BAUSCH + LOMB

# 1Q23 Financial Results

# Forward-Looking Statements; Non-GAAP Information

This presentation contains forward-looking information and statements, within the meaning of applicable securities laws (collectively, “forward-looking statements”), including, but not limited to, statements regarding future prospects and performance of Bausch + Lomb Corporation (“Bausch + Lomb”, the “Company”, “we”, “us”, or “B+L”) (including the Company’s 2023 full-year guidance), our anticipated roadmap to accelerate growth and the steps thereof, our anticipated plan to rewire the Company for optimal performance and the anticipated elements of such plan and our ability to successfully achieve such plan and its elements, our anticipated upcoming catalysts and our ability to achieve such catalysts and the expected timing and impact thereof, the anticipated submission, approval and launch dates for certain of our pipeline products and R&D programs, the anticipated geographic expansions and planned line extensions for certain of our products, the expected market acceptance for certain of our products and pipeline products, the expected market size for certain of the markets in which we have or expect to have products, the timing of commencement and completion of clinical studies and other development work, anticipated effect of current market conditions and recessionary pressures in one or more of our markets, the anticipated effect of macroeconomic factors, including inflation, and the anticipated impact of the COVID-19 pandemic on the Company. Forward-looking statements may generally be identified by the use of the words "anticipates," "expects,“ “predicts,” “projects,” “goals,” "intends," "plans," "should," "could," "would," "may,“ “might” "will,“ “strive,” "believes," "estimates," "potential," "target," "commit,” “forecast,” “tracking,” or "continue" and positive and negative variations or similar expressions, and phrases or statements that certain actions, events or results may, could, should or will be achieved, received or taken or will occur or result, and similar such expressions also identify forward-looking information. These forward-looking statements, including the Company’s 2023 full-year guidance, are based upon the current expectations and beliefs of management and are provided for the purpose of providing additional information about such expectations and beliefs, and readers are cautioned that these statements may not be appropriate for other purposes. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. These risks and uncertainties include, but are not limited to, the risks and uncertainties discussed in Bausch + Lomb’s filings with the U.S. Securities and Exchange Commission (“SEC”) and the Canadian Securities Administrators (the “CSA”) (including the Company’s Annual Report on Form 10-K for the year ended December 31, 2022 and its most recent quarterly filings), which factors are incorporated herein by reference. They also include, but are not limited to, risks and uncertainties relating to the proposed plan to spin off or separate the Company from Bausch Health Companies Inc. (“BHC”), including the expected benefits and costs of the spin-off transaction, the expected timing of completion of the spin-off transaction and its terms (including the expectation that the spin-off transaction will be completed following the achievement of targeted net leverage ratios, subject to market conditions and receipt of applicable shareholder and other necessary approvals), the ability to complete the spin-off transaction considering the various conditions to the completion of the spin-off transaction (some of which are outside the Company’s and BHC’s control, including conditions related to regulatory matters and receipt of applicable shareholder and other approvals), the impact of any potential sales of the Company’s common shares by BHC that market or other conditions are no longer favorable to completing the transaction, that applicable shareholder, stock exchange, regulatory or other approval is not obtained on the terms or timelines anticipated or at all, business disruption during the pendency of or following the spin-off transaction, diversion of management time on spin-off transaction-related issues, retention of existing management team members, the reaction of customers and other parties to the spin-off transaction, the qualification of the spin-off transaction as a tax-free transaction for Canadian and/or U.S. federal income tax purposes (including whether or not an advance ruling from the Canada Revenue Agency and/or the Internal Revenue Service will be sought or obtained), the ability of the Company and BHC to satisfy the conditions required to maintain the tax-free status of the spin-off transaction (some of which are beyond their control), other potential tax or other liabilities that may arise as a result of the spin-off transaction, the potential dis-synergy costs resulting from the spin-off transaction, the impact of the spin-off transaction on relationships with customers, suppliers, employees and other business counterparties, general economic conditions, conditions in the markets the Company is engaged in, behavior of customers, suppliers and competitors, technological developments and legal and regulatory rules affecting the Company’s business. In particular, the Company can offer no assurance that any spin-off transaction will occur at all, or that any spin-off transaction will occur on the terms and timelines anticipated by the Company and BHC. They also include, but are not limited to, risks and uncertainties caused by or relating to the evolving COVID-19 pandemic, including potential effects and economic and future impact of that pandemic, all of which are highly uncertain and cannot be predicted, and which may have a material adverse impact on the Company. Finally, they also include, but are not limited to, risks and uncertainties caused by or relating to a potential recession and other adverse economic conditions (such as inflation and slower growth), which could adversely impact our revenues, expenses and resulting margins and economic factors over which we have no control, including inflationary pressures as a result of historically high domestic and global inflation and otherwise, interest rates, foreign currency rates, and the positional effect of such factors on revenues, expenses and resulting margins. In addition, certain material factors and assumptions have been applied in making these forward-looking statements, including the assumption that the risks and uncertainties outlined above will not cause actual results or events to differ materially from those described in these forward-looking statements. In addition, Management has also made certain assumptions regarding our 2023 full-year guidance with respect to expectations regarding base performance growth, currency impact, run-rate dis-synergies and inflation, expectations regarding adjusted gross margin (non-GAAP), adjusted SG&A expense (non-GAAP) and the Company's ability to continue to manage such expense in the manner anticipated and the anticipated timing and extent of the Company's R&D expense.

Readers are cautioned not to place undue reliance on any of these forward-looking statements. These forward-looking statements speak only as of the date hereof. Bausch + Lomb undertakes no obligation to update any of these forward-looking statements to reflect events or circumstances after the date of this presentation or to reflect actual outcomes, unless required by law.

The outlook in this presentation is only effective as of the date given, May 3, 2023. Distribution or reference of this deck following May 3, 2023 does not constitute the Company updating outlook.

**Non-GAAP Information:** To supplement the financial measures prepared in accordance with U.S. generally accepted accounting principles (GAAP), the Company uses certain non-GAAP financial measures and ratios, including (i) EBITDA, (ii) Adjusted EBITDA, (iii) Adjusted EBITDA Margin, (iv) EBITA, (v) Adjusted EBITA, (vi) Adjusted Gross Profit, (vii) Adjusted Gross Margin, (viii) Adjusted SG&A, (ix) Adjusted Net Income, (x) Adjusted Tax Rate, (xi) Constant Currency Change/Constant Currency Growth/Constant Currency Revenue Growth, (xii) Adjusted Earnings Per Share (“EPS”), (xiii) Adjusted Cash Flow from Operations/Adjusted Cash used by Operations, (xiv) Adjusted EBITDA, adjusted for currency headwinds and (xv) Revenue adjusted for FX headwinds. Management uses some of these non-GAAP measures as key metrics in the evaluation of Company performance and the consolidated financial results and, in part, in the determination of cash bonuses for its executive officers. The Company believes these non-GAAP measures are useful to investors in their assessment of our operating performance and the valuation of the Company. In addition, these non-GAAP measures address questions the Company routinely receives from analysts and investors and, in order to assure that all investors have access to similar data, the Company has determined that it is appropriate to make this data available to all investors.

However, these measures and ratios are not prepared in accordance with GAAP nor do they have any standardized meaning under GAAP. In addition, other companies may use similarly titled non-GAAP financial measures and ratios that are calculated differently from the way we calculate such measures and ratios. Accordingly, our non-GAAP financial measures and ratios may not be comparable to such similarly titled non-GAAP measures and ratios of other companies. We caution investors not to place undue reliance on such non-GAAP measures and ratios, but instead to consider them with the most directly comparable GAAP measures and ratios. Non-GAAP financial measures and ratios have limitations as analytical tools and should not be considered in isolation. They should be considered as a supplement to, not a substitute for, or superior to, the corresponding measures calculated in accordance with GAAP.

