



**MOLSON  
COORS** beverage  
company

**Q1 FY  
2022 Results  
& Outlook  
May 3, 2022**

# Forward Looking Statements

This presentation includes “forward-looking statements” within the meaning of the U.S. federal securities laws. Generally, the words “believe,” “aims,” “expect,” “intend,” “anticipate,” “project,” “will,” “outlook,” and similar expressions identify forward-looking statements, which generally are not historic in nature. Statements that refer to projections of our future financial performance, our anticipated growth and trends in our businesses, and other characterizations of future events or circumstances are forward-looking statements, and include, but are not limited to, statements under the heading “2022 Outlook,” with respect to expectations regarding the impact of the coronavirus pandemic on our operations, liquidity, financial condition and financial results, expectations regarding future dividends, overall volume trends, consumer preferences, pricing trends, industry forces, cost reduction strategies, including our revitalization plan, expectations of cost inflation, anticipated results, expectations for funding future capital expenditures and operations, debt service capabilities, timing and amounts of debt and leverage levels, shipment levels and profitability, market share and the sufficiency of capital resources. Although the Company believes that the assumptions upon which its forward-looking statements are based are reasonable, it can give no assurance that these assumptions will prove to be correct. Important factors that could cause actual results to differ materially from the Company’s historical experience, and present projections and expectations are disclosed in the Company’s filings with the Securities and Exchange Commission (“SEC”). These factors include, among others, the impact of the coronavirus pandemic; the impact of increased competition resulting from further consolidation of brewers; competitive pricing and product pressures; the health of the beer industry and our brands in our markets; economic conditions in our markets; our ability to maintain brand image, reputation and product quality; environmental, social and governance (“ESG”) issues; the impact of climate change and the availability and quality of water; loss or closure of a major brewery or other key facility; our ability to maintain good labor relations; labor strikes, work stoppages and other employee-related issues; our reliance on third party service providers and internal and outsourced systems; a breach of our information systems; investment performance of pension plan holdings and related pension plan costs; failure to comply with debt covenants or deterioration in our credit rating; increase in the cost of commodities used in the business; dependence on the global supply chain and impacts of supply chain constraints and inflationary pressures, including the adverse impacts of the Russia-Ukraine conflict; additional impairment charges; estimates and assumptions on which our financial projections are based which may prove to be inaccurate; our ability to implement our strategic initiatives, including the executing and realizing cost savings; availability or increase in cost of packaging materials; unfavorable legal or regulatory outcomes affecting the business; risks relating to operations in developing and emerging markets; changes in legal and regulatory requirements, including the regulation of distribution systems; fluctuations in foreign currency exchange rates; success of our joint ventures; and other risks discussed in our filings with the SEC, including our most recent Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q. All forward-looking statements in this press release are expressly qualified by such cautionary statements and by reference to the underlying assumptions. You should not place undue reliance on forward-looking statements, which speak only as of the date they are made. We do not undertake to update forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

## Non-GAAP Information

Please see our most recent earnings release to find disclosure and applicable reconciliations of non-GAAP financial measures discussed in this presentation.





Chief Executive Officer  
Gavin Hattersley





# Strengthening Core Brands Globally



## United States

In Q1 2022, **Coors Light** and **Miller Lite** both grew revenue and generated best combined industry share performance in five years.

