



## Q4 2024 Earnings Presentation

February 19, 2025



## Forward-Looking Statements

This presentation contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical fact are "forward-looking statements" for purposes of federal and state securities laws, including any projections of earnings, revenue or other financial items; any statements of the plans, strategies and objectives of management, including for future operations, capital expenditures, or share repurchases; any statements concerning proposed new products, services, or developments; any statements regarding future economic conditions or performance; any statements of belief or expectation; and any statements of assumptions underlying any of the foregoing or other future events. Forward-looking statements may include, among others, the words "may," "will," "estimate," "intend," "continue," "believe," "expect," "anticipate" or any other similar words.

Although we believe that the expectations reflected in any of our forward-looking statements are reasonable, actual results or outcomes could differ materially from those projected or assumed in any of our forward-looking statements. Our future financial condition and results of operations, as well as any forward-looking statements, are subject to change and to inherent risks and uncertainties, many of which are beyond our control. Important factors that could cause our actual results, performance and achievements, or industry results to differ materially from estimates or projections contained in or implied by our forward-looking statements include the following: the potential impacts of current global economic conditions, including inflation, unfavorable foreign exchange rate fluctuations, and tariffs or retaliatory tariffs, on us; our Members, customers, and supply chain; and the world economy; our ability to attract and retain Members; our relationship with, and our ability to influence the actions of, our Members; our noncompliance with, or improper action by our employees or Members in violation of, applicable U.S. and foreign laws, rules, and regulations; adverse publicity associated with our Company or the direct-selling industry, including our ability to comfort the marketplace and regulators regarding our compliance with applicable laws; changing consumer preferences and demands and evolving industry standards, including with respect to climate change, sustainability, and other environmental, social, and governance matters; the competitive nature of our business and industry; legal and regulatory matters, including regulatory actions concerning, or legal challenges to, our products or network marketing program and product liability claims; the Consent Order entered into with the Federal Trade Commission, or FTC, the effects thereof and any failure to comply therewith; risks associated with operating internationally and in China; our ability to execute our growth and other strategic initiatives, including implementation of our restructuring initiatives, and increased penetration of our existing markets; any material disruption to our business caused by natural disasters, other catastrophic events, acts of war or terrorism, including the war in Ukraine, cybersecurity incidents, pandemics, and/or other acts by third parties; our ability to adequately source ingredients, packaging materials, and other raw materials and manufacture and distribute our products; our reliance on our information technology infrastructure; noncompliance by us or our Members with any privacy laws, rules, or regulations or any security breach involving the misappropriation, loss, or other unauthorized use or disclosure of confidential information; contractual limitations on our ability to expand or change our direct-selling business model; the sufficiency of our trademarks and other intellectual property; product concentration; our reliance upon, or the loss or departure of any member of, our senior management team; restrictions imposed by covenants in the agreements governing our indebtedness; risks related to our convertible notes; changes in, and uncertainties relating to, the application of transfer pricing, income tax, customs duties, value added taxes, and other tax laws, treaties, and regulations, or their interpretation; our incorporation under the laws of the Cayman Islands; and share price volatility related to, among other things, speculative trading and certain traders shorting our common shares.

Additional factors and uncertainties that could cause actual results or outcomes to differ materially from our forward-looking statements are set forth in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2024, filed with the Securities and Exchange Commission on February 19, 2025, including under the headings "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and in our Consolidated Financial Statements and the related Notes included therein. In addition, historical, current, and forward-looking sustainability-related statements may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve, and assumptions that are subject to change in the future.

Forward-looking statements made in this presentation speak only as of the date hereof. We do not undertake any obligation to update or release any revisions to any forward-looking statement or to report any events or circumstances after the date of this presentation or to reflect the occurrence of unanticipated events, except as required by law.

## Non-GAAP Measures

This presentation includes non-GAAP financial measures, including adjusted SG&A, adjusted EBITDA, credit agreement EBITDA, adjusted net income and adjusted diluted EPS, as well as net sales, EBITDA, net income and diluted EPS presented on a constant currency basis. We believe that these non-GAAP measures and presentation, which are defined and discussed in greater detail and reconciled elsewhere in this presentation, provide additional useful information to management and investors for assessing our financial performance, as well as other business trends. These non-GAAP measures and presentation do, however, have certain limitations and should not be considered as an alternative to or in isolation from information calculated in accordance with U.S. GAAP. Refer to the Appendix.

Q4 2024

# Strategic Update

Michael Johnson  
Chairman & CEO



# CEO Highlights

- Executive leadership changes effective May 1 '25
  - Stephan Gratziani appointed CEO
  - Michael Johnson named Executive Chairman
  - Rob Levy appointed President, Worldwide Markets
- Net sales at high end of guidance for Q4 and FY 2024
  - Q4 \$1.2B, up 2.7% YoY on constant currency basis<sup>1</sup>
  - FY \$5.0B, up 1.2% YoY on constant currency basis<sup>1</sup>
- Adjusted EBITDA<sup>2</sup> exceeds guidance for Q4 and FY
- Reduced debt by nearly \$250M in 2024
- Total leverage ratio reduced to 3.2x at Dec 31
- New distributors increased 22% YoY worldwide, third consecutive quarter of YoY improvement
- Launched global rollout of Diamond Development Mastermind Program in Jan '25