The reconciliations of these historic non-GAAP financial measures and ratios to the most directly comparable financial measures and ratios calculated and presented in accordance with GAAP are shown in the appendix hereto. However, for outlook purposes, the Company does not provide reconciliations of projected Adjusted EBITDA (non-GAAP) to projected GAAP net income (loss), projected Adjusted EBITDA, adjusted for currency headwinds (non-GAAP) to projected GAAP net income (loss), projected Adjusted Gross Margin (non-GAAP) to projected GAAP Gross Margin, projected Constant Currency Growth to projected GAAP Revenue Growth or projected Revenue adjusted for FX headwinds to projected GAAP Revenue due to the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliations. These amounts may be material and, therefore, could result in the GAAP measure or ratio being materially different from the projected non-GAAP measure or ratio.

For further information on non-GAAP financial measures and ratios, please see the Appendix.

# 1Q23 Highlights & Financial Results

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# Outlook

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# Upcoming Catalysts

# Eye Health Industry Today: Growing and Sustainable

**Large and addressable growing market** driven by demographic trends and lifestyle changes

Eye health market **forecasted to grow mid-single digits**[1]

**Favorable competitive environment** with significant barriers to entry

Evolving **unmet patient and customer needs**

Essential industry with opportunities to be **rewarded for innovation**



1. Third party market research and management estimates.

# Bausch + Lomb: Starting with a Solid Foundation[1]

HELPING PEOPLE SEE BETTER TO LIVE BETTER

170 YEARS

## STRONG, CONSISTENT PERFORMANCE

**BROAD, DIVERSE COMMERCIAL PLATFORM** with access points across entire eye care spectrum

**HIGH BRAND AWARENESS[2,3]** and loyal customer base

**GLOBAL INFRASTRUCTURE** presence in ~100 countries

Resilient company with **170-YEAR HERITAGE**

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1. See Slide 1 for further information on forward-looking statements.
2. TechSci Research, May 2021, Survey of 200 respondents across the globe.
3. Compared to peers; peers include: Essilorluxottica, Johnson & Johnson, Alcon, Hoya, Menicon Co., Ltd., CooperVision, Inc., Carl Zeiss Meditec AG, Novartis AG, Pfizer, Inc., etc

# Roadmap to Accelerate Growth[1]

| PHASE 1 | PHASE 2 | PHASE 3 |
|---|---|---|
| Rewire Company for Optimal Performance | Innovate & Execute | Accelerate Growth |

TODAY

BAUSCH + LOMB
Best-in-class
Global Eye Health Company



1. See Slide 1 for further information on forward-looking statements.

# Phase 1: Rewire Company for Optimal Performance[1]

| PHASE 1 | PHASE 2 | PHASE 3 |
|---|---|---|

- **Grow revenue at or above market**
- **Drive selling excellence across all businesses**
- **Build industry-leading business development platform**
- **Cultivate leading digital capabilities in marketing, R&D, manufacturing**
- **Enhance agility and innovation**

**Rewire Company for Optimal Performance**

Innovate & Execute

Accelerate Growth

BAUSCH + LOMB

**Best-in-class**
Global Eye Health Company



1. See Slide 1 for further information on forward-looking statements.

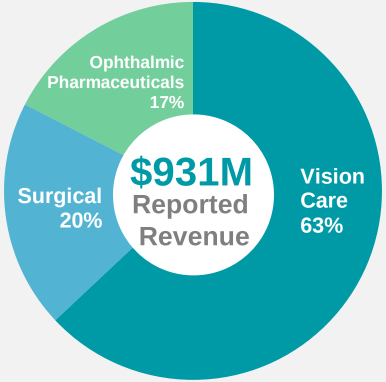
# 1Q23 Company Highlights

## Bausch + Lomb

1Q23 vs. 1Q22

**5%** 1Q23 Reported Revenue Growth

**8%** 1Q23 Constant Currency Revenue Growth[1]

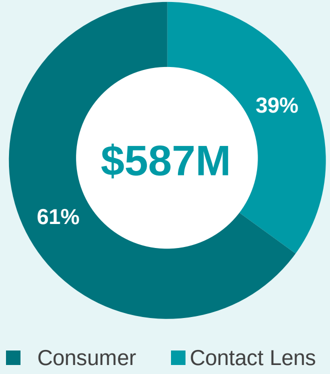



**$141M** Adj. EBITDA[1]

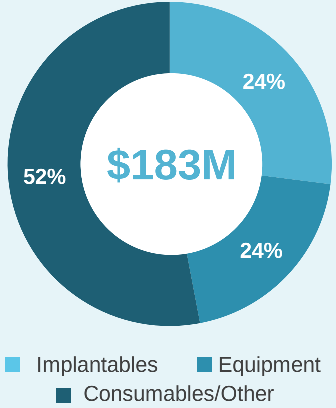
$14M headwind from FX

## Continued Strong Revenue Growth Across All Three Segments

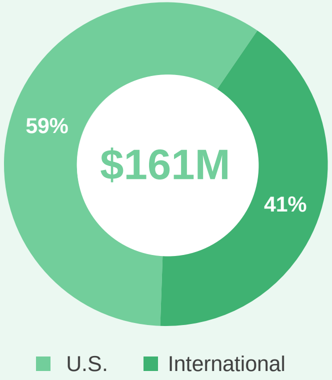
### Vision Care[2]




### Surgical




### Ophthalmic Pharmaceuticals[2]




**1Q23 CONSTANT CURRENCY REVENUE CHANGE[1]**

| Vision Care | Surgical | Ophthalmic Pharmaceuticals |
|---|---|---|
| **+8%** | **+9%** | **+7%** |
| Solid growth in key franchises including Lumify®, Daily SiHy, Biotrue® ONEday and ULTRA® | Increased demand, improving supply and expanded premium IOL portfolio | Strong U.S. generic execution and International portfolio growth |

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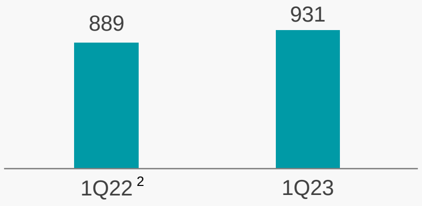
1. This is a non-GAAP measure or ratio. See Slide 1 and Appendix for further information on non-GAAP measures and ratios.
2. Effective in the first quarter of 2023, certain products historically included in the reported results of the Ophthalmic Pharmaceuticals segment are now included in the reported results of the Vision Care segment and certain products included in the reported results of the Vision Care segment are now included in the reported results of the Ophthalmic Pharmaceuticals segment. Management believes these movements are necessary in order to better align these products with the groupings of similar products. The net impact of these product movements was not material to the periods presented. Prior period presentations of segment revenues have been conformed to the current segment reporting structure.

