Q1 2023 Earnings

May 4, 2023

BAUSCH Health

Forward-Looking Statements

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 relating to Bausch Health Companies Inc.’s (“Bausch Health” or the “Company”) future prospects and performance, financial guidance, proposed plan to separate its eye health business, including the timing thereof, the timing of regulatory processes with respect to the product pipeline, management of its balance sheet, generation of cash, ability to launch and commercialize new products, anticipated launch of new products, including the number of such new products, geographic locations and timing for launch; ability to enforce and defend its Xifaxan® intellectual property rights, and other corporate and strategic transactions. Forward-looking statements may generally be identified by the use of the words “anticipates,” “hopes,” “expects,” “intends,” “plans,” “should,” “could,” “would,” “may,” “believes,” “estimates,” “potential,” “target,” 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 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 these forward-looking statements. These risks and uncertainties include, but are not limited to, the risks and uncertainties discussed in the Company’s most recent annual and quarterly reports and detailed from time to time in the Company’s other filings with the U.S. Securities and Exchange Commission and the Canadian Securities Administrators, which risks and uncertainties are incorporated herein by reference. They also include, but are not limited to, risks and uncertainties relating to the Company’s proposed plan to separate its eye health business from the remainder of Bausch Health. In particular, the Company can offer no assurance that any spinoff transaction will occur at all, or that any spinoff or other separation transaction will occur on the terms and timelines anticipated by the Company. They also include risks and uncertainties related to the uncertainty of commercial success for new and existing products; challenges to patents; challenges to the Company’s ability to enforce and defend against challenges to its patents; the impact of patent expirations and the ability of the company to successfully execute strategic plans.

They also include risks and uncertainties related to the challenges the Company faces as a result of the closing of the initial public offering (“IPO”) of Bausch + Lomb Corporation (“Bausch + Lomb“), including the transitional services being provided by and to Bausch + Lomb, any potential actual or perceived conflict of interest of some of our directors and officers because of their equity ownership in Bausch + Lomb and/or because they also serve as directors or officers of Bausch + Lomb and our ability to timely consolidate the financial results of the Bausch + Lomb business. They also include, but are not limited to, risks and uncertainties caused by or relating to the COVID-19 pandemic, the fear of that pandemic, the availability and effectiveness of vaccines for COVID-19 (including current or future variants and subvariants), COVID-19 vaccine immunization rates, the emergence of variant and subvariant strains of COVID-19, and the potential effects of that pandemic, the severity, duration and future impact of which are highly uncertain and cannot be predicted, and which may have a material adverse impact on the Company. They also include economic factors, such as interest rate, inflation rate and currency exchange rate fluctuations, and competition, including technological advances, new products and patents attained by competitors.

Additional information regarding certain of these material factors and assumptions may be found in the Company’s filings described above. The Company believes that the material factors and assumptions reflected in these forward-looking statements are reasonable in the circumstances, but 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 Health 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 guidance in this presentation is only effective as of the date given and will not be updated or affirmed unless and until the Company publicly announces updated or affirmed guidance. Distribution or reference of this presentation following the date of this presentation does not constitute the Company re-affirming guidance.

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 to provide supplemental information to readers. Management uses these non-GAAP measures and ratios 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 and ratios are useful to investors in their assessment of our operating performance and the valuation of the Company. In addition, these non-GAAP measures and ratios 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. We caution investors not to place undue reliance on such non-GAAP measures and non-GAAP ratios, but instead to consider them with the most directly comparable GAAP measures. Non-GAAP financial measures and non-GAAP 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 non-GAAP financial measures to the most directly comparable financial measures calculated and presented in accordance with GAAP are shown in the Appendix hereto. However, for guidance purposes, the Company does not provide reconciliations of projected non-GAAP financial measures, including reconciliations of projected Adjusted EBITDA (non-GAAP) to projected GAAP net income (loss), projected Adjusted Cash Flows from Operations (non-GAAP) to projected GAAP Cash Generated from Operations, projected Adjusted Gross Margin (non-GAAP) to projected GAAP Gross Margin, projected Adjusted SG&A Expense to projected GAAP SG&A Expense, projected Adjusted Tax Rate to projected GAAP tax rate and projected organic growth (non-GAAP) to projected reported revenue growth, in each case due to the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliations. Many of the adjustments and exclusions used to calculate the projected non-GAAP measures may vary significantly based on actual events, so the Company is not able to forecast on a GAAP basis with reasonable certainty all adjustments needed in order to provide a GAAP calculation of these projected amounts. The amounts of these adjustments may be material and, therefore, could result in the GAAP amount being materially different from (including materially less than) the projected non-GAAP measures.