## Canada

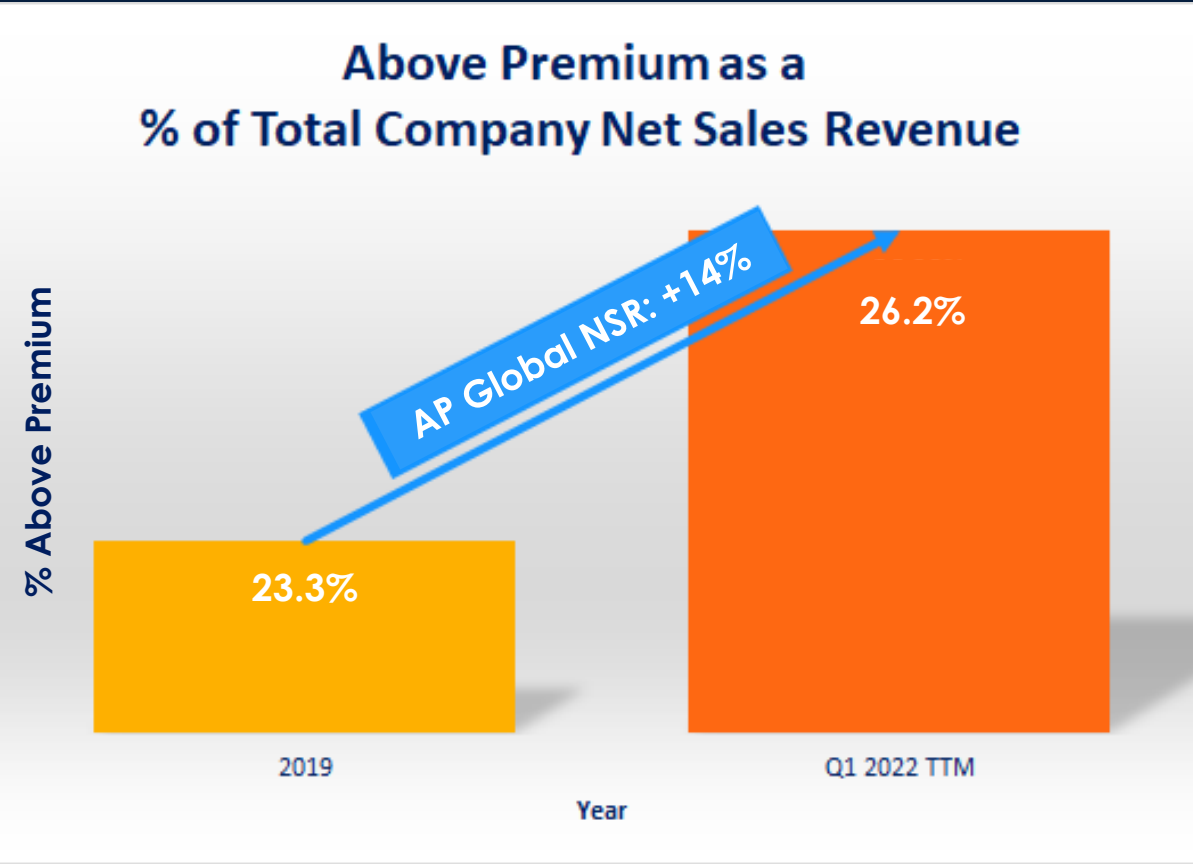
**Coors Light** grew share of the beer category.

## EMEA & APAC

In Q1 2022, **Carling** retained its #1 beer ranking in the U.K. as the on premise returns and grew volumes over 60%.

Globally, our **Above Premium** TTM net sales revenue now represents over 26% of our portfolio

Molson Coors has grown share of TTM net sales revenue from **Above Premium** for five straight quarters



Gaining traction in  
**Above Premium  
& Beyond Beer  
Segments**



# Above Premium Continues to Grow Within Total Portfolio

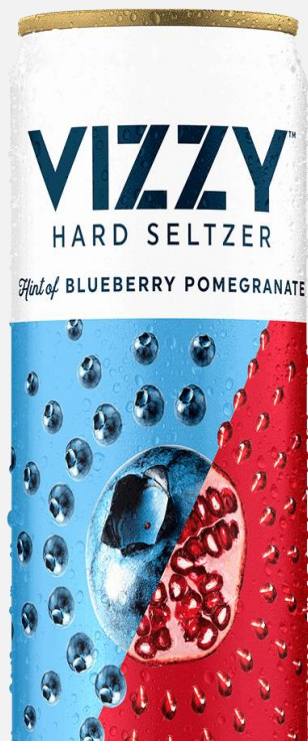
## Topo Chico Hard Seltzer

Fastest-growing hard seltzer in the U.S.



## Vizzy

Top 5 U.S. hard seltzer brand and gaining share in Canada



## Madri & Pravha

In EMEA & APAC, Madri is a top 25 U.K. beer and in March launched in the off premise; Pravha launched in Romania, its second largest market to date



## Molson Ultra

Posted 47% volume growth from 2019 to 2021



## Blue Moon Belgian White & Peroni

Both delivered double-digit net sales revenue growth in Q1 2022



## Simply Spiked Lemonade

New innovation launching in the U.S. in June via an expanded agreement with Coca-Cola



# Beyond Beer Successes Helping to Drive Premiumization

\$1B\*

Revenue Ambition  
for our Emerging Growth  
business by 2023

## Five Trail

Expanded to two more states,  
based on strong results from initial  
four launch markets



## ZOA

Achieved record sales  
in March



## La Colombe

Up 17% in dollar share compared  
to the ready to drink tea and  
coffee category which was up 1%  
in Q1 per IRI