**Celebrating 45 Years of Changing People's Lives  
Through Science-backed Products and a Business Opportunity**

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# Business Update

Stephan Gratziani  
President





# New Distributors and Active Non-Sales Leaders Growth

## New Distributor Growth by Region

% = YoY change	Q4 2024	FY 2024
North America	+13%	+13%
Latin America	+57%	+30%
EMEA	+6%	+5%
Asia Pacific	+35%	+12%
China <sup>1</sup>	(20)%	(7)%
<b>Worldwide</b>	<b>+22%</b>	<b>+11%</b>

## Recruiting Activity by Marketing Plan Level<sup>2</sup>

% = YoY change	Q4 2024	FY 2024
President's Team	+75%	+47%
Millionaire Team	+59%	+39%
Global Expansion Team	+53%	+32%
World Team	+40%	+18%
Supervisor	+27%	+10%
Distributor	+10%	+2%
<b>Worldwide (ex. China)<sup>3</sup></b>	<b>+28%</b>	<b>+13%</b>

## Active Non-Sales Leaders Distributors/Members<sup>4</sup> Growth

% = YoY change	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
North America	(26)%	(26)%	(19)%	(17)%	(10)%	(1)%	(2)%	+3%
Latin America	(21)%	(23)%	(14)%	(19)%	(12)%	+4%	+11%	+19%
EMEA	(24)%	(14)%	(9)%	(8)%	(4)%	(1)%	+0%	+1%
Asia Pacific	+5%	+4%	+10%	+10%	+5%	+10%	+12%	+20%
China	(27)%	(12)%	(12)%	+16%	+16%	+6%	(5)%	(8)%
<b>Worldwide</b>	<b>(15)%</b>	<b>(10)%</b>	<b>(3)%</b>	<b>(2)%</b>	<b>(1)%</b>	<b>+4%</b>	<b>+6%</b>	<b>+11%</b>

(1) China market includes sales representatives

(2) Represents the respective period-over-period percentage change in number of new distributors recruited by distributors within the respective marketing plan level

(3) China excluded due to different business model

(4) Active Non-Sales Leaders Distributors/Members represent the distinct number of Distributors below Sales Leader level who purchased in any month of the reported quarter. "Members" is applicable in countries which do not have separate Distributor and Preferred Customer programs. Refer to "Regional Supplemental Metrics" available under the Investor Relations => Financial Info => Quarterly Supplements section of Herbalife's website (<https://ir.herbalife.com/>) for additional information.

Q4 2024

# Financial Update

John DeSimone  
CFO



# Q4 2024 Financial Highlights

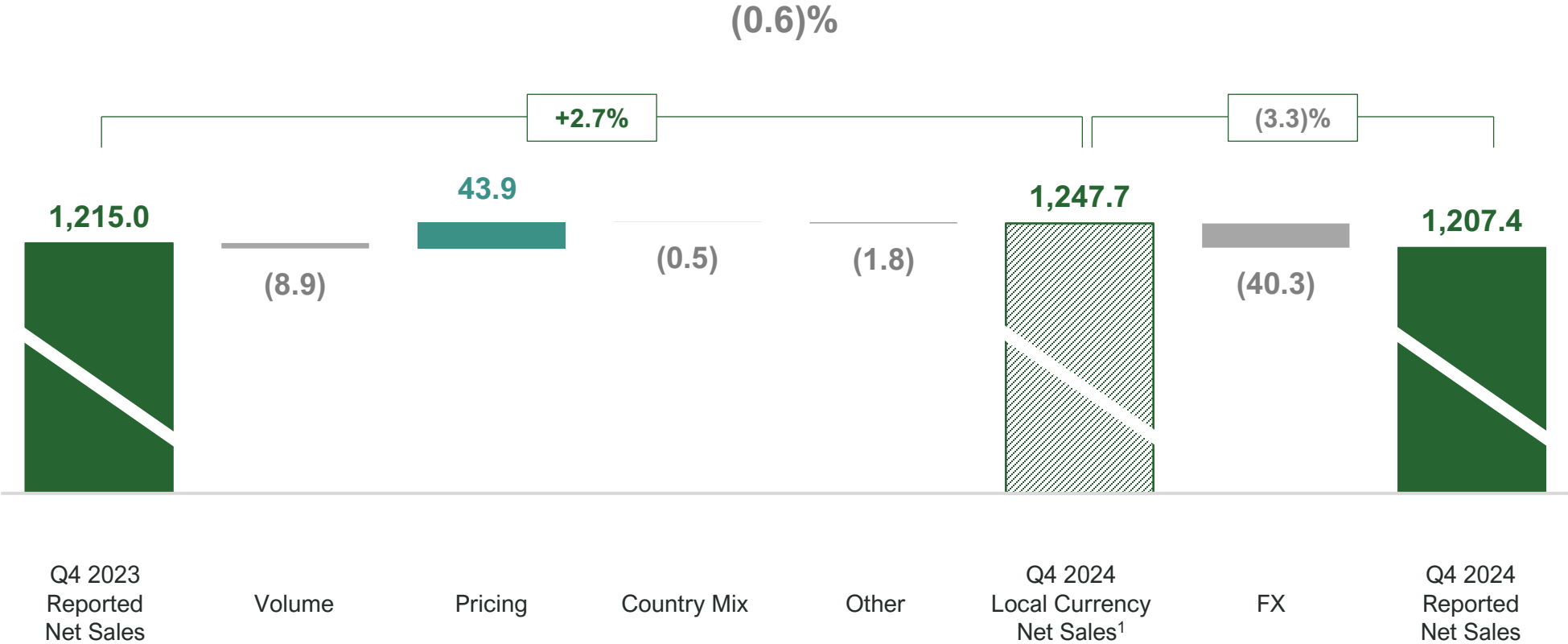
Net Sales	Adjusted EBITDA <sup>1</sup>	Capital Expenditures
<b>\$1.2B</b>   <b>(0.6)%</b> vs Q4 2023	<b>\$150M</b>   <b>+38%</b> vs Q4 2023	<b>\$26M</b>
330 bps of FX Headwinds vs Q4 2023	<b>Adjusted EBITDA<sup>1</sup> Margin</b> <b>12.4%</b> <b>+340 bps</b> vs Q4 2023	~\$3M Capitalized SaaS Implementation Costs
<b>+2.7%</b> YoY at Constant Currency <sup>2</sup>		