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

Agenda

1 **Business Update**

2 **1Q23 Financial Results**

3 **2023 Guidance**

4 **2023 Priorities**

1 Business Update

Powering Up Our Potential[1]

- Motivated, resilient, high-performing team
- Investing in profitable growth businesses
- Driving operational excellence and investments to drive growth
- Intensifying focus on R&D and business development

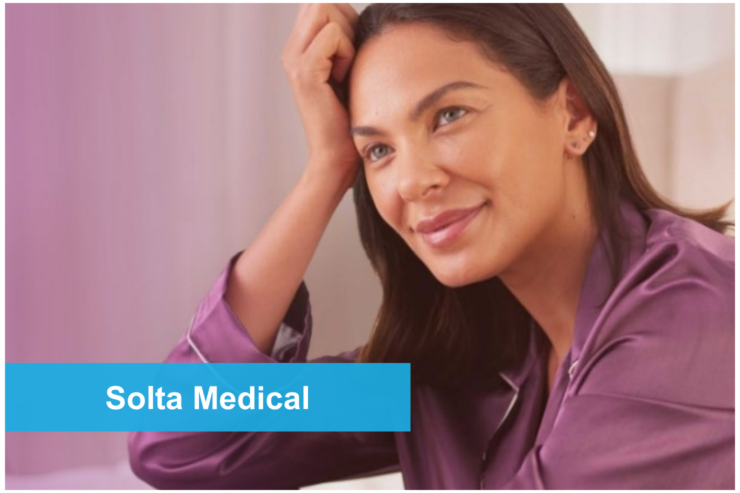
1. See Slide 2 for further information on forward-looking statements.

BAUSCH Health

Advancing Our R&D Pipeline[1]

- **Amiselimod (S1P modulator):** for mild to moderate Ulcerative Colitis
  - Phase 2 trial expected to finish 2H23
- **RED-C:** prevention and delay of first episode of HE
  - Two Global Phase 3 safety trials underway
  - Completed Scientific Advice meetings with MEB and Health Canada (Japan & China in 2Q22)

- **IDP-126:** first triple combination product for the treatment of acne vulgaris
  - PDUFA date set for October 2023
  - Canada submission planned in 2Q23



- **Clear & Brilliant Touch:** fractionated laser device for skin rejuvenation
  - Europe and Canada submission planned in 2024
  - Expansion to Asia Pacific markets planned in 2025
- **Next Generation Fraxel:** fractionated laser device for skin resurfacing
  - FDA submission planned in 4Q23 and expected commercial launch in 1H24

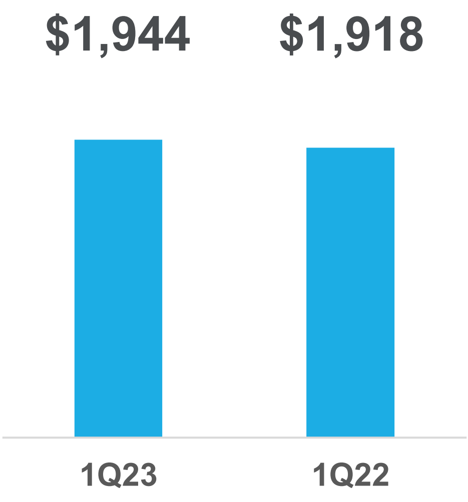
1. See Slide 2 for further information on forward-looking statements.

Consolidated

1Q23 Revenue

Revenue change vs 1Q22, in millions USD

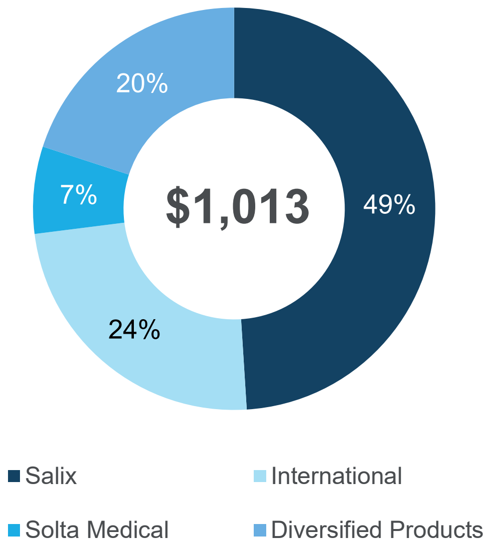
BAUSCH Health Consolidated



Reported **1%**

Organic[1] **4%**

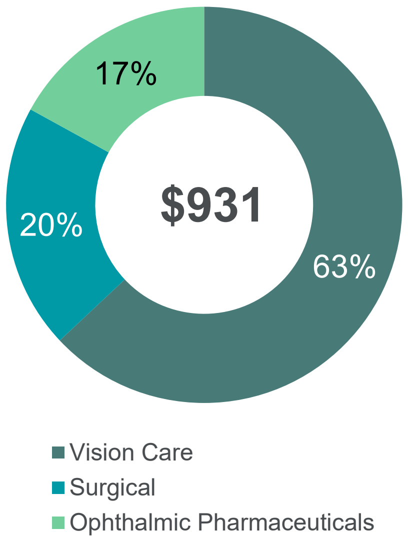
BAUSCH Health (excl. B+L)



Reported **(2%)**

Organic[1] **0%**

BAUSCH + LOMB



Reported **5%**

Organic[1] **8%**

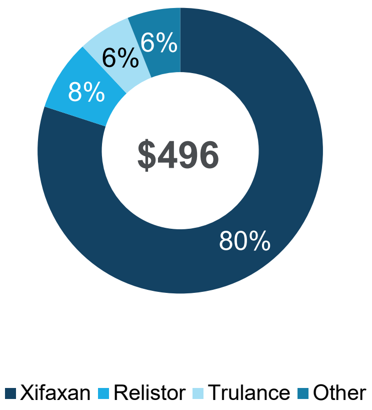
1. This is a non-GAAP measure or non-GAAP ratio. See Slide 3 and Non-GAAP Appendix for further information on non-GAAP measures and ratios.