\* Annual revenue goal for Emerging Growth division by 2023

# Mitigating Cost Pressures

**Strong pricing**

**Premiumization**

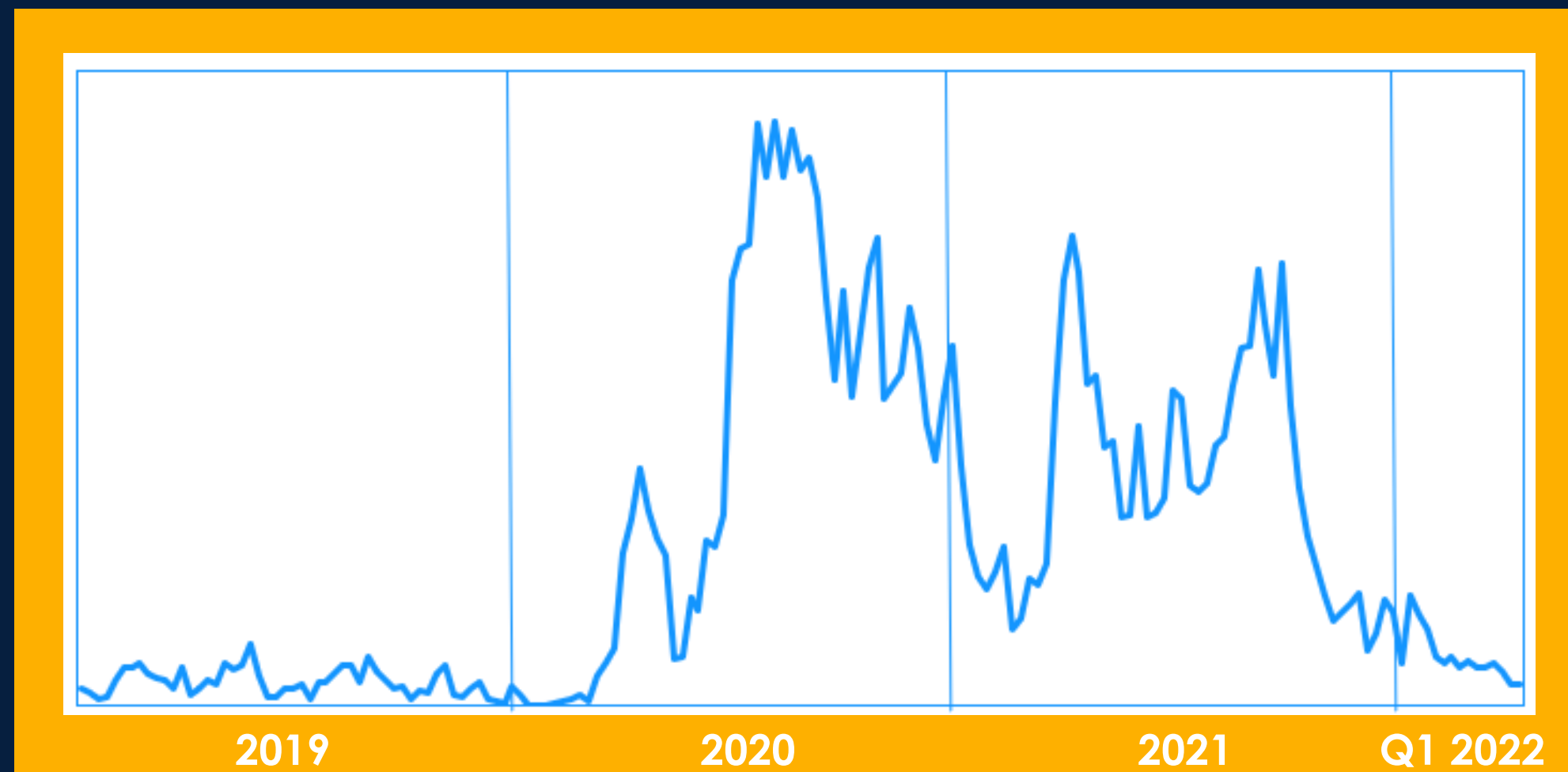
**Extensive hedging program**

**Successful cost savings**



# Strong U.S. Distributor Inventories into Peak Season

U.S. out of stocks\* return to pre-pandemic levels.



# Monitoring Consumer Sentiment and Demand

While not seeing  
trade down,  
Molson Coors is well  
positioned with  
strong brands  
across all segments.