- Gross profit margin of 77.8%, up 150 bps YoY
- Net income of \$178M includes \$147M of non-cash net deferred income tax benefits related to changes to corporate entity structure
  - Adjusted net income<sup>1</sup> \$37M
- Adjusted diluted EPS<sup>1</sup> of \$0.36, includes \$0.07 YoY FX headwind
- Net cash provided by operating activities of \$70M
- Revolving credit facility fully undrawn as of Dec 31
- Credit Agreement EBITDA<sup>1</sup> \$164M; total leverage ratio reduced to 3.2x at Dec 31



# Net Sales Bridge

\$ million



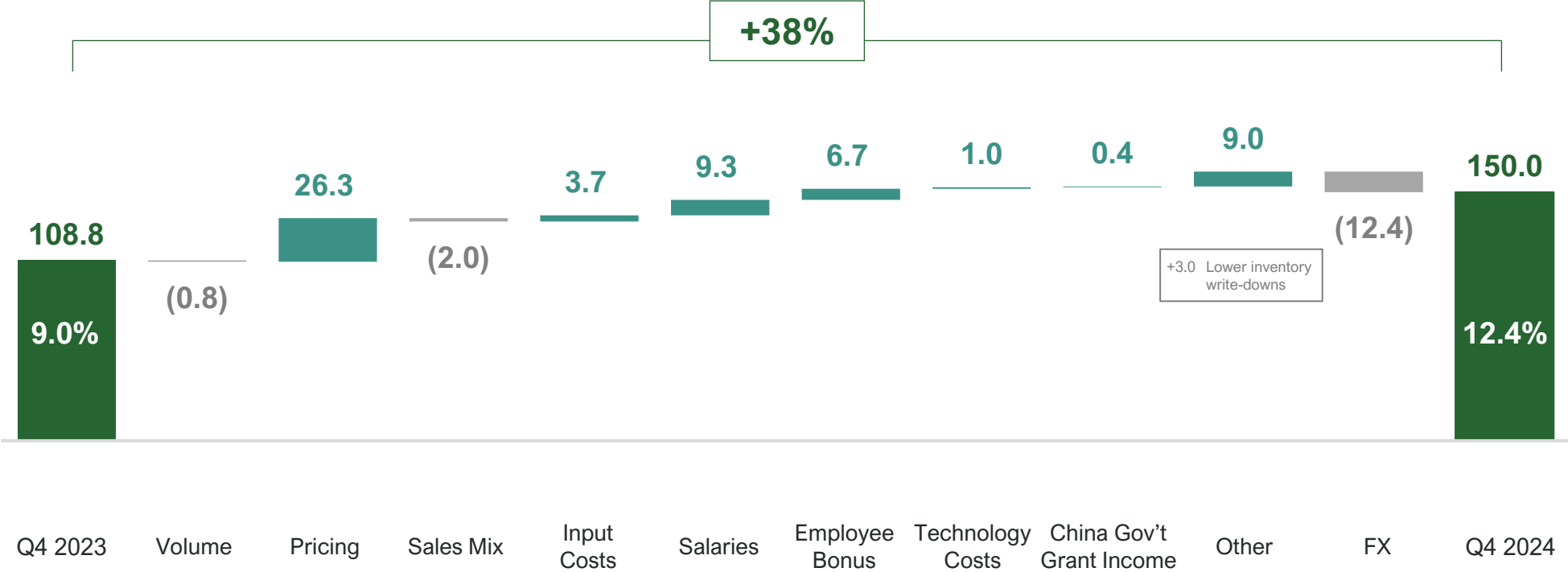
(1) Non-GAAP Measure. Refer to Appendix for discussion of why we believe adjusting for the effects of foreign exchange is useful.