Unconsolidated

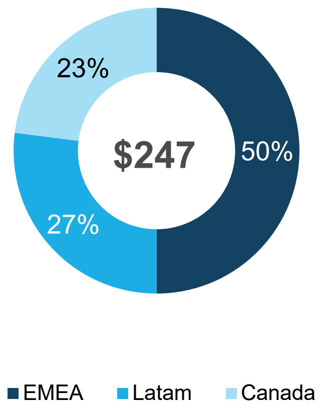
1Q23 Bausch Health (excl. B+L) Revenue

Revenue change vs 1Q22, in millions USD

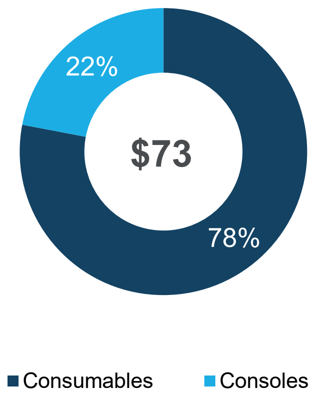
Salix



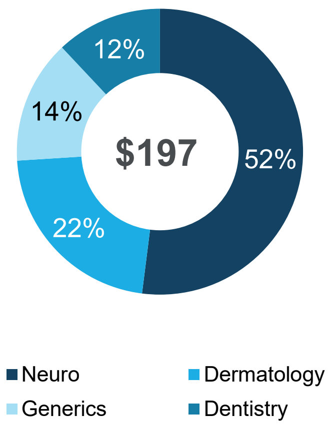
International



Solta Medical



Diversified



	Salix	International	Solta Medical	Diversified
Reported	7%	1%	1%	(21%)
Organic[1]	7%	5%	6%	(21%)

Salix
- Strong performance from Xifaxan® and other key products

International
- Key markets (Poland, Canada, Mexico) continue to grow

Solta Medical
- Continued strong organic growth in Asia Pacific and Europe

Diversified
- New generic entrants and gross-to-net pressure offset by solid performance from Arestin

1. This is a non-GAAP measure or non-GAAP ratio. See Slide 3 and Non-GAAP Appendix for further information on non-GAAP measures and ratios.

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2 1Q23 Financial Results

1Q23 Results Bausch Health (excl. B+L)

Reported: **(2%)** Organic[1]: **Flat**

% are organic[1] unless specifically noted

Salix

Reported: **7%** Organic[1]: **7%**

- Xifaxan® revenue 7%, TRx[2] 3%
  - Total extended units 4%
- Relistor® revenue 29%, TRx[2] 22%
- Trulance® revenues 19%, TRx[2] 10%

International

Reported: **1%** Organic[1]: **5%**

- Canada revenue 11%, mostly driven by volumes across our promoted products
- EMEA revenue 4%, driven by Poland 15%
- LATAM revenue 2%, driven by Mexico 2%

Solta Medical

Reported: **1%** Organic[1]: **6%**

- Asia Pacific revenue 7%, driven by strong demand
  - Excluding China revenue 35%
- US revenue (17%), driven by lower volumes

Diversified

Reported: **(21%)** Organic[1]: **(21%)**

- Aplenzin® revenue (1%), TRx[2] 4%
- Arestin® revenue 5%, strong demand
- Jublia® revenue (26%), TRx[2] 17%
- Wellbutrin® revenue (29%), TRx[2] (22%)

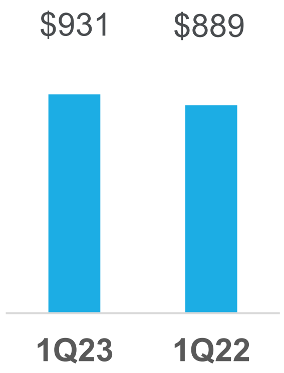
1. This is a non-GAAP measure or non-GAAP ratio. See Slide 3 and Non-GAAP Appendix for further information on non-GAAP measures and ratios.
2. TRx = total prescriptions. Source: IQVIA.