# 1Q23 Revenue Drivers

## Total Company Revenue

*Millions USD*




**5%** 1Q23 Reported Revenue Growth

**8%** 1Q23 Constant Currency Revenue Growth[1]

- High-quality growth across all three segments and most of our significant markets around the world
- China recovery in progress with a gradual recovery seen throughout 1Q23
- $31M headwind from FX to revenue

## Vision Care +8%

Constant currency revenue growth[1]

- Lumify® (+23% reported revenue growth)
- Daily SiHy (+38% reported revenue growth)
- Bausch + Lomb ULTRA® (+16% reported revenue growth; +18% constant currency[1])
- Biotrue® ONEday (+6% reported revenue growth; +8% constant currency[1])
- Artelac® (+25% reported revenue growth; +29% constant currency[1])
- Market leadership in key categories, including PreserVision®, Lumify® and Biotrue® multi-purpose solution with #1 market share in U.S.[3]

## Surgical +9%

Constant currency revenue growth[1]

- Growth in implantables (-2% reported revenue decline; +2% constant currency[1]), driven by premium IOLs
- Strong demand for consumables (+9% reported revenue growth; +13% constant currency[1]), including Stellaris® and custom packs as well as improving supply
- Equipment (+5% reported revenue growth; +7% constant currency[1])
- Early stages of IC-8® Apthera™ IOL launch generating strong interest

## Ophthalmic Pharma +7%

Constant currency revenue growth[1]

- Vyzulta® saw +25% reported revenue growth; geo-expansion
- Capitalized on competitor supply challenges in the U.S. generic market
- Growth in International portfolio primarily driven by Minims franchise which saw 7% reported revenue growth; +14% constant currency[1]



1. This is a non-GAAP measure or ratio. See Slide 1 and Appendix for further information on non-GAAP measures and ratios.
2. 1Q22 results were not fully burdened by all of the stand-up costs associated with the separation.
3. National Consumer Panel from IRI.

# Total Bausch + Lomb P&L[1] (Non-GAAP)[2]

| Bausch + Lomb | 1Q23 | 1Q22[6] | Reported Change | Constant Currency Change[2] |
|---|---|---|---|---|
| Vision Care Revenue[5] | $587M | $560M | *5%* | *8%* |
| Surgical Revenue | $183M | $174M | *5%* | *9%* |
| Ophthalmic Pharmaceuticals Revenue[5] | $161M | $155M | *4%* | *7%* |
| **Total Revenue** | **$931M** | **$889M** | ***5%*** | ***8%*** |
| **Adj. Gross Profit[2]** | $559M | $541M | *3%* | *7%* |
| **Adj. Gross Margin[2]** | 60.0% | 60.9% | *(90 bps)* | |
| **R&D** | $77M | $77M | *0%* | *(1%)* |
| *R&D % of Revenues* | *8.3%* | *8.7%* | | |
| **Adj. SG&A[2]** | $391M | $338M | *(16%)* | *(19%)* |
| *Adj. SG&A % of Revenues[3]* | *42.0%* | *38.0%* | | |
| **Adj. EBITA[2]** | **$91M** | **$126M** | ***(28%)*** | ***(23%)*** |
| **Depreciation** | $34M | $30M | *13%* | *17%* |
| **Stock Based Compensation** | $24M | $16M | *50%* | *50%* |
| **Adj. EBITDA[2,3]** | **$141M** | **$170M** | ***(17%)*** | ***(13%)*** |
| *Adj. EBITDA Margin[2]* | *15.1%* | *19.1%* | | |
| **Adj. Net Income Attributable to Bausch + Lomb[2]** | $34M | $85M | *(60%)* | *(53%)* |
| **Adj EPS Attributable to Bausch + Lomb[2,4]** | $0.10 | $0.24 | | |

**1Q22 results were not fully burdened by all stand-up costs associated with the separation**

**FX Headwind in 1Q23:**

- **Revenue: $31M**
- **Adj. EBITDA[2]: $14M**

1. Products with sales outside the United States impacted by F/X changes.
2. This is a non-GAAP measure or ratio. See Slide 1 and Appendix for further information on non-GAAP measures and ratios.
3. Includes transactional FX and NCI. Currency headwind (translational and transactional) was $14M to Adj. EBITDA for Q1 2023. The Q1 FY2022 transactional FX impact was a gain of $1M.
4. 1Q22 presented on an adjusted basis after giving effect to the IPO.
5. Effective in the first quarter of 2023, certain products historically included in the reported results of the Ophthalmic Pharmaceuticals segment are now included in the reported results of the Vision Care segment and certain products included in the reported results of the Vision Care segment are now included in the reported results of the Ophthalmic Pharmaceuticals segment. Management believes these movements are necessary in order to better align these products with the groupings of similar products. The net impact of these product movements was not material to the periods presented. Prior period presentations of segment revenues have been conformed to the current segment reporting structure.
6. 1Q22 results were not fully burdened by all stand-up costs associated with the separation

# Total Bausch + Lomb P&L[1] (GAAP)

| Bausch + Lomb | 1Q23 | 1Q22[5] | Reported Change | Constant Currency Change[2] |
|---|---|---|---|---|
| Vision Care Revenue[4] | $587M | $560M | *5%* | *8%* |
| Surgical Revenue | $183M | $174M | *5%* | *9%* |
| Ophthalmic Pharmaceuticals Revenue[4] | $161M | $155M | *4%* | *7%* |
| **Total Revenue** | **$931M** | **$889M** | ***5%*** | ***8%*** |
| **Gross Profit** | $502M | $476M | *5%* | *9%* |
| **Gross Margin** | 53.9% | 53.5% | *40 bps* | |
| **R&D** | $77M | $77M | *0%* | *(1%)* |
| *R&D % of Revenues* | *8.3%* | *8.7%* | | |
| **SG&A** | $418M | $343M | *(22%)* | *(25%)* |
| *SG&A % of Revenues* | *44.9%* | *38.6%* | | |
| **Operating (Loss) Income** | **($2M)** | **$54M** | | |
| **Net (Loss) Income Attributable to Bausch + Lomb** | **($90M)** | **$20M** | | |
| *Net (Loss) Income Margin* | *(9.7%)* | *2.2%* | | |
| **EPS Attributable to Bausch + Lomb[3]** | ($0.26) | $0.06 | | |

1. Products with sales outside the United States impacted by F/X changes.
2. This is a non-GAAP measure or ratio. See Slide 1 and Appendix for further information on non-GAAP measures and ratios.
3. 1Q22 presented on an adjusted basis after giving effect to the IPO.
4. Effective in the first quarter of 2023, certain products historically included in the reported results of the Ophthalmic Pharmaceuticals segment are now included in the reported results of the Vision Care segment and certain products included in the reported results of the Vision Care segment are now included in the reported results of the Ophthalmic Pharmaceuticals segment. Management believes these movements are necessary in order to better align these products with the groupings of similar products. The net impact of these product movements was not material to the periods presented. Prior period presentations of segment revenues have been conformed to the current segment reporting structure.
5. 2022 results were not fully burdened by all stand-up costs associated with the separation

# Outlook

# Full-Year 2023 Revenue and Adjusted EBITDA (non-GAAP)[1] Guidance[3]

| | Current Guidance (May 2023) |
|---|---|
| Total Revenues | **$3.90B - $3.95B** |
| Adjusted EBITDA (non-GAAP)[1] | **$700M - $750M** |
| **Key Assumptions** | **Current Guidance (May 2023)** |
| Interest Expense[2] | **~$215M** |
| R&D | **~8% of revenue** |
| Adj. Tax Rate (non-GAAP)[1] | **~6%** |
| Avg. Fully Diluted Share Count | **~352M** |
| CapEx | **~$200M** |
| Depreciation and Stock Based Comp | **~$220M[4]** |

### Revenue

**5-6% constant currency growth[1] expected for FY23**

**FY23 FX headwinds expected to be ~$50M**

**$3.975B revenue at mid-point, adjusted for FX headwinds[1]**

### Adj. EBITDA[1]

**FY23 FX headwinds expected to be ~$35M**

**$760M Adj. EBITDA at mid-point, adjusted for currency headwind[1]**

### Adj. Gross Margin[1]

**Adj. gross margin[1] for FY23 is expected to be ~60%**

1. This is a non-GAAP measure or ratio. See Slide ! and Appendix for further information on non-GAAP measures or ratios. See slides 9 and 10 for disclosure of historic non-GAAP measures and ratios and their historic comparable GAAP measures and ratios.
2. Interest expense includes interest on the outstanding $2.581bn of debt and revolving credit facility and amortization and write-down of deferred financing costs .
3. The guidance in this presentation is only effective as of the date given, May 3, 2023, and will not be updated or affirmed unless and until the Company publicly announces updated or affirmed guidance. Distribution or reference of this deck following May 3, 2023 does not constitute the Company re-affirming guidance. See Slide 1 for further information on forward-looking statements.
4. Does not include the potential expense acceleration of certain grants upon final separation.