# Regional Net Sales

	Reported Net Sales			Local Currency Net Sales <sup>1</sup>
	Q4 2024	Q4 2023	YoY % Change	YoY % Change
\$ million				
North America	245.0	252.8	(3)%	(3)%
Latin America	199.5	196.4	+2%	+15%
EMEA	257.2	250.1	+3%	+6%
Asia Pacific	439.8	433.5	+1%	+3%
China	65.9	82.2	(20)%	(20)%
<b>Worldwide</b>	<b>1,207.4</b>	<b>1,215.0</b>	<b>(0.6)%</b>	<b>+2.7%</b>

# Adjusted EBITDA<sup>1</sup> Bridge

\$ million  
% = Adjusted EBITDA<sup>1</sup> margin



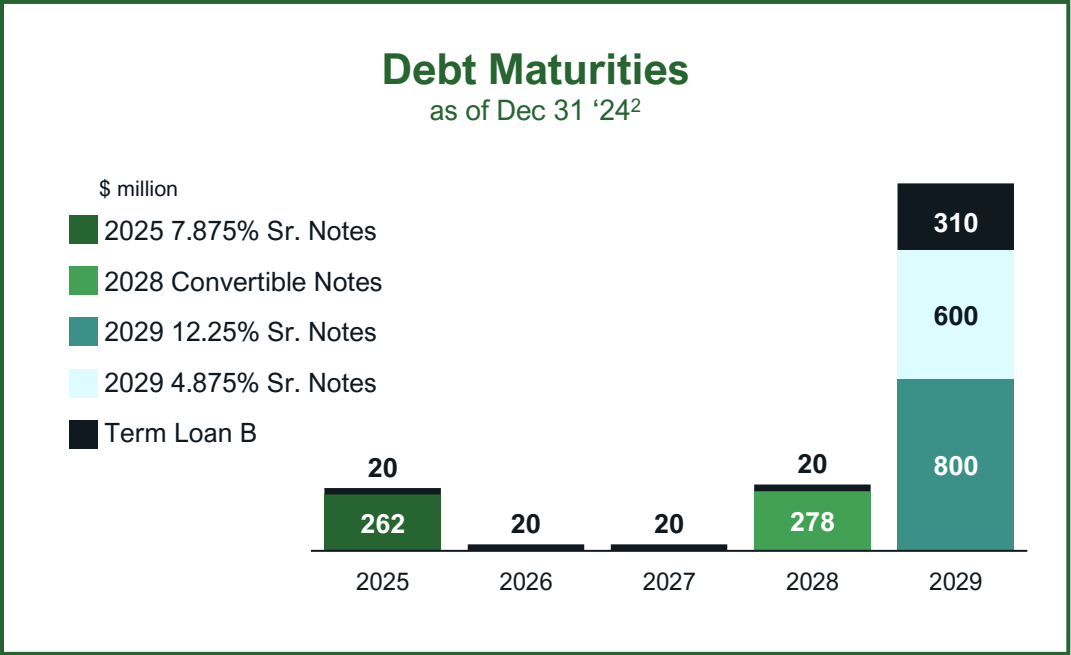
(1) Non-GAAP Measure. Refer to Appendix for further details and reconciliation to most directly comparable U.S. GAAP measure.

# Capital Structure

- Reduced debt by nearly \$250M in 2024, including ~\$180M repaid following Apr '24 refinancing transaction
- ~\$400M revolving credit facility fully undrawn as of Dec 31; ~\$355M available for borrowing<sup>1</sup>
- \$415M cash on hand as of Dec 31
- Reduced total leverage ratio to 3.2x at Dec 31
- Remain committed to reduce debt by \$1B to \$1.4B by end of 2028

## Subsequent Event

- Redeemed \$65M of 2025 Notes in Feb '25; \$197M principal balance remains outstanding and due in Sep '25



**Target Total Leverage Ratio of 3.0x by End of 2025**

# Outlook

\$ million	First Quarter		Full-Year	
	2025 Guidance	2024 Results	2025 Guidance	2024 Results
Net sales	(5.5)% to (1.5)% YoY	1,264.3	(3)% to +3% YoY	4,993.1
<i>Net sales at constant currency<sup>1</sup></i>	<i>0% to +4% YoY</i>		<i>+1% to +7% YoY</i>	
Adjusted EBITDA <sup>2</sup>	140 – 150	138.3	600 – 640	634.8
<i>Adjusted EBITDA<sup>2</sup> at constant currency<sup>1</sup></i>	<i>158 – 168</i>		<i>670 – 710</i>	
Capital expenditures	30 – 40	32.9	100 – 130	122.0

## Guidance Assumptions

- Net sales and adjusted EBITDA<sup>2</sup> use the average daily exchange rates for the first three weeks of January 2025 to translate local currency projections for all of 2025
- Outlook does not include any potential impact of incremental tariffs

## Additional FY 2025 Expectations

- Capitalized SaaS implementation costs of \$25M – \$30M
- D&A and amortization of SaaS implementation costs of \$140M – \$150M
- Adjusted effective tax rate of ~30%



# Appendix

# Supplemental Information

## Non-GAAP Financial Measures (unaudited)

### Adjusted SG&A, Adjusted EBITDA, Credit Agreement EBITDA, Adjusted Net Income and Adjusted Diluted EPS

In addition to its reported results calculated in accordance with U.S. GAAP, the Company has included in this presentation adjusted SG&A, adjusted EBITDA, credit agreement EBITDA, adjusted net income and adjusted diluted EPS, performance measures that the Securities and Exchange Commission defines as “non-GAAP financial measures.” Adjusted SG&A, adjusted EBITDA, credit agreement EBITDA, adjusted net income and adjusted diluted EPS exclude the impact of certain unusual or non-recurring items such as expenses related to restructuring initiatives, expenses related to the digital technology program, gains or losses from sale of property, gains or losses from extinguishment of debt and certain tax expenses and benefits, as further detailed in the reconciliations included herein. Adjusted EBITDA margin represents adjusted EBITDA divided by net sales. Credit agreement EBITDA represents EBITDA adjusted for items permitted under our senior secured credit facilities.