Unconsolidated

1Q23 Bausch + Lomb Revenue

Revenue change vs 1Q22, in millions USD

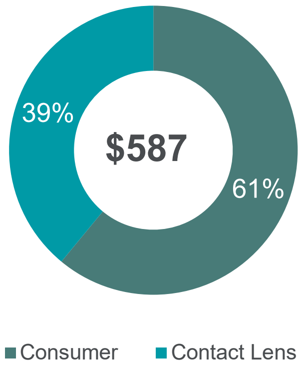
Revenue



Reported **5%**

Organic[1] **8%**

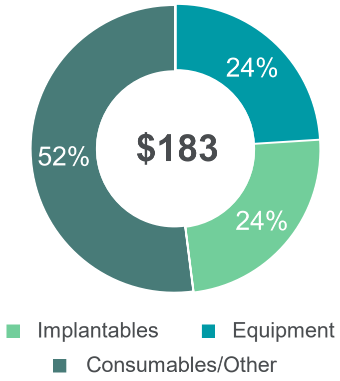
Vision Care



5%

8%

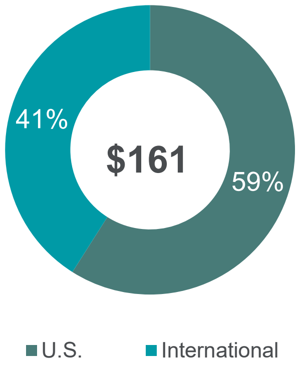
Surgical



5%

9%

Ophthalmic Pharmaceuticals



4%

7%

Key drivers

Reported revenue change

- Solid growth across key franchises

- Lumify® **23%**
- Daily SiHy **38%**
- Bausch + Lomb ULTRA® **16%**

- Strong demand for consumables **9%**

- Vyzulta® **25%**; geo expansion

1. This is a non-GAAP measure or non-GAAP ratio. See Slide 3 and Non-GAAP Appendix for further information on non-GAAP measures and ratios.

BAUSCH Health

Consolidated

1Q23 Revenue Performance

Amounts in millions USD

	1Q23	1Q22	Reported	Organic[1]
Salix	**$496**	**$464**	**7%**	**7%**
International	**$247**	**$244**	**1%**	**5%**
Solta Medical	**$73**	**$72**	**1%**	**6%**
Neuro	$102	$128	(20%)	(20%)
Dermatology	$43	$59	(27%)	(27%)
Generics	$27	$38	(29%)	(29%)
Dentistry	$25	$24	4%	4%
Diversified	**$197**	**$249**	**(21%)**	**(21%)**
Bausch Health (excl. B+L)	**$1,013**	**$1,029**	**(2%)**	**0%**
Vision Care	**$587**	**$560**	**5%**	**8%**
Surgical	**$183**	**$174**	**5%**	**9%**
Ophthalmic Pharmaceuticals	**$161**	**$155**	**4%**	**7%**
Bausch + Lomb	**$931**	**$889**	**5%**	**8%**
Total Bausch Health	**$1,944**	**$1,918**	**1%**	**4%**

1. This is a non-GAAP measure or non-GAAP ratio. See Slide 3 and Non-GAAP Appendix for further information on non-GAAP measures and ratios.

BAUSCH Health

Consolidated

1Q23 GAAP Financial Results

Amounts in millions USD, except EPS amounts

	Three Months Ended		Favorable (Unfavorable)
	3.31.23	3.31.22	Reported
Revenues	**$1,944**	**$1,918**	**1%**
GAAP Gross Profit	**$1,076**	**$1,049**	**3%**
GAAP Gross Margin	*55.3%*	*54.7%*	*60 bps*
Selling, A&P	$479	$435	(10%)
GAAP G&A	$246	$187	(32%)
R&D	$143	$127	(13%)
GAAP Total Operating Expense	**$901**	**$764**	**(18%)**
GAAP Operating Income	**$175**	**$285**	**(39%)**
GAAP Net Loss Attributable to Bausch Health Companies Inc.	**($201)**	**($69)**	**(191%)**
GAAP EPS Loss Attributable to Bausch Health Companies Inc.	**($0.55)**	**($0.19)**	
GAAP Cash Flow from Operations	**$154**	**($63)**	**344%**

BAUSCH Health

Consolidated

1Q23 Non-GAAP[1] Financial Results

Amounts in millions USD

	Three Months Ended		Favorable (Unfavorable)	
	3.31.23	3.31.22	Reported	Constant Currency[1]
Revenues	**$1,944**	**$1,918**	**1%**	**3%**
Adj. Gross Profit[1]	**$1,362**	**$1,367**	**0%**	**1%**
Adj. Gross Margin[1]	*70.1%*	*71.3%*	*(120 bps)*	
Selling, A&P (same as reported)	$479	$435	(10%)	(12%)
Adj. G&A[1]	$212	$143	(48%)	(49%)
R&D (same as reported)	$143	$127	(13%)	(13%)
Total Adj. Operating Expense[1]	**$834**	**$705**	**(18%)**	**(20%)**
Adj. EBITA[1]	**$528**	**$662**	**(20%)**	**(19%)**
Adj. EBITDA Attributable to Bausch Health Companies Inc.[1]	**$588**	**$732**	**(20%)**	**(17%)**
Adj. Net Income Attributable to Bausch Health Companies Inc.[1] ***Diluted Shares Outstanding[2]***	**$191** ***366.8M***	**$263** ***364.8M***	**(27%)**	
Adj. Cash Flows from Operations[1,3]	**$70**	**$325**	**(78%)**	

1. This is a non-GAAP measure or non-GAAP ratio. See Slide 3 and Non-GAAP Appendix for further information on non-GAAP measures and ratios.
2. This figure includes the dilutive impact of options and restricted stock units of approximately 3,426,000 and 3,600,000 common shares for the three months ended March 31, 2023 and 2022, respectively, which are excluded when calculating GAAP diluted loss per share because the effect of including the impact in this calculation would have been anti-dilutive.
3. Excludes legacy legal settlements (net of insurance recoveries), separation payments, separation-related payments, IPO payments and IPO-related payments, business transformation costs, and interest payments charged against premium.