# Upcoming Catalysts

# Building a Global Dynamic Dry Eye Disease Platform

## Dry Eye

It is estimated that **more than 16M patients in the U.S.** are diagnosed with Dry Eye Disease[1]

Artelac


**>35 countries launched**
**10+ line extensions**


**Expanding the Biotrue® Mega Brand**


Total Revenue for Global Dry Eye Platform[4]: **~$250M**

**Our Next Catalyst:** **NOV03[2] PDUFA date (June 28, 2023)[3]**

1. Farrand et al. Prevalence of Diagnosed Dry Eye Disease in the United States Among Adults Aged 18 Years and Older. Am J Ophthalmol 2017; 182:90–98.
2. Investigational treatment.
3. See Slide 1 for further information on forward-looking statements.
4. Revenue number is inclusive of our entire dry eye platform. Twelve months ended 3/31/2023.

# Lumify® Franchise Extending Market Leadership

LUMIFY®


**$125M+**
**Revenue Franchise[1]**

**~50%**
**Market Share in Redness Reliever Category[2]**

**#1**
**Eye Doctor Recommended[3]**

**Expanding Franchise into New Geographies and Adjacent Categories[5]**

Acquired rights to market in 18 additional countries[4]

LUMIFY® Eye Illuminations launching this year

LUMIFY® PF & Allergy Symptom Control[6]


1. Twelve months ended 3/31/23.
2. IRI Panel Omnichannel
3. IQVIA, Average Share of Weekly Doctor Recommendations, Q4 2022.
4. Acquired rights in January 2023.
5. See Slide 1 for further information on forward-looking statements.
6. In development.

# PreserVision® + Ocuvite®: Largest Bausch + Lomb Franchise and Expanding[4]

## Strong Global Footprint with Market Leading Share

Over **$350M** in Reported Revenue[1]

**+90%** Share of AREDS Category[2]

Available in More Than **40** Countries

**Grow Franchise Through Innovative New Products and Category Expansion**


*Helps support eye and heart health*

*Better absorbing ingredients*

*Helps to support healthy cell function*

**~70%**

**of households with moderate to advanced AMD are not treating with an AREDS 2[3]**

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1. Twelve months ended 3/31/23.
2. PreserVision U.S. National Consumer Panel from IRI.
3. IQVIA 2021, Lieberman Brand Tracking Study 2022. U.S.
4. See Slide 1 for further information on forward-looking statements.

# Surgical: Building a Premium Portfolio

## Today

### Key Brands

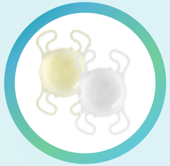
Stellaris Elite
Vision Enhancement System


storz
Ophthalmic Instruments


Synergetics®

Consumables

## Expanding Premium IOL Offerings[1]



**Lux Premium IOL Expansion**
LuxSmart™ (EDOF)
LuxLife™ (Trifocal)

**IC-8® Apthera™**

**enVista Envy™** (Trifocal)
**enVista Aspire™** (Extended Range Monofocal)
**enVista Beyond™** (EDOF)

## Entering into New Categories

**MIMS®**
Minimally Invasive Micro Sclerostomy

**SeeLuma™**
Fully Digital Surgical Visualization Platform (3D Microscope)


**Eyetelligence®**
Digital Platform



1. See Slide 1 for further information on forward-looking statements.

# Roadmap to Accelerate Growth[1]

| PHASE 1 | PHASE 2 | PHASE 3 |
|---|---|---|

**Accelerate Growth**

**Innovate & Execute**

**Rewire Company for Optimal Performance**

TODAY

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Best-in-class
Global Eye Health Company



1. See Slide1 for further information on forward-looking statements.

# Appendix

# Early Stage Launches and Near-term Pipeline Products to Watch[1]

| Product | Status | Upcoming Milestone |
|---|---|---|
| SiHy Daily | Launched in ~25 countries | Planned launch of SVS into more countries in 2023; Multi-focal and toric launch expected in 2023-2024 |
| Lumify® Expansion Opportunities | Eye Illuminations – Launching this year | Preservative Free submission expected 2Q23<br>Allergy submission expected 1Q24 |
| SeeLuma™ Fully Digital Surgical Visualization Platform (3D Microscope) | Launching now in U.S. and Western Europe | Additional countries expected to follow |
| eyeTELLIGENCE® Digital Platform | Beta software testing ongoing. Regulatory assessments complete. | U.S. commercial release in process |
| IC-8® Apthera™ | Available in select markets across Europe, as well as in Australia, New Zealand and Singapore | U.S launch in process |
| MIMS® Minimally Invasive Surgical Procedure | Entered into exclusive European distribution agreement with Sanoculis | EU launch in process |
| NOV03[2] | FDA accepted NDA in September 2022 | PDUFA date June 28, 2023<br>Filed in Canada 1Q23 |
| enVista Envy™<br>*enVista® Trifocal IOL* | Canada, EU and U.S submissions in process | Expect US, EU, Canada launch in 2024<br>(*includes Toric versions and new EyeGility inserter)* |
| enVista Aspire™<br>*enVista® Extended Range Monofocal IOL* | US and Canada submitted 1Q23<br>EU submission planned for 2Q23 | Expect US and Canada launch 2H23<br>*(includes Toric; new EyeGility inserter to be added in 2024)*<br>EU launch expected in 2024 with EyeGility inserter |
| enVista Beyond™<br>*enVista® Extended Depth of Focus IOL* | Clinical study to begin 3Q23 | Expect 2025/2026 launch |

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1. See Slide 1 for further information on forward-looking statements.
2. In 2019, the Company acquired an exclusive license from Novaliq GmbH for the commercialization and development of NOV03 in the United States and Canada.

# Cash Flow and Balance Sheet Summary

| | 1Q23 |
|---|---|
| Cash flow used in operations | ($56M) |
| Adj. Cash flow used in operations (non-GAAP)[1,2] | ($24M) |
| Depreciation | $34M |
| Stock Based Comp | $24M |
| Interest | $47M |
| CapEx | $37M |



1. This is a non-GAAP measure or ratio. See Slide 1 and Appendix for further information on non-GAAP measures and ratios.
2. Adjusted cash used in operations (non-GAAP) is Cash used in operations, its most closely associated GAAP measure, less separation and separation-related payments of $4 million and Business transformation costs of $28 million.

# Top 10 Revenues (Includes FX Impact)

| Rank | Product/Franchises | 1Q23 | FY22 | 4Q22 | 3Q22 | 2Q22 | 1Q22 |
|---|---|---|---|---|---|---|---|
| 1 | Surgical Consumables[1] | $95M | $359M | $94M | $85M | $93M | $87M |
| 2 | Ocuvite® + PreserVision® | $81M | $387M | $114M | $98M | $94M | $81M |
| 3 | SofLens® | $60M | $246M | $62M | $62M | $61M | $61M |
| 4 | Biotrue® ONEday | $52M | $201M | $50M | $53M | $49M | $49M |
| 5 | Bausch + Lomb ULTRA® | $51M | $177M | $43M | $46M | $44M | $44M |
| 6 | Surgical Implantables[1] | $44M | $188M | $49M | $45M | $49M | $45M |
| 7 | Surgical Equipment[1] | $44M | $171M | $45M | $42M | $42M | $42M |
| 8 | renu® | $42M | $176M | $47M | $44M | $43M | $42M |
| 9 | Lumify® | $38M | $131M | $35M | $30M | $35M | $31M |
| 10 | Biotrue® Solutions Franchise | $35M | $153M | $37M | $39M | $39M | $38M |



1. As of the first quarter of 2023, certain products were recategorized across the consumables, impantables and equipment product categories. This change was made as management believes this better aligns these products in their respective categories. Prior period presentations of product categories have been conformed to current product category structure to allow investors to evaluate results between periods on a consistent basis.