Management believes that such non-GAAP performance measures, when read in conjunction with the Company’s reported results, calculated in accordance with U.S. GAAP, can provide useful supplemental information for investors because they facilitate a period to period comparative assessment of the Company’s operating performance relative to its performance based on reported results under U.S. GAAP, while isolating the effects of some items that vary from period to period without any correlation to core operating performance and eliminate certain charges that management believes do not reflect the Company’s operations and underlying operational performance.

The Company’s definitions and calculations as set forth in the reconciliations of adjusted SG&A, adjusted EBITDA, credit agreement EBITDA, adjusted net income and adjusted diluted EPS included herein, may not be comparable to similarly titled measures used by other companies because other companies may not calculate them in the same manner as the Company does and should not be viewed in isolation from, nor as alternatives to, selling, general, and administrative expenses, net income or diluted EPS calculated in accordance with U.S. GAAP.

The Company does not provide a reconciliation of forward-looking adjusted EBITDA or constant currency adjusted EBITDA guidance to net income, the comparable U.S. GAAP measure, because, due to the unpredictable or unknown nature of certain significant items, such as income tax expenses or benefits, loss contingencies, and any gains or losses in connection with refinancing transactions, we cannot reconcile these non-GAAP projections without unreasonable efforts. We expect the variability of these items, which are necessary for a presentation of the reconciliation, could have a significant impact on our reported U.S. GAAP financial results.

## Currency Fluctuation

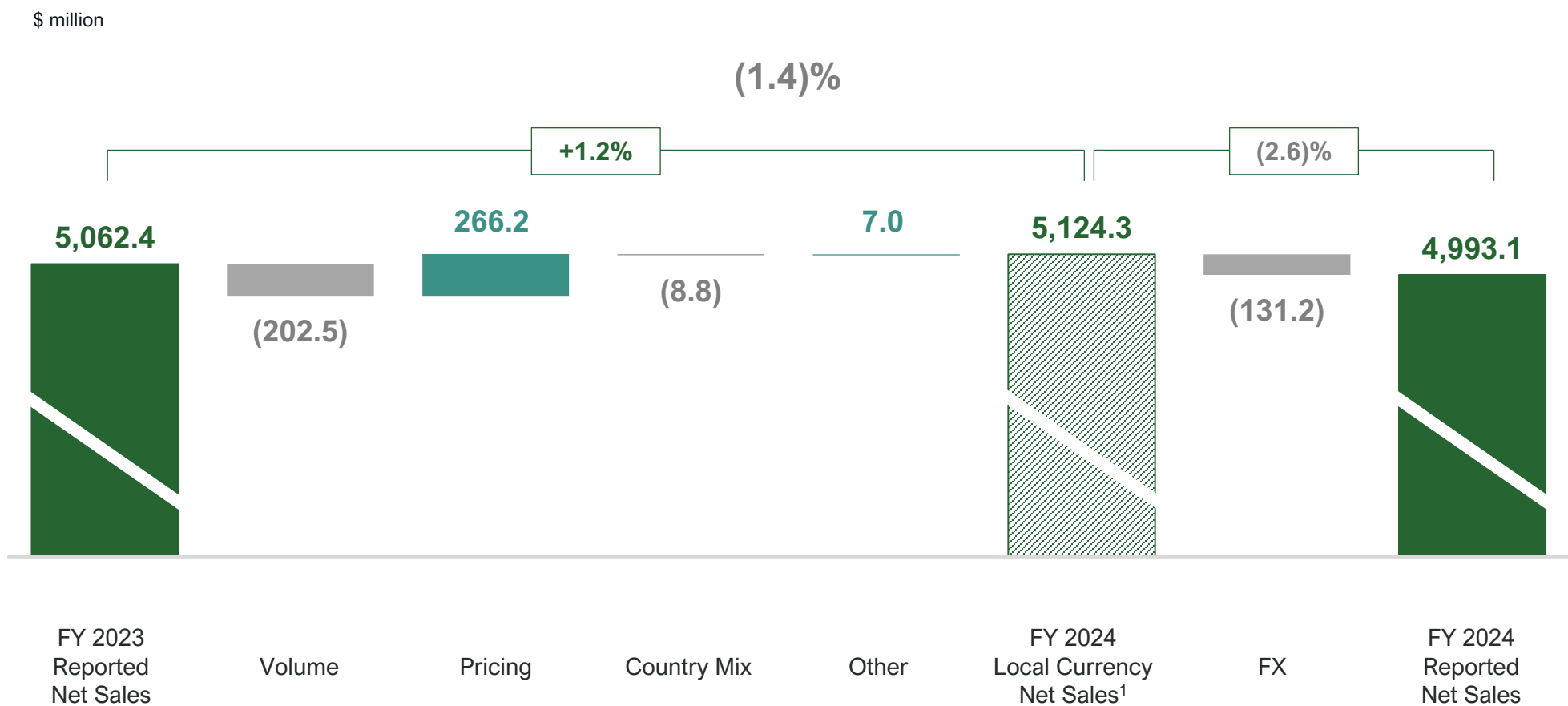
Our international operations have provided and will continue to provide a significant portion of our total net sales. As a result, total net sales will continue to be affected by fluctuations in the U.S. dollar against foreign currencies. In order to provide a framework for assessing how our underlying businesses performed excluding the effect of foreign currency fluctuations, in addition to comparing the percent change in net sales from one period to another in U.S. dollars, we also compare the percent change in net sales from one period to another period using “net sales in local currency.” Net sales in local currency is not a measure presented in accordance with U.S. GAAP. Net sales in local currency removes from net sales in U.S. dollars the impact of changes in exchange rates between the U.S. dollar and the local currencies of our foreign subsidiaries, by translating the current period net sales into U.S. dollars using the same foreign currency exchange rates that were used to translate the net sales for the previous comparable period. We believe presenting net sales in local currency is useful to investors because it allows a meaningful comparison of net sales of our foreign operations from period to period. However, net sales in local currency should not be considered in isolation or as an alternative to net sales in U.S. dollar measures that reflect current period exchange rates, or to other financial measures calculated and presented in accordance with U.S. GAAP. In addition to its reported results calculated in accordance with U.S. GAAP, the Company has included herein net sales, EBITDA, net income and diluted EPS adjusted for the impact of certain unusual or non-recurring items as described above and FX translation, which are considered “non-GAAP financial measures”. Management believes that such non-GAAP financial measures, when read in conjunction with the Company’s reported results, can provide useful supplemental information for investors when analyzing period to period comparisons of the Company’s results.