Consolidated

Balance Sheet Summary

In millions USD

	As of 3.31.23	As of 12.31.22	As of 12.31.21
Cash and cash equivalents[1]	$531	$591	$2,119
Revolving Credit Facility[5]	$495	$470	$285
Senior Secured Debt (principal amount)[2]	$13,287	$13,300	$7,958
Senior Unsecured Debt (principal amount)[2]	$5,810	$5,810	$14,912
Total Consolidated Debt (principal amount)[2]	$19,097	$19,110	$22,870
Total Consolidated Debt (net of premiums and discounts)	$20,653	$20,766	$22,654
Net Consolidated Debt (principal amount)[3]	$18,579	$18,546	$22,288
TTM Adj. EBITDA Attributable to Bausch Health Companies Inc. (non-GAAP)[4]	$2,878	$3,022	$3,472
TTM GAAP Net (Loss)	($355)	($212)	($937)

1. Cash and cash equivalents includes restricted cash of $13M, $27M, and $1,539M as of 3/31/23, 12/31/22, and 12/31/21, respectively.
2. Debt balances shown at principal value. Senior secured debt figure is inclusive of revolving credit drawn (if any).
3. Net debt is net of unrestricted cash and cash equivalents.
4. This is a non-GAAP measure or non-GAAP ratio. See Slide 3 and Non-GAAP Appendix for further information on non-GAAP measures and ratios.
5. Subsequent to 1Q23, as of May 4, 2023, borrowed a net $50M on Bausch Health (excl. B+L) revolving credit facility.

Consolidated

Long-Term Debt Maturity Profile

In millions USD

As of March 31, 2023[1,2]

$M	Total	2023	2024	2025	2026	2027	2028	2029	2030	2031
Restricted										
Revolver	$395	-	-	-	-	$395	-	-	-	-
Term Loan	$1,937	-	-	-	-	$1,937	-	-	-	-
Secured Notes	$6,906	-	-	$1,680	-	$1,500	$3,374	-	$352	-
Unsecured Notes	$5,810			$959	$741	$643	$617	$1,609	$779	$462
Mandatory Amortization	$469	$94	$125	$125	$125	-	-	-	-	-
Unrestricted - Intermediate Holdco	$999	-	-	-	-	-	$999	-	-	-
Total Bausch Health (excl. B+L)	**$16,516**	**$94**	**$125**	**$2,764**	**$866**	**$4,475**	**$4,990**	**$1,609**	**$1,131**	**$462**
B+L Obligations	$2,581	$19	$25	$25	$25	$2,487	-	-	-	-
Total Consolidated	**$19,097**	**$113**	**$150**	**$2,789**	**$891**	**$6,962**	**$4,990**	**$1,609**	**$1,131**	**$462**

No debt maturities until 2025

1. Debt values are shown at principal value.
2. Subsequent to 1Q23, as of May 4, 2023, borrowed a net $50M on Bausch Health (excl. B+L) revolving credit facility.