# Segment Reported Revenue

| Vision Care[3] | 1Q23 | 1Q22 | Reported Change | Constant Currency Change %[1] |
|---|---|---|---|---|
| Contact Lens Revenue | $226M | $215M | *5%* | *10%* |
| Consumer Revenue | $361M | $345M | *5%* | *8%* |
| **Total Revenue** | **$587M** | **$560M** | ***5%*** | ***8%*** |

| Surgical[2] | 1Q23 | 1Q22 | Reported Change | Constant Currency Change %[1] |
|---|---|---|---|---|
| Implantables Revenue | $44M | $45M | *(2%)* | *2%* |
| Equipment Revenue | $44M | $42M | *5%* | *7%* |
| Consumables Revenue | $95M | $87M | *9%* | *13%* |
| **Total Revenue** | **$183M** | **$174M** | ***5%*** | ***9%*** |

| Ophthalmic Pharmaceuticals[3] | 1Q23 | 1Q22 | Reported Change | Constant Currency Change %[1] |
|---|---|---|---|---|
| **Total Revenue** | **$161M** | **$155M** | ***4%*** | ***7%*** |

1. This is a non-GAAP measure or ratio. See Slide 1 and this Appendix for further information on non-GAAP measures and ratios.
2. As of the first quarter of 2023, certain products were recategorized across the consumables, impantables and equipment product categories. This change was made as management believes this better aligns these products in their respective categories. Prior period presentations of product categories have been conformed to current product category structure to allow investors to evaluate results between periods on a consistent basis.
3. Effective in the first quarter of 2023, certain products historically included in the reported results of the Ophthalmic Pharmaceuticals segment are now included in the reported results of the Vision Care segment and certain products included in the reported results of the Vision Care segment are now included in the reported results of the Ophthalmic Pharmaceuticals segment. Management believes these movements are necessary in order to better align these products with the groupings of similar products. The net impact of these product movements was not material to the periods presented. Prior period presentations of segment revenues have been conformed to the current segment reporting structure.

# Reported Revenue Trailing Quarters by Segment

| Bausch + Lomb | 1Q23 | 4Q22 | 3Q22 | 2Q22 | 1Q22 |
|---|---|---|---|---|---|
| **Vision Care[2]** | | | | | |
| Contact Lens | $226M | $219M | $222M | $213M | $215M |
| Consumer | $361M | $407M | $376M | $376M | $345M |
| **Total Revenue** | **$587M** | **$626M** | **$598M** | **$589M** | **$560M** |
| | | | | | |
| **Surgical[1]** | | | | | |
| Implantables | $44M | $49M | $45M | $49M | $45M |
| Equipment | $44M | $45M | $42M | $42M | $42M |
| Consumables | $95M | $94M | $85M | $93M | $87M |
| **Total Revenue** | **$183M** | **$188M** | **$172M** | **$184M** | **$174M** |
| | | | | | |
| **Ophthalmic Pharmaceuticals[2]** | | | | | |
| **Total Revenue** | **$161M** | **$182M** | **$172M** | **$168M** | **$155M** |

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1. As of the first quarter of 2023, certain products were recategorized across the consumables, impantables and equipment product categories. This change was made as management believes this better aligns these products in their respective categories. Prior period presentations of product categories have been conformed to current product category structure to allow investors to evaluate results between periods on a consistent basis.
2. Effective in the first quarter of 2023, certain products historically included in the reported results of the Ophthalmic Pharmaceuticals segment are now included in the reported results of the Vision Care segment and certain products included in the reported results of the Vision Care segment are now included in the reported results of the Ophthalmic Pharmaceuticals segment. Management believes these movements are necessary in order to better align these products with the groupings of similar products. The net impact of these product movements was not material to the periods presented. Prior period presentations of segment revenues have been conformed to the current segment reporting structure.

# Non-GAAP Adjustments EPS Impact ($M)[2,3]

| | Three Months Ended March 31 | | | |
|---|---|---|---|---|
| | 2023 | | 2022 | |
| | Income (Expense) | Earnings per Share Impact | Income (Expense) | Earnings per Share Impact |
| **Net (loss) income attributable to Bausch + Lomb Corporation** | **$ (90)** | **$ (0.26)** | **$ 20** | **$ 0.06** |
| **Non-GAAP adjustments:** | | | | |
| Amortization of intangible assets | 57 | 0.16 | 65 | 0.19 |
| Restructuring, integration and transformation costs | 32 | 0.09 | 3 | - |
| Acquisition-related costs and adjustments (excluding amortization of intangible assets) | 1 | - | - | - |
| Separation costs and separation-related costs | 3 | 0.01 | 4 | 0.01 |
| Other | - | - | 6 | 0.02 |
| Tax effect of non-GAAP adjustments | 31 | 0.10 | (13) | (0.04) |
| **Adjusted net income attributable to Bausch + Lomb Corporation (non-GAAP)[1]** | **$ 34** | **$ 0.10** | **$ 85** | **$ 0.24** |



1. This is a non-GAAP measure or non-GAAP ratio. See Slide 1 and Non-GAAP Appendix for further information on non-GAAP measures and ratios.
2. Except per share amounts
3. On a proforma basis after giving effect to the IPO.

# Reconciliation of Reported Operating Loss/Income to Adjusted EBITA (non-GAAP)[1] ($M)

| | 1Q 2023 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Gross Profit | Gross Margin | | SG&A | | R&D Expense | | Operating (loss)/income |
| **2023 GAAP** | **$** | **502** | **53.9%** | **$** | **418** | **$** | **77** | **$** | **(2)** |
| Amortization of intangible assets | | 57 | 6.1% | | | | | | 57 |
| Restructuring, integration and transformation costs | | | 0.0% | | (24) | | | | 32 |
| Acquisition-related costs and adjustments (excluding amortization of intangible assets) | | | 0.0% | | | | | | 1 |
| Separation costs and separation-related costs | | | 0.0% | | (3) | | | | 3 |
| **2023 Non-GAAP[1]** | **$** | **559** | **60.0%** | **$** | **391** | **$** | **77** | **$** | **91** |

| | 1Q 2022 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Gross Profit | Gross Margin | | SG&A | | R&D Expense | | Operating income |
| **2022 GAAP** | **$** | **476** | **53.5%** | **$** | **343** | **$** | **77** | **$** | **54** |
| Amortization of intangible assets | | 65 | 7.3% | | | | | | 65 |
| Restructuring, integration and transformation costs | | | 0.0% | | (1) | | | | 3 |
| Separation costs and separation-related costs | | | 0.0% | | (4) | | | | 4 |
| **2022 Non-GAAP[1]** | **$** | **541** | **60.9%** | **$** | **338** | **$** | **77** | **$** | **126** |



1. This is a non-GAAP measure or non-GAAP ratio. See Slide 1 and Non-GAAP Appendix for further information on non-GAAP measures and ratios.