# FY 2024 Financial Highlights

Net Sales	Adjusted EBITDA <sup>1</sup>	Capital Expenditures
<b>\$5.0B</b>   <b>(1.4)%</b> vs FY 2023	<b>\$635M</b>   <b>+11%</b> vs FY 2023	<b>\$122M</b>
<b>+1.2%</b> YoY at Constant Currency <sup>2</sup>	<b>Adjusted EBITDA<sup>1</sup> Margin</b> <b>12.7%</b> <b>+140 bps</b> vs FY 2023	~\$16M Capitalized SaaS Implementation Costs

- Gross profit margin of 77.9%, up 140 bps YoY
- Net income of \$254M includes \$147M of non-cash net deferred income tax benefits related to changes to corporate entity structure
  - Adjusted net income<sup>1</sup> \$199M
- Adjusted diluted EPS<sup>1</sup> of \$1.96, includes \$0.28 YoY FX headwind
- Net cash provided by operating activities of \$285M
- Credit Agreement EBITDA<sup>1</sup> \$729M; total leverage ratio reduced to 3.2x at Dec 31

# Full Year Net Sales Bridge



(1) Non-GAAP Measure. Refer to Supplemental Information included herein for discussion of why we believe adjusting for the effects of foreign exchange is useful.

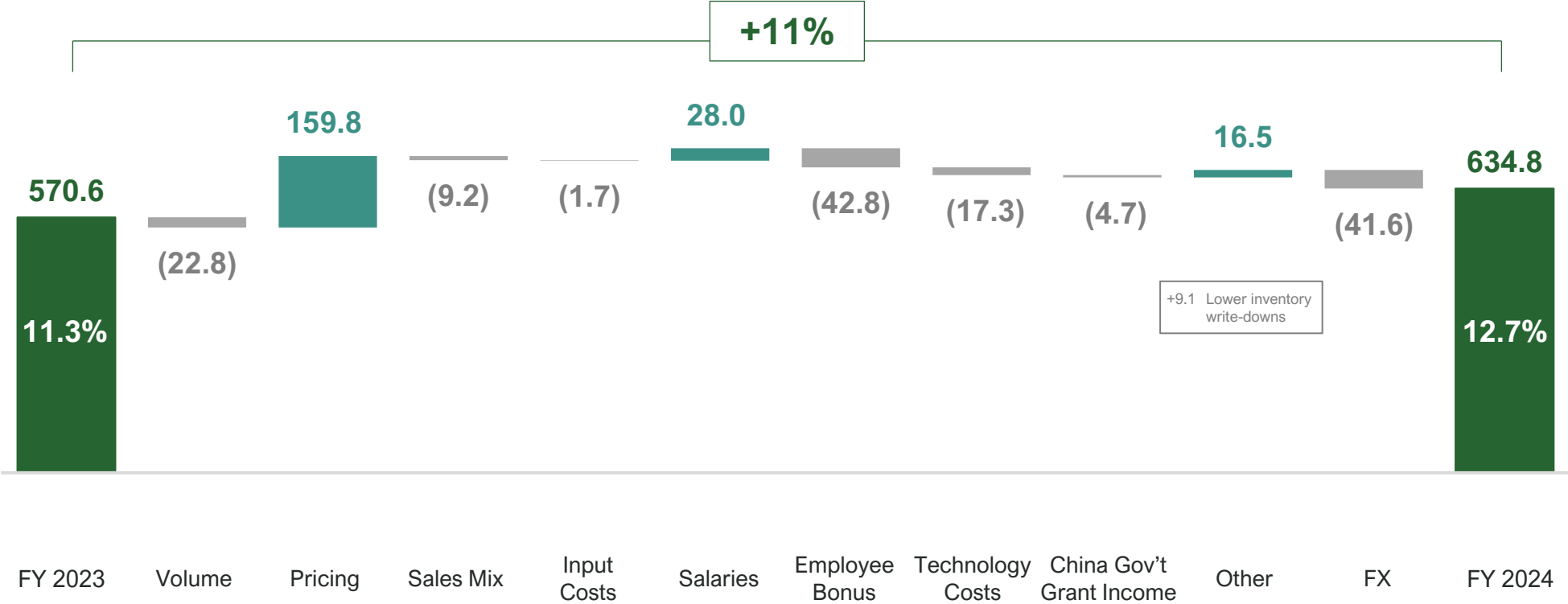
# Full Year Regional Net Sales

	Reported Net Sales			Local Currency Net Sales <sup>1</sup>
	FY 2024	FY 2023	YoY % Change	YoY % Change
\$ million				
North America	1,054.4	1,131.4	(7)%	(7)%
Latin America	832.5	820.9	+1%	+8%
EMEA	1,084.8	1,068.8	+1%	+4%
Asia Pacific	1,723.8	1,713.9	+1%	+3%
China	297.6	327.4	(9)%	(7)%
<b>Worldwide</b>	<b>4,993.1</b>	<b>5,062.4</b>	<b>(1.4)%</b>	<b>+1.2%</b>