# Russian War Against Ukraine



Halted exports to Russia with minimal impact on our business

Focused on supporting our people and managing costs related to Russia Ukraine War



A faint, dark blue world map serves as the background for the slide. The map shows the outlines of continents and countries, with a slightly lighter blue color for the landmasses.

# Another Quarter of **Continued Progress**

## Executing Against the Pillars of Our Revitalization Plan

- ✓ Building on the strength of our core
- ✓ Premiumizing our portfolio
- ✓ Expanding beyond beer





Chief Financial Officer  
Tracey Joubert



# Consolidated First Quarter 2022 Results

**+17.6%**

**NSR**  
(constant currency)

**+10.2%**

**NSR/HL –  
Brand Volume Basis**  
(constant currency)

**+383.1%**

**Underlying Income  
before Income Tax**  
(constant currency)

## KEY TAKEAWAYS

**NSR** increased 17.6% due to strong global net pricing, favorable sales mix from portfolio premiumization and fewer on-premise restrictions, and higher financial volumes.

**Underlying COGS/HL** increased 8.6% due to cost inflation, mix impacts from premiumization and higher factored volumes, partially offset by lower depreciation expense.

**Underlying MG&A** increased 15.7% due to planned increased marketing investment to support core brands and innovations. G&A was up due to cycling lower people-related costs, including travel and entertainment.



# Americas First Quarter FY 2022 Results

**+8.6%**

**NSR**  
(constant currency)

**+9.8%**

**NSR/HL –  
Brand Volume Basis**  
(constant currency)

**+9.0%**

**Underlying Income  
before Income Tax**  
(constant currency)

## KEY TAKEAWAYS

**NSR** increased 8.6% as net pricing growth and positive brand mix were partially offset by lower volumes. Financial volume declines drove by lower Economy brand volumes, partially offset by growth in Above Premium brand volumes and cycling lower U.S. distributor levels due to Q1 2021 supply disruptions.

**NSR/HL** growth increased 9.8% driven by net pricing growth and favorable brand mix.

**Underlying COGS/HL** increased due to inflation and mix impacts from premiumization, partially offset by lower depreciation.

**Underlying MG&A** increased due to higher marketing investments behind core brands and innovation, including the U.S. national launch of Topo Chico Hard Seltzer, and local sponsorships with fewer on-premise restrictions.

# EMEA & APAC First Quarter FY 2022 Results

**+92.3%**

**NSR**  
(constant currency)

**+30.1%**

**NSR/HL –  
Brand Volume Basis**  
(constant currency)

**+62.1%**

**Underlying Income  
before Income Tax**  
(constant currency)

## KEY TAKEAWAYS

**NSR** increased 92.3% driven by financial volume growth, favorable sales mix and positive net pricing. Financial volume growth driven by UK where On-premise volumes were back to 98% of pre-pandemic levels, cycling full On-premise closure

**NSR/HL** increased due to positive sales mix, including channel mix, as well as positive net pricing growth. Above Premium reached another record-high portion of the European portfolio.