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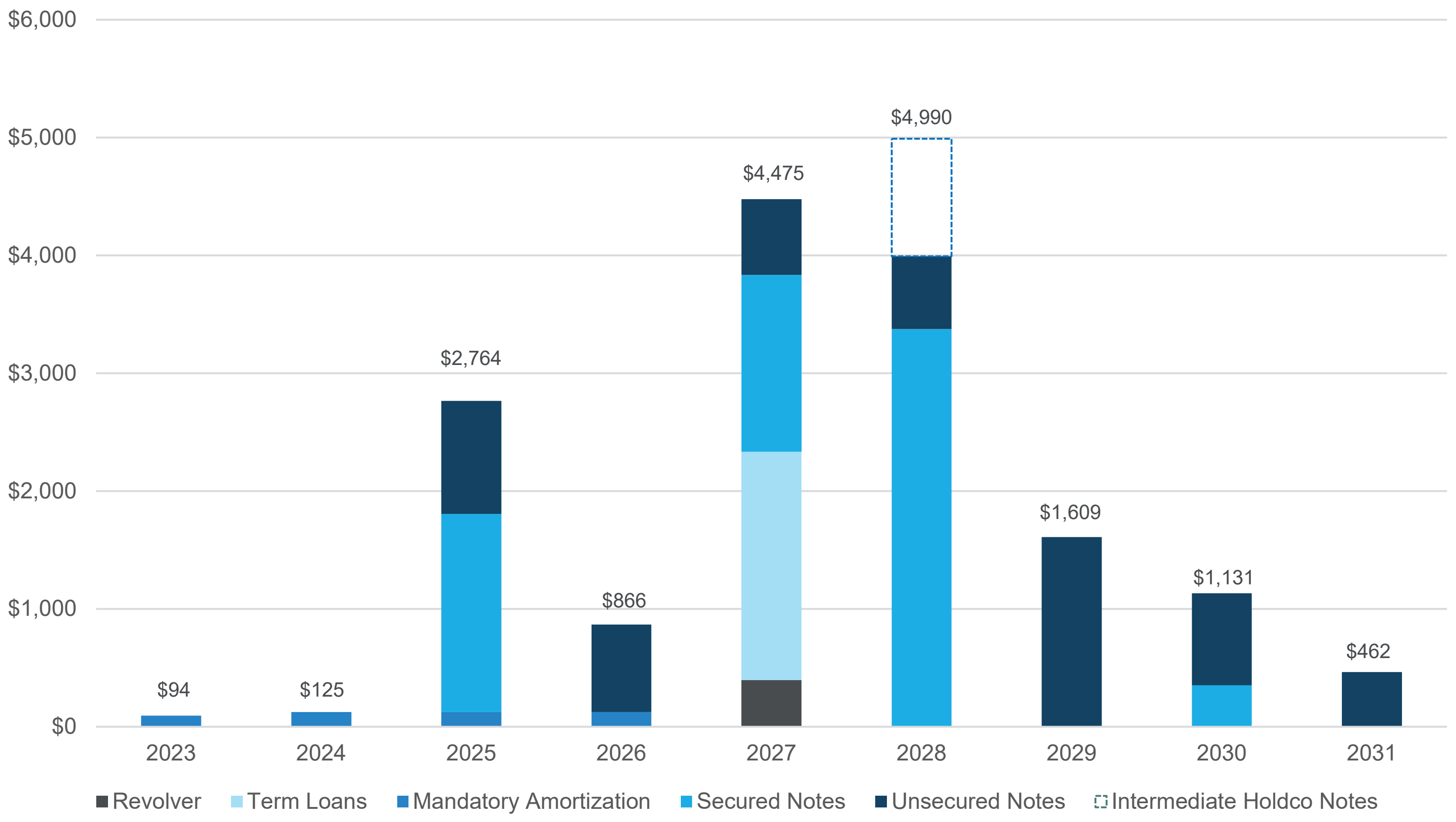
Bausch Health (excl. B+L) Debt Maturity Profile[1,2,4]

As of March 31, 2023, in millions USD



Bausch Health (excl. B+L) Debt

Total: $16.5B[2]

- **Restricted: $15.5B**
- **Unrestricted: $1B[3]**

Restricted debt down ~$0.1B in 1Q23 vs 4Q22

1. Debt values are shown at principal value.
2. Does not include ~$2.5B of Bausch + Lomb term loan and $100M of B+L revolving credit facility.
3. Consists of $1B non-recourse debt issued by a wholly-owned unrestricted subsidiary, 1375209 B.C. Ltd., that owns 38.6% of the issued and outstanding shares of Bausch + Lomb.
4. Subsequent to 1Q23, as of May 4, 2023, borrowed a net $50M on Bausch Health (excl. B+L) revolving credit facility.

3 2023 Guidance

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Bausch Health 2023 May Guidance[2]

All amounts are approximate and in USD

Revenue[2]	Adj. EBITDA (non-GAAP)[1,2,4]
$8.35B - $8.55B	$3.00B - $3.15B
B+L: $3.90B - $3.95B	B+L: $0.70B - $0.75B
BHC (excl. B+L): $4.45B - 4.60B	BHC (excl. B+L): $2.30B - 2.40B

Bausch Health (excl. B+L) Key Assumptions[2]

- Contractual Interest Cost (non-GAAP)[1,5]: $1.3B
- Adj. Tax Rate (non-GAAP)[1]: 15%
- Capital Expenditures: $65M

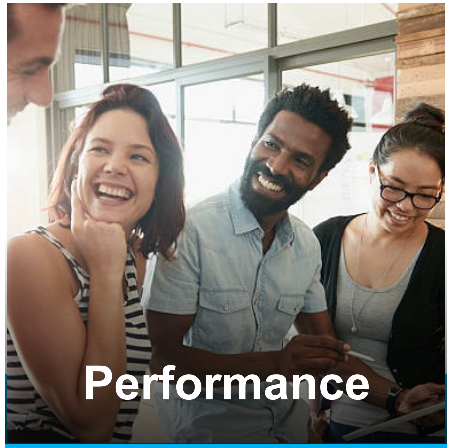
2023 Bausch Health (excl. B+L) organic revenue [1,2] range of 2% to 5%
2023 Bausch Health (excl. B+L) adj. cash flows from operations[1,2,3] ~$625 million

1. This is a non-GAAP measure or non-GAAP ratio. See Slide 3 and Non-GAAP Appendix for further information on non-GAAP measures and ratios.
2. See Slide 2 for further information on forward-looking statements.
3. Excludes legacy legal settlements (net of insurance recoveries), separation payments, and separation-related payments.
4. Bausch Health (excl. B+L) Adjusted EBITDA above excludes approximately $6 million in 2023 of net benefit from Transition Service Agreements with B+L in connection with the Separation of B+L, as income for services provided to B+L exceeds charges for services provided by B+L. These amounts eliminate in consolidation.
5. On September 30, 2022, the Company closed a series of transactions (the "Exchange") whereby it exchanged validly tendered senior unsecured notes for newly issued secured notes (the "New Secured Notes"). The accounting for the Exchange resulted in the calculation of interest expense under GAAP using effective interest rates on the New Secured Notes which are significantly lower than the stated interest rates of the New Secured Notes. As a result, interest guidance has been presented based on interest as calculated using contractual principal and interest, including amortization and write-down of deferred financing costs of $30M.