# Reconciliation of Reported Net (Loss) Income to EBITDA (non-GAAP)[1] and Adjusted EBITDA (non-GAAP)[1] ($M)

| | Three Months Ended March 31 | |
|---|---|---|
| | 2023 | 2022 |
| **Net (loss) income attributable to Bausch + Lomb Corporation** | **$ (90)** | **$ 20** |
| Interest expense, net | 47 | 20 |
| Provision for income taxes | 33 | 6 |
| Depreciation and amortization of intangible assets | 91 | 95 |
| **EBITDA** | **81** | **141** |
| **Adjustments:** | | |
| Restructuring, integration and transformation costs | 32 | 3 |
| Acquisition-related costs and adjustments (excluding amortization of intangible assets) | 1 | - |
| Share-based compensation | 24 | 16 |
| Separation costs and separation-related costs | 3 | 4 |
| Other non-GAAP Adjustments: | | |
| Other | - | 6 |
| **Adjusted EBITDA (non-GAAP)[1]** | **$ 141** | **$ 170** |



1. This is a non-GAAP measure or non-GAAP ratio. See Slide 1 and Non-GAAP Appendix for further information on non-GAAP measures and ratios.

# Reconciliation of Reported Revenue to Constant Currency Revenue[1] and Constant Currency Revenue Growth[1] ($M)

| | Calculation of Constant Currency Revenue for the Three Months Ended | | | | Change in Reported Revenue | | Change in Constant Currency Revenue[1] | |
|---|---|---|---|---|---|---|---|---|
| | March 31, 2023 | | | March 31, 2022 | | | | |
| | Revenue as Reported | Changes in Exchange Rates[3] | Constant Currency Revenue (Non-GAAP)[1] | Revenue as Reported | Amount | Pct. | Amount | Pct. |
| **Bausch + Lomb** | | | | | | | | |
| Vision Care[2] | $ 587 | $ 20 | $ 607 | $ 560 | $ 27 | 5% | $ 47 | 8% |
| Surgical | 183 | 6 | 189 | 174 | 9 | 5% | 15 | 9% |
| Ophthalmic Pharmaceuticals[2] | 161 | 5 | 166 | 155 | 6 | 4% | 11 | 7% |
| **Total Bausch + Lomb** | **$ 931** | **$ 31** | **$ 962** | **$ 889** | **$ 42** | **5%** | **$ 73** | **8%** |

1. This is a non-GAAP measure or non-GAAP ratio. See Slide 1 and Non-GAAP Appendix for further information on non-GAAP measures and ratios.
2. Effective in the first quarter of 2023, certain products historically included in the reported results of the Ophthalmic Pharmaceuticals segment are now included in the reported results of the Vision Care segment and certain products included in the reported results of the Vision Care segment are now included in the reported results of the Ophthalmic Pharmaceuticals segment. Management believes these movements are necessary in order to better align these products with the groupings of similar products. The net impact of these product movements was not material to the periods presented. Prior period presentations of segment revenues have been conformed to the current segment reporting structure.
3. The impact for changes in foreign currency exchange rates is determined as the difference in the current period reported revenues at their current period currency exchange rates and the current period reported revenues revalued using the monthly average currency exchange rates during the comparable prior period.

# Reconciliation of Reported Revenue to Constant Currency Revenue[1] and Constant Currency Revenue Growth[1] ($M)

| | Calculation of Constant Currency Revenue for the Three Months Ended | | | | Change in Reported Revenue | | Change in Constant Currency Revenue[1] | |
|---|---|---|---|---|---|---|---|---|
| | March 31, 2023 | | | March 31, 2022 | | | | |
| | Revenue as Reported | Changes in Exchange Rates[3] | Constant Currency Revenue (Non-GAAP)[1] | Revenue as Reported | Amount | Pct. | Amount | Pct. |
| Contact Lens | 226 | 10 | 236 | 215 | 11 | 5% | 21 | 10% |
| Consumer[2] | 361 | 10 | 371 | 345 | 16 | 5% | 26 | 8% |
| Surgical Consumables[4] | 95 | 3 | 98 | 87 | 8 | 9% | 11 | 13% |
| Surgical Implantables[4] | 44 | 2 | 46 | 45 | (1) | -2% | 1 | 2% |
| Surgical Equipment[4] | 44 | 1 | 45 | 42 | 2 | 5% | 3 | 7% |
| Bausch + Lomb Ultra total | 51 | 1 | 52 | 44 | 7 | 16% | 8 | 18% |
| BioTrue ONEday Total | 52 | 1 | 53 | 49 | 3 | 6% | 4 | 8% |
| Artelac | 30 | 1 | 31 | 24 | 6 | 25% | 7 | 29% |
| Minims Total | 15 | 1 | 16 | 14 | 1 | 7% | 2 | 14% |

1. This is a non-GAAP measure or non-GAAP ratio. See Slide 1 and Non-GAAP Appendix for further information on non-GAAP measures and ratios.
2. Effective in the first quarter of 2023, certain products historically included in the reported results of the Ophthalmic Pharmaceuticals segment are now included in the reported results of the Vision Care segment and certain products included in the reported results of the Vision Care segment are now included in the reported results of the Ophthalmic Pharmaceuticals segment. Management believes these movements are necessary in order to better align these products with the groupings of similar products. The net impact of these product movements was not material to the periods presented. Prior period presentations of segment revenues have been conformed to the current segment reporting structure.
3. The impact for changes in foreign currency exchange rates is determined as the difference in the current period reported revenues at their current period currency exchange rates and the current period reported revenues revalued using the monthly average currency exchange rates during the comparable prior period.
4. As of the first quarter of 2023, certain products were recategorized across the consumables, implantables and equipment product categories. This change was made as management believes this better aligns these products in their respective categories. Prior period presentations of product categories have been conformed to current product category structure to allow investors to evaluate results between periods on a consistent basis.

# Non-GAAP Appendix

**Description of Non-GAAP Financial Measures**

To supplement the financial measures prepared in accordance with U.S. generally accepted accounting principles (GAAP), the Company uses certain non-GAAP financial measures and ratios. These measures and ratios do not have any standardized meaning under GAAP and other companies may use similarly titled non-GAAP financial measures and ratios that are calculated differently from the way we calculate such measures and ratios. Accordingly, our non-GAAP financial measures and ratios may not be comparable to similar non-GAAP measures and ratios of other companies. We caution investors not to place undue reliance on such non-GAAP measures and ratios, but instead to consider them with the most directly comparable GAAP measures and ratios. Non-GAAP financial measures and ratios have limitations as analytical tools and should not be considered in isolation. They should be considered as a supplement to, not a substitute for, or superior to, the corresponding measures calculated in accordance with GAAP.

**EBITDA/Adjusted EBITDA/Adjusted EBITDA Margin/Adjusted EBITDA, adjusted for currency headwinds**

EBITDA (non-GAAP) is Net income attributable to Bausch + Lomb Corporation (its most directly comparable U.S. GAAP financial measure) adjusted for interest, income taxes, depreciation and amortization. Adjusted EBITDA (non-GAAP) is EBITDA (non-GAAP) further adjusted for the items described below. Management believes that Adjusted EBITDA (non-GAAP), along with the GAAP measures used by management, most appropriately reflect how the Company measures the business internally and sets operational goals and incentives. In particular, the Company believes that Adjusted EBITDA (non-GAAP) focuses management on the Company's underlying operational results and business performance. As a result, the Company uses Adjusted EBITDA (non-GAAP) both to assess the actual financial performance of the Company and to forecast future results as part of its guidance. Management believes Adjusted EBITDA (non-GAAP) is a useful measure to evaluate current performance. Adjusted EBITDA (non-GAAP) is intended to show our unleveraged, pre-tax operating results and therefore reflects our financial performance based on operational factors. In addition, cash bonuses for the Company's executive officers and other key employees are based, in part, on the achievement of certain Adjusted EBITDA (non-GAAP) targets.

Adjusted EBITDA margin (non-GAAP) is Adjusted EBITDA (non-GAAP) divided by Revenues.

