amortization expense primarily related to acquired intangible assets | 2.00 |
| Restructuring charges and other termination benefits | 0.32 |
| Acquisition and integration-related charges and contingent consideration adjustments | 0.07 |
| Unusual litigation | 0.07 |
| (Gain) loss on divestitures and investment securities | (0.03) |
| Milestone payments received related to royalty rights | (0.07) |
| Non-GAAP tax adjustments[2] | (0.25) |
| Adjusted Diluted EPS | $2.50 - $2.60 |
| | |
| **Reported Net Sales Growth** | 4.0% - 6.0% |
| Acquisitions, Divestitures, Exited Product Lines and HRA 1x distribution transition | 3.0% |
| Organic Net Sales Growth | 1.0% - 3.0% |
| | |
| **Reported Effective Tax Rate** | 30.6% |
| Non-GAAP tax adjustments | (16.6)% |
| Adjusted Effective Tax Rate | 14.0% |

Note: amounts may not add due to rounding. Percentages are based on actuals.

(1) 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.
(2) The non-GAAP tax adjustments are tax effect of pre-tax non-GAAP adjustments.