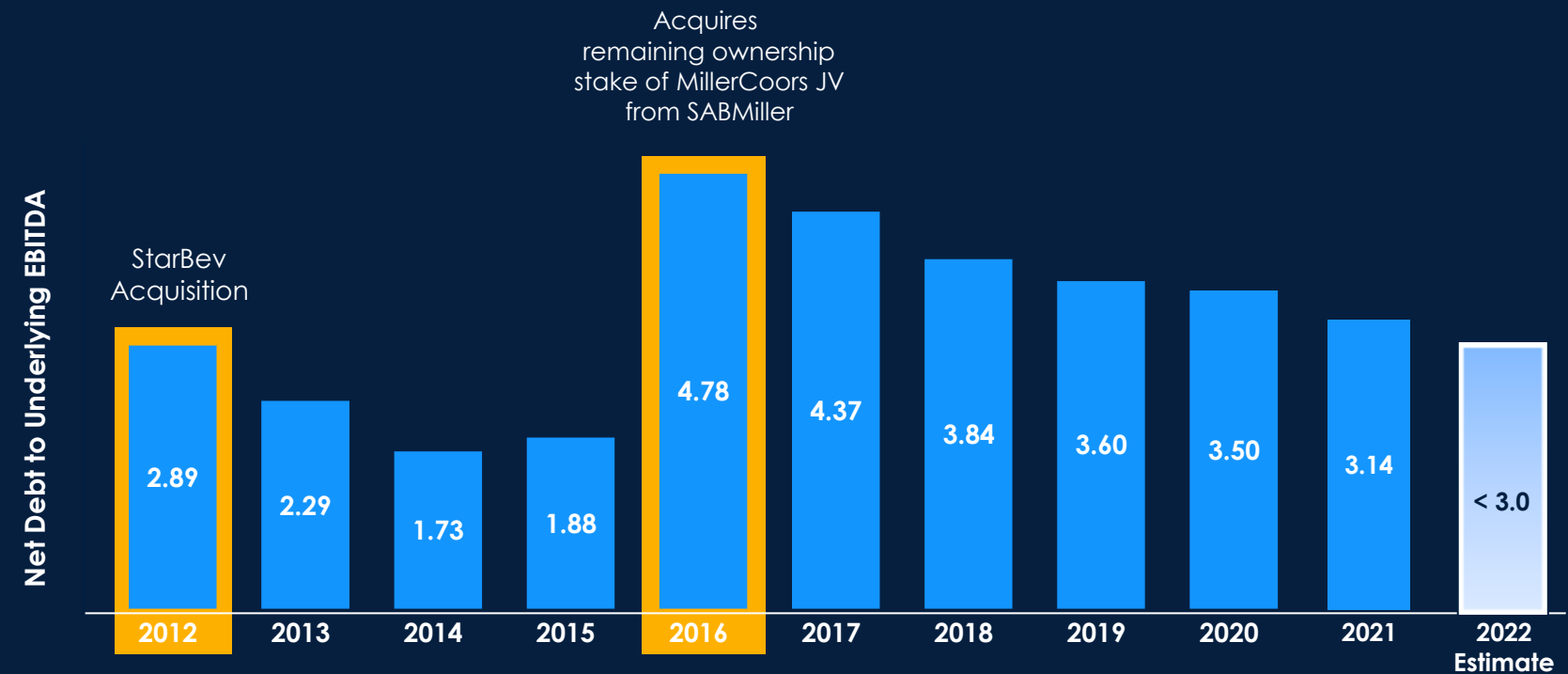
**Underlying COGS** increased due to rising inflationary pressures and increased factored brands sales. **Underlying MG&A** increased due to higher marketing investments to support our brands and cycling lower spend to mitigate the impact of on-premise closures



# Focused on Deleveraging the Balance Sheet

## Effectively Paying Down Debt

- Ended Q1 with net debt of \$6.9 billion, and repaid \$500 million in 3.5% USD notes at their maturity on May 1, 2022
- Ended Q1 with a trailing-twelve-month net debt to underlying EBITDA ratio of 3.28 times, and on target to achieve our 2022 guidance of under 3.0x



Note: Represents Net Debt/ Underlying EBITDA utilizing publicly reported financial statements. Ratios under the Company's debt covenants or those used by rating agencies may be calculated differently.

# Reaffirming our 2022 Financial Outlook

## **Full Year Outlook**

- **Mid-single-digit Net Sales Revenue growth, on a constant currency basis**
- **High-single-digit Underlying Income before Income Tax growth, on a constant currency basis**
- **Underlying Free Cash Flow of \$1 billion, +/- 10%**
- **Underlying Depreciation & Amortization of approximately \$750 million, +/- 5%**
- **Net Interest Expense of approximately \$265 million, +/- 5%**
- **Underlying Effective Tax Rate in the range of 22%-24%**



# Capital Allocation Priorities



## Invest in Our Business

Directed towards brewery modernization and production capacity to support innovation and growth initiatives, improve efficiencies and advance towards sustainability goals

## Reduce Net Debt

Reaffirmed our target net debt to underlying EBITDA ratio to be below 3.0x by the end of 2022; Repaid our \$500 million 3.5% USD notes upon maturity on May 1, 2022 using commercial paper and cash on hand



## Return Cash to Shareholders

Board of Directors paid a quarterly dividend of \$0.38 on March 18, 2022, and paid \$14 million for 280 thousand shares under its \$200 million share repurchase program authorized February 17, 2022



A background image showing a bar scene. In the foreground, several beer cans are on a wooden bar counter. From left to right, there are two white cans of Molson-Coors Light beer, a can of Coors Light beer, and a smaller can of Coors Light beer. A person's hand is visible on the left, holding a glass. Another person's hand is visible on the right, holding a glass. A third person's hand is visible in the center, holding a glass. The background is slightly blurred, showing people and a bar setting.

Confident in our Strategy and  
Pleased with our Progress

Driving Toward Sustainable  
**Long-Term Top- and Bottom-Line Growth**



# Questions & Answers





MOLSON  
COORS beverage  
company