**Adjusted EBITDA (non-GAAP) Adjustments**

**Adjusted EBITDA (non-GAAP) is net income (loss) attributable to the Company (its most directly comparable GAAP financial measure) adjusted for interest expense, net, (benefit from) provision for income taxes, depreciation and amortization and the following items:**

**Asset impairments**: The Company has excluded the impact of impairments of finite-lived and indefinite-lived intangible assets as such amounts are inconsistent in amount and frequency and are significantly impacted by the timing and/or size of acquisitions and divestitures. The Company believes that the adjustments of these items correlate with the sustainability of the Company's operating performance. Although the Company excludes impairments of intangible assets from measuring the performance of the Company and its business, the Company believes that it is important for investors to understand that intangible assets contribute to revenue generation.

**Restructuring, and integration and transformation costs**: The Company has incurred restructuring costs as it implemented certain strategies, which involved, among other things, improvements to its infrastructure and operations, internal reorganizations and impacts from the divestiture of assets and businesses. With regard to infrastructure and operational improvements which the Company has taken to improve efficiencies in the businesses and facilities, these tend to be costs intended to right size the business or organization that fluctuate significantly between periods in amount, size and timing, depending on the improvement project, reorganization or transaction. Additionally, with the completion of the B+L IPO, as the Company prepares for post-Separation operations, the Company is launching certain transformation initiatives that will result in certain changes to and investment in its organizational structure and operations. These transformation initiatives arise outside of the ordinary course of continuing operations and, as is the case with the Company's restructuring efforts, costs associated with these transformation initiatives are expected to fluctuate between periods in amount, size and timing. These out-of-the-ordinary-course charges include third party advisory costs, as well as certain compensation-related costs (including costs associated with changes in our executive officers, such as the severance costs associated with the departure of the Company's former CEO and the costs associated with the appointment of the Company's new CEO). Investors should understand that the outcome of these transformation initiatives may result in future restructuring actions and certain of these charges could recur. The Company believes that the adjustments of these items provide supplemental information with regard to the sustainability of the Company's operating performance, allow for a comparison of the financial results to historical operations and forward-looking guidance and, as a result, provide useful supplemental information to investors.

**Acquisition-related costs and adjustments excluding amortization of intangible assets**: The Company excludes the impact of acquisition-related contingent consideration non-cash adjustments due to the inherent uncertainty and volatility associated with such amounts based on changes in assumptions with respect to fair value estimates, and the amount and frequency of such adjustments are not consistent and are significantly impacted by the timing and size of the Company's acquisitions, as well as the nature of the agreed-upon consideration.

**Share-based compensation**: The Company excludes costs relating to share-based compensation. The Company believes that the exclusion of share-based compensation expense assists investors in the comparisons of operating results to peer companies. Share-based compensation expense can vary significantly based on the timing, size and nature of awards granted.

# Non-GAAP Appendix

### Adjusted EBITDA (non-GAAP) Adjustments (continued)

**Separation costs and separation-related costs**: The Company has excluded certain costs incurred in connection with activities taken to: (i) separate the Bausch + Lomb business from the remainder of BHC and (ii) register the Bausch + Lomb business as an independent publicly traded entity. Separation costs are incremental costs directly related to effectuating the separation of the Bausch + Lomb business from the remainder of BHC and include, but are not limited to, legal, audit and advisory fees, talent acquisition costs and costs associated with establishing a new board of directors and audit committee. Separation-related costs are incremental costs indirectly related to the separation of the Bausch + Lomb business from the remainder of BHC and include, but are not limited to, IT infrastructure and software licensing costs, rebranding costs and costs associated with facility relocation and/or modification. As these costs arise from events outside of the ordinary course of continuing operations, the Company believes that the adjustments of these items provide supplemental information with regard to the sustainability of the Company's operating performance, allow for a comparison of the financial results to historical operations and forward-looking guidance and, as a result, provide useful supplemental information to investors.

**Other Non-GAAP adjustments**: The Company also excludes certain other amounts, including IT infrastructure investment, litigation and other matters, gain/(loss) on sales of assets and certain other amounts that are the result of other, non-comparable events to measure operating performance if and when present in the periods presented. These events arise outside of the ordinary course of continuing operations. Given the unique nature of the matters relating to these costs, the Company believes these items are not routine operating expenses. For example, legal settlements and judgments vary significantly, in their nature, size and frequency, and, due to this volatility, the Company believes the costs associated with legal settlements and judgments are not routine operating expenses. The Company has also excluded certain other costs, including settlement costs associated with the conversion of a portion of the Company's defined benefit plan in Ireland to a defined contribution plan. The Company excluded these costs as this event is outside of the ordinary course of continuing operations and is infrequent in nature. The Company believes that the exclusion of such out-of-the-ordinary-course amounts provides supplemental information to assist in the comparison of the financial results of the Company from period to period and, therefore, provides useful supplemental information to investors. However, investors should understand that many of these costs could recur and that companies in our industry often face litigation.

Adjusted EBITDA, adjusted for currency headwinds is Adjusted EBITDA (non-GAAP) further adjusted for the impact or the anticipated impact of foreign exchange. The Company uses this non-GAAP measure as part of the guidance it provides to its investors. Although changes due to foreign exchange movements are part of our business, they are not within management's control. These changes, however, can mask positive or negative trends in the underlying business performance. Accordingly, the Company believes the measure is useful to investors in assessing our performance. For guidance purposes, the Company has further adjusted Adjusted EBITDA (non-GAAP) for the anticipated impact of foreign exchange for full-year 2023.

### Adjusted Net Income (non-GAAP)

Adjusted net income (non-GAAP) is net income (loss) attributable to Bausch + Lomb Corporation (its most directly comparable GAAP financial measure) adjusted for asset impairments, restructuring, integration and transformation costs, acquisition-related contingent consideration, acquired in-process research and development costs, separation costs and separation-related costs and other non-GAAP adjustments, as these adjustments are described above and further adjusted for amortization of intangible assets, as described below:

**Amortization of intangible assets**: The Company has excluded the impact of amortization of intangible assets, as such amounts are inconsistent in amount and frequency and are significantly impacted by the timing and/or size of acquisitions. The Company believes that the adjustments of these items correlate with the sustainability of the Company's operating performance. Although the Company excludes the amortization of intangible assets from its non-GAAP expenses, the Company believes that it is important for investors to understand that such intangible assets contribute to revenue generation. Amortization of intangible assets that relate to past acquisitions will recur in future periods until such intangible assets have been fully amortized. Any future acquisitions may result in the amortization of additional intangible assets.

Adjusted net income (non-GAAP) excludes the impact of these certain items that may obscure trends in the Company's underlying performance. Management uses Adjusted net income (non-GAAP) for strategic decision making, forecasting future results and evaluating current performance. By disclosing this non-GAAP measure, it is management's intention to provide investors with a meaningful, supplemental comparison of the Company's operating results and trends for the periods presented. Management believes that this measure is also useful to investors as such measure allows investors to evaluate the Company's performance using the same tools that management uses to evaluate past performance and prospects for future performance. Accordingly, the Company believes that Adjusted net income (non-GAAP) is useful to investors in their assessment of the Company's operating performance and the valuation of the Company. It is also noted that, in recent periods, our GAAP net income (loss) attributable to Bausch + Lomb Corporation was significantly lower than our Adjusted net income (non-GAAP).

### Constant Currency; Revenue adjusted for FX headwinds

Constant currency change, constant currency growth or constant currency revenue growth is change in GAAP revenue (its most directly comparable GAAP financial measure) adjusted for changes in foreign currency exchange rates.