4 2023 Priorities

2023 Bausch Health (excl. B+L) Priorities[1]

Execute with operational excellence across the enterprise



Cultivate a high-performance, results-oriented culture

Intensify focus and operating rigor behind R&D and business development

Innovate and evaluate strategic alternatives

1. See Slide 2 for further information on forward looking statements.

BAUSCH+ Health

Powering up our potential

Appendix

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Inventory in Select U.S. Businesses (QTD)[1]

	Months on Hand					
Business Units	As of Dec 31, 2021	As of Mar 31, 2022	Change 1Q22	As of Dec 31, 2022	As of Mar 31, 2023	Change 1Q23
Dermatology	1.03	1.12	0.09	1.07	1.08	0.01
Neurology	1.17	1.10	-0.07	1.17	1.15	-0.02
Salix	0.99	0.98	-0.01	1.02	0.92	-0.10

1. U.S. wholesales inventory

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1Q23 Segment Profit[1]

In millions USD

1Q23	Salix	International	Solta Medical	Diversified	Total
Segment Revenue	$496	$247	$73	$197	$1,013
Segment Profit[1]	$314	$77	$36	$107	$534

1Q22	Salix	International	Solta Medical	Diversified	Total
Segment Revenue	$464	$244	$72	$249	$1,029
Segment Profit[1]	$322	$91	$35	$158	$606

1. Segment profit is based on operating income after the elimination of intercompany transactions, including between Bausch + Lomb and other segments. Certain costs, such as Amortization of intangible assets, Asset impairments, Goodwill impairments, Restructuring, integration, separation and IPO costs, Other (income) expense, net, and other corporate allocations are not included in the measure of segment profit, as management excludes these items in assessing segment financial performance.

Consolidated

1Q23 Other Financial Information

In millions USD unless otherwise indicated

	Three Months Ended		Favorable (Unfavorable)	
	March 31, 2023	March 31, 2022	Reported	Constant Currency[1]
Cash Interest Paid	$408	$348	(3%)	(3%)
Net Interest Expense (GAAP)	$301	$360	16%	16%
Non-cash adjustments				
Depreciation	$45	$42	(7%)	(10%)
Non-cash share-based Comp	$41	$32	(28%)	(28%)
Additional cash items				
Contingent Consideration	$1	$8		
Milestones/License Agreements and Other Intangibles	$8	$14		
Restructuring and Other	$13	$31		
Capital Expenditures	$47	$46		
Adj. Tax Rate[1]	11.5%	11.5%		
GAAP Tax Rate	(53.5%)	18.9%		

1. This is a non-GAAP measure or non-GAAP ratio. See Slide 3 and Non-GAAP Appendix for further information on non-GAAP measures and ratios.

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Consolidated

1Q23 Non-GAAP Adjustments EPS Impact

In millions USD unless otherwise indicated

	Three Months Ended			
	March 31, 2023		March 31, 2022	
	Income (Expense)	Earnings per Share Impact[2]	Income (Expense)	Earnings per share Impact[2]
Net loss	**($209)**	**($0.58)**	**($66)**	**($0.18)**
Non-GAAP adjustments:[1]				
Amortization of intangible assets	273	0.74	310	0.85
Goodwill impairments	-	-	-	-
Asset impairments	13	0.04	8	0.02
Restructuring, integration, and transformation costs	27	0.07	3	0.01
Acquisition-related costs and adjustments (excluding amortization of intangible assets)	31	0.08	3	0.01
(Gain) loss on extinguishment of debt	-	-	-	-
IT infrastructure investment	7	0.02	5	0.01
Separation costs, separation-related costs, IPO costs and IPO-related costs	7	0.02	34	0.09
Legal and other professional fees	3	0.01	15	0.04
(Gain) loss on sale of assets, net	-	-	-	-
Litigation and other matters	(8)	(0.02)	(1)	-
Other	-	-	6	0.02
Tax effect of non-GAAP[1] adjustments	49	0.13	(51)	(0.14)
EPS difference between basic and diluted shares	-	0.02	-	-
Adjusted net income (non-GAAP)[1]	**193**		**266**	
Adjusted net income attributable to noncontrolling interest (non-GAAP)[1]	(2)	(0.01)	(3)	(0.01)
Adjusted net income attributable to Bausch Health Companies Inc. (non-GAAP)[1]	**$191**		**$263**	

1. This is a non-GAAP measure or non-GAAP ratio. See Slide 3 and Non-GAAP Appendix for further information on non-GAAP measures and ratios.
2. Includes 3,426,000 and 3,600,000 dilutive shares for the three months ended March 31, 2023 and 2022, respectively, that were excluded from GAAP EPS as the inclusion of these shares would be anti-dilutive.