# Full Year Adjusted EBITDA<sup>1</sup> Bridge

\$ million  
% = Adjusted EBITDA<sup>1</sup> margin



# Reconciliation of SG&A to Adjusted SG&A

\$ million	Q4 2024	Q4 2023	YTD 2024	YTD 2023
<b>Net sales</b>	<b>1,207.4</b>	<b>1,215.0</b>	<b>4,993.1</b>	<b>5,062.4</b>
Selling, general, and administrative expenses (SG&A)	436.9	474.3	1,875.4	1,866.0
<i>SG&amp;A as a percentage of net sales</i>	<i>36.2%</i>	<i>39.0%</i>	<i>37.6%</i>	<i>36.9%</i>
Expenses related to Restructuring Program	(0.9)	—	(69.1)	—
Expenses related to Transformation Program	(4.0)	(12.2)	(13.4)	(54.2)
Digital technology program costs	(4.6)	(9.5)	(26.7)	(32.1)
Gain on sale of property	—	—	4.0	—
Korea tax settlement	—	—	—	(8.6)
<b>Adjusted SG&amp;A</b>	<b>427.4</b>	<b>452.6</b>	<b>1,770.2</b>	<b>1,771.1</b>
<i>Adjusted SG&amp;A as a percentage of net sales</i>	<i>35.4%</i>	<i>37.3%</i>	<i>35.5%</i>	<i>35.0%</i>
China independent service providers service fees included in SG&A	(33.6)	(41.2)	(149.8)	(165.0)
<b>Adjusted SG&amp;A excluding China service fees</b>	<b>393.8</b>	<b>411.4</b>	<b>1,620.4</b>	<b>1,606.1</b>
<i>Adjusted SG&amp;A excluding China service fees as a percentage of net sales</i>	<i>32.6%</i>	<i>33.9%</i>	<i>32.5%</i>	<i>31.7%</i>

# Reconciliation of Net Income to Adjusted EBITDA to Credit Agreement EBITDA and Total Leverage Ratio

\$ million	Quarters					Full Year	
	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	2024	2023
<b>Net sales</b>	<b>1,215.0</b>	<b>1,264.3</b>	<b>1,281.1</b>	<b>1,240.3</b>	<b>1,207.4</b>	<b>4,993.1</b>	<b>5,062.4</b>
Net income	10.2	24.3	4.7	47.4	177.9	254.3	142.2
Interest expense, net	38.1	37.9	57.7	56.5	53.9	206.0	154.4
Income taxes	7.5	9.7	7.5	23.2	(125.3)	(84.9)	60.8
Depreciation and amortization	28.2	29.2	32.6	30.6	29.0	121.4	113.3
<b>EBITDA</b>	<b>84.0</b>	<b>101.1</b>	<b>102.5</b>	<b>157.7</b>	<b>135.5</b>	<b>496.8</b>	<b>470.7</b>
Amortization of SaaS implementation costs	3.1	3.6	8.7	5.0	5.0	22.3	6.0
Expenses related to Restructuring Program	—	16.7	48.8	2.7	0.9	69.1	—
Expenses related to Transformation Program	12.2	5.9	3.5	—	4.0	13.4	54.2
Digital technology program costs	9.5	11.0	6.0	5.1	4.6	26.7	32.1
Gain on sale of property	—	—	—	(4.0)	—	(4.0)	—
Korea tax settlement	—	—	—	—	—	—	8.6
Loss (gain) on extinguishment of debt	—	—	10.5	—	—	10.5	(1.0)
<b>Adjusted EBITDA</b>	<b>108.8</b>	<b>138.3</b>	<b>180.0</b>	<b>166.5</b>	<b>150.0</b>	<b>634.8</b>	<b>570.6</b>
Interest income	3.2	3.7	2.8	2.8	3.0	12.3	11.5
Inventory write-downs	6.6	4.7	6.7	5.6	1.9	18.9	28.5
Share-based compensation expenses	12.3	11.9	11.8	13.0	13.3	50.0	48.0
Other expenses <sup>1</sup>	11.8	0.9	6.7	9.3	(4.1)	12.8	11.5
<b>Credit Agreement EBITDA</b>	<b>142.7</b>	<b>159.5</b>	<b>208.0</b>	<b>197.2</b>	<b>164.1</b>	<b>728.8</b>	<b>670.1</b>
<b>Credit Agreement Total Debt<sup>2</sup></b>						<b>2,332.7</b>	<b>2,581.1</b>
<b>Credit Agreement Total Leverage Ratio</b>						<b>3.2x</b>	<b>3.9x</b>
<b>Net income margin</b>	<b>0.8%</b>	<b>1.9%</b>	<b>0.4%</b>	<b>3.8%</b>	<b>14.7%</b>	<b>5.1%</b>	<b>2.8%</b>
<b>Adjusted EBITDA margin</b>	<b>9.0%</b>	<b>10.9%</b>	<b>14.1%</b>	<b>13.4%</b>	<b>12.4%</b>	<b>12.7%</b>	<b>11.3%</b>