The Company uses Constant Currency Revenues (non-GAAP) and Constant Currency Revenue Growth (non-GAAP) to assess performance of its reportable segments, and the Company in total, without the impact of foreign currency exchange fluctuations. The Company believes that such measures are useful to investors as they provide a supplemental period-to-period comparison. Although changes in foreign currency exchange rates are part of our business, they are not within management's control. Changes in foreign currency exchange rates, however, can mask positive or negative trends in the underlying business performance. Constant currency impact is determined by comparing 2023 reported amounts adjusted to exclude currency impact, calculated using 2022 monthly average exchange rates, to the actual 2022 reported amounts. For guidance purposes, the Company also provides Revenue, adjusted for FX headwinds (GAAP revenue being the most directly comparable GAAP financial measures), which is calculated on the same basis.

# Non-GAAP Appendix

**Adjusted EBITA/Adjusted EBITA Margin**

Adjusted EBITA represents Operating income (loss) (its most directly comparable GAAP financial measure) adjusted to exclude amortization, fair value adjustments to inventory in connection with business combinations and integration related inventory charges and technology transfer costs, restructuring, integration and transformation costs, asset impairments, goodwill impairments, acquisition related costs, separation costs, IPO costs, separation-related costs, IPO-related costs and certain other non-GAAP charges as discussed under “Other Non-GAAP adjustments” above. Adjusted EBITA Margin (non-GAAP) is Adjusted EBITA (non-GAAP) divided by Revenues. The most directly comparable GAAP financial measure is operating income margin, which is Operating income (loss) divided by Revenues.

Management believes that Adjusted EBITA (non-GAAP) and Adjusted EBITA Margin (non-GAAP), along with the GAAP measures used by management, appropriately reflect how the Company measures the business internally and sets operational goals for each of its businesses. In particular, the Company believes that Adjusted EBITA (non-GAAP) and Adjusted EBITA Margin (non-GAAP) focuses management on the Company’s underlying operational results and segment performance. As a result, the Company uses Adjusted EBITA (non-GAAP) and Adjusted EBITA Margin (non-GAAP) to assess the actual financial performance of each segment and to forecast future results as part of its guidance.

The Company believes that Adjusted EBITA (non-GAAP) and Adjusted EBITA Margin (non-GAAP) are useful to investors as they provide consistency and comparability with our past financial performance and facilitates period-to-period comparisons of the Company’s profitability and the profitability of our segments as they eliminate the effects of certain cash and non-cash charges, which given their nature and frequency, are outside the ordinary course and relate to unique circumstances.

**Adjusted Gross Profit/Adjusted Gross Margin**

Adjusted gross profit (non-GAAP) represents gross profit (its most directly comparable GAAP financial measure) adjusted for Other revenues, Cost of other revenues, Amortization of intangible assets and fair value adjustments to inventory in connection with business combinations. In accordance with GAAP, Gross profit represents total Revenues less Costs of goods sold (excluding amortization of intangible assets) less Cost of other revenues less Amortization of intangible assets. Adjusted gross margin (non-GAAP) (the most directly comparable GAAP financial measure for which is gross margin) represents Adjusted gross profit (non-GAAP) divided by Product revenues.

Adjusted gross profit (non-GAAP) and Adjusted gross margin (non-GAAP) are measures used by management to understand and evaluate the Company’s and each of its segment’s pricing strategy, strength of product portfolio, ability to control product costs and the success of its go-to-market strategies. Adjusted gross profit (non-GAAP) and Adjusted gross margin (non-GAAP) facilitate period-to-period comparisons of the Company’s and each of its segment’s ability to generate cash flows from sales, as these measures eliminate the effects of amortization of intangible assets and fair value adjustments to inventory in connection with business combinations, which are a non-cash charges.

The Company believes that Adjusted gross profit (non-GAAP) and Adjusted gross margin (non-GAAP) are useful to investors as they provide consistency and comparability with our past financial performance and facilitate period-to-period comparisons of the Company’s and each of its segments’ ability to generate incremental cash flows from its revenues as these measures eliminate the effects of amortization of intangible assets and fair value adjustments to inventory in connection with business combinations, which are a non-cash charges that can be impacted by, among other things, the timing and magnitude of acquisitions, which given their nature and frequency, are outside the ordinary course and relate to unique circumstances.

# Non-GAAP Appendix

**Adjusted SG&A**

Adjusted SG&A expenses (non-GAAP) represents selling, general and administrative expenses ("SG&A expenses") (its most directly comparable GAAP financial measure), adjusted to exclude separation-related costs, IPO-related costs and certain costs primarily related to legal and other professional fees relating to legal and governmental proceedings, investigations and information requests respecting certain of our distribution, marketing, pricing, disclosure and accounting practices, as well transformation costs. See the discussion under "Other Non-GAAP adjustments" and "restructuring, integration and transformation costs" above. Management uses Adjusted SG&A (non-GAAP), along with GAAP measures, as a supplemental measure for period-to-period comparison to understand and evaluate each segment's ability to control costs and direct additional cash investments in each business. The Company believes that Adjusted SG&A (non-GAAP) is useful to investors as it provides consistency and comparability with our past financial performance and facilitates period-to-period comparisons of our SG&A expenses, and operations, as this measure eliminates the effects of separation-related costs, IPO-related costs and legal and other professional fees which given their nature and frequency, are outside the ordinary course and relate to unique circumstances.

**Adjusted Tax Rate**

Adjusted Tax Rate (the most directly comparable financial measure for which is our GAAP tax rate) includes the tax impact of the various non-GAAP adjustments used in calculating our non-GAAP measures. However, due to the differences in the tax treatment of items excluded from non-GAAP earnings, our adjusted tax rate will differ from our GAAP tax rate and from our actual tax liabilities.

**Adjusted Earnings Per Share (EPS)**

Adjusted earnings per share or Adjusted EPS (non-GAAP) is calculated as Diluted income per share attributable to Bausch + Lomb Corporation ("GAAP EPS") (its most directly comparable GAAP financial measure), adjusted for the per diluted share impact of each adjustment made to reconcile Net income to Adjusted net income (non-GAAP) as discussed above. Like Adjusted net income (non-GAAP), Adjusted EPS (non-GAAP) excludes the impact of certain items that may obscure trends in the Company's underlying performance on a per share basis. By disclosing this non-GAAP measure, it is management's intention to provide investors with a meaningful, supplemental comparison of the Company's results and trends for the periods presented on a diluted share basis. Accordingly, the Company believes that Adjusted EPS (non-GAAP) is useful to investors in their assessment of the Company's operating performance, the valuation of the Company and an investor's return on investment. It is also noted that, for the periods presented, our GAAP EPS was significantly lower than our Adjusted EPS (non-GAAP).

**Adjusted Cash Flows from Operations/Adjusted Cash used by Operations**

Adjusted cash flows from operations (non-GAAP)/Adjusted Cash used by Operations (non-GAAP) is Cash flow from operations/Cash used by operations (its most directly comparable GAAP financial measure) adjusted for: (i) payments of legacy legal settlements, net of insurance proceeds, if any, and (ii) payments for separation costs, IPO costs, separation-related costs, and IPO-related costs. Management believes that Adjusted cash flows from operations (non-GAAP)/Adjusted Cash used by Operations (non-GAAP), along with the GAAP and non-GAAP measures used by management, most appropriately reflect how the Company measures the business internally. The Company uses adjusted cash flows from operations (non-GAAP)/Adjusted Cash used by Operations (non-GAAP) both to assess the actual financial performance of the Company and to forecast future results as part of its guidance. Management believes adjusted cash flows from operations (non-GAAP)/Adjusted Cash used by Operations (non-GAAP) is a useful measure to evaluate current performance amounts. As these payments arise from events outside of the ordinary course of continuing operations as discussed above, the Company believes that the adjustments of these items provide supplemental information with regard to the sustainability of the Company's cash from operations, allow for a comparison of the financial results to historical operations and forward-looking guidance and, as a result, provide useful supplemental information to investors.