# Reconciliation of Net Income to Adjusted Net Income

\$ million	Q4 2024	Q4 2023	FY 2024	FY 2023
Net income	177.9	10.2	254.3	142.2
Expenses related to Restructuring Program <sup>1</sup>	0.9	—	69.1	—
Expenses related to Transformation Program <sup>1</sup>	4.0	12.2	13.4	54.2
Digital technology program costs <sup>1</sup>	4.6	9.5	26.7	32.1
Gain on sale of property <sup>1</sup>	—	—	(4.0)	—
Korea tax settlement <sup>1</sup>	—	—	—	8.6
Loss (gain) on extinguishment of debt <sup>1</sup>	—	—	10.5	(1.0)
Income tax adjustments for above items (details below) <sup>1</sup>	(3.3)	(3.3)	(23.8)	(14.3)
Deferred income tax benefits, net, from corporate entity reorganization	(147.3)	—	(147.3)	—
<b>Adjusted Net Income</b>	<b>36.8</b>	<b>28.6</b>	<b>198.9</b>	<b>221.8</b>
Income tax adjustments:				
Expenses related to Restructuring Program	(2.6)	—	(17.5)	—
Expenses related to Transformation Program	(1.2)	(2.3)	(3.1)	(10.6)
Digital technology program costs	0.7	(1.2)	(1.8)	(2.6)
Gain on sale of property	—	—	0.9	—
Korea tax settlement	—	0.3	—	(1.1)
Loss (gain) on extinguishment of debt	(0.2)	(0.1)	(2.3)	—
<b>Total income tax adjustments</b>	<b>(3.3)</b>	<b>(3.3)</b>	<b>(23.8)</b>	<b>(14.3)</b>

# Reconciliation of Diluted EPS to Adjusted Diluted EPS

\$ per share	Q4 2024	Q4 2023	FY 2024	FY 2023
Diluted earnings per share	1.74	0.10	2.50	1.42
Expenses related to Restructuring Program <sup>1</sup>	0.01	—	0.68	—
Expenses related to Transformation Program <sup>1</sup>	0.04	0.12	0.13	0.54
Digital technology program costs <sup>1</sup>	0.05	0.09	0.26	0.32
Gain on sale of property <sup>1</sup>	—	—	(0.04)	—
Korea tax settlement <sup>1</sup>	—	—	—	0.09
Loss (gain) on extinguishment of debt <sup>1</sup>	—	—	0.10	(0.01)
Income tax adjustments for above items (details below) <sup>1</sup>	(0.03)	(0.03)	(0.23)	(0.14)
Deferred income tax benefits, net, from corporate entity reorganization	(1.44)	—	(1.45)	—
<b>Adjusted Diluted Earnings Per Share<sup>2</sup></b>	<b>0.36</b>	<b>0.28</b>	<b>1.96</b>	<b>2.21</b>
Income tax adjustments:				
Expenses related to Restructuring Program	(0.03)	—	(0.17)	—
Expenses related to Transformation Program	(0.01)	(0.02)	(0.03)	(0.11)
Digital technology program costs	0.01	(0.01)	(0.02)	(0.03)
Gain on sale of property	—	—	0.01	—
Korea tax settlement	—	—	—	(0.01)
Loss (gain) on extinguishment of debt	—	—	(0.02)	—
<b>Total income tax adjustments<sup>2</sup></b>	<b>(0.03)</b>	<b>(0.03)</b>	<b>(0.23)</b>	<b>(0.14)</b>



# FX Translation Impact

\$ million, except EPS	Net Sales	EBITDA	Net Income	Diluted EPS <sup>1</sup>
Q4 2024 as reported	1,207.4	135.5	177.9	1.74
Non-GAAP adjustments <sup>2</sup>	—	14.5	(141.1)	(1.37)
Q4 2024 adjusted	1,207.4	150.0	36.8	0.36
FX rate adjustments <sup>3</sup>	40.3	12.4	7.4	0.07
<b>Q4 2024 FX Adjusted</b>	<b>1,247.7</b>	<b>162.4</b>	<b>44.2</b>	<b>0.43</b>
FY 2024 as reported	4,993.1	496.8	254.3	2.50
Non-GAAP adjustments <sup>2</sup>	—	138.0	(55.4)	(0.55)
FY 2024 adjusted	4,993.1	634.8	198.9	1.96
FX rate adjustments <sup>3</sup>	131.2	41.6	28.9	0.28
<b>FY 2024 FX Adjusted</b>	<b>5,124.3</b>	<b>676.4</b>	<b>227.8</b>	<b>2.24</b>

(1) Amounts may not total due to rounding

(2) Includes items referenced in "Reconciliation of Net Income to Adjusted EBITDA to Credit Agreement EBITDA", "Reconciliation of Net Income to Adjusted Net Income" and "Reconciliation of Diluted EPS to Adjusted Diluted EPS" included herein

(3) Q4 2024 and YTD 2024 adjusted using U.S. Dollars at Q4 2023 and YTD 2023 average FX rates, respectively, and adjusting for other FX related impacts