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1Q23 Reconciliation of Reported Operating Income to Adjusted EBITA (Non-GAAP)[1]

In millions USD unless otherwise indicated

	Q1 2023						
	Gross Profit	Gross Margin	Selling & Advertising	G&A	R&D Expense	Operating Expense	Operating Income
GAAP operating income	**$1,076**	**55.3%**	**$479**	**$246**	**$143**	**$901**	**$175**
Amortization of intangible assets	273	14.0%					273
Goodwill impairments							-
Asset impairments	13	0.7%					13
Restructuring, integration, and transformation costs				(18)		(27)	27
Acquisition-related costs and adjustments (excluding amortization of intangible assets)						(31)	31
IT infrastructure investment				(7)		(7)	7
Separation costs, separation-related costs, IPO costs and IPO-related costs				(6)		(7)	7
Legal and other professional fees				(3)		(3)	3
(Gain) loss on sale of assets, net							-
Litigation and other matters						8	(8)
Other							-
Tax effect of non-GAAP adjustments							-
Adj EBITA (Non-GAAP)[1]	**$1,362**	**70.1%**	**$479**	**$212**	**$143**	**$834**	**$528**

	Q1 2022						
	Gross Profit	Gross Margin	Selling & Advertising	G&A	R&D Expense	Operating Expense	Operating Income
GAAP operating income	**$1,049**	**54.7%**	**$435**	**$187**	**$127**	**$764**	**$285**
Amortization of intangible assets	310	16.2%					310
Goodwill impairments							-
Asset impairments	8	0.4%					8
Restructuring, integration, and transformation costs						(3)	3
Acquisition-related costs and adjustments (excluding amortization of intangible assets)						(3)	3
IT infrastructure investment				(5)		(5)	5
Separation costs, separation-related costs, IPO costs and IPO-related costs				(24)		(34)	34
Legal and other professional fees				(15)		(15)	15
(Gain) loss on sale of assets, net							-
Litigation and other matters						1	(1)
Other							-
Tax effect of non-GAAP adjustments							
Adj EBITA (Non-GAAP)[1]	**$1,367**	**71.3%**	**$435**	**$143**	**$127**	**$705**	**$662**

1. This is a non-GAAP measure or non-GAAP ratio. See Slide 3 and Non-GAAP Appendix for further information on non-GAAP measures and ratios.

1Q23 Reconciliation of Reported Net Income (Loss) to EBITDA[1] and Adjusted EBITDA[1]

In millions USD unless otherwise indicated

	Three months ended Mar 31,	
	2023	2022
Net loss	**($209)**	**($66)**
Interest expense, net	301	360
Provision for (benefit from) income taxes	73	(16)
Depreciation and amortization	319	352
EBITDA	**484**	**630**
Adjustments:		
Goodwill impairments	-	-
Asset impairments	13	8
Restructuring, integration, and transformation costs	27	3
Acquisition related costs and adjustments (excluding amortization of intangible assets)	31	3
(Gain) loss on extinguishment of debt	-	-
Share-based compensation	41	32
Separation costs, separation-related costs, IPO costs and IPO-related costs	7	34
Other adjustments:		
Litigation and other matters	(8)	(1)
IT infrastructure investment	7	5
Legal and other professional fees	3	15
(Gain) loss on sale of assets, net	-	-
Acquired in-process research and development costs	-	-
Other	-	6
Adjusted EBITDA (non-GAAP)[1]	**605**	**735**
Adjusted EBITDA attributable to noncontrolling interest (non-GAAP)1	(17)	(3)
Adjusted EBITDA Attributable to Bausch Health Companies Inc. (non-GAAP)[1]	**$588**	**$732**

	Three months ended Mar 31,	
	2023	2022
Net income attributable to noncontrolling interest	**$8**	**($3)**
Noncontrolling interest portion of adjustments for:		
Interest expense, net	(6)	-
Depreciation and amortization	(10)	-
All other adjustments	(9)	-
Adjusted EBITDA attributable to noncontrolling interest (non-GAAP)[1]	**($17)**	**($3)**

1. This is a non-GAAP measure or non-GAAP ratio. See Slide 3 and Non-GAAP Appendix for further information on non-GAAP measures and ratios.

1Q23 Reconciliation of Reported Revenue to Organic Revenue[1,2] and Organic Revenue Growth[1]

In millions USD unless otherwise indicated

	For Three Months Ended							Change in Reported Revenue		Change in Organic Revenue[1]	
	March 31, 2023				March 31, 2022						
	Revenue as reported	Changes in Exchange Rates[2]	Acquisitions	Organic Revenue (Non-GAAP)[1]	Revenue as Reported	Divestitures and Discontinuations	Organic Revenue (Non-GAAP)[1]	Amount	Pct.	Amount	Pct.
Salix	**$496**	**$-**	**$-**	**$496**	**$464**	**$-**	**$464**	**$32**	**7%**	**$32**	**7%**
International	**247**	**6**	**-**	**253**	**244**	**($3)**	**241**	**3**	**1%**	**12**	**5%**
Solta Medical	**73**	**3**	**-**	**76**	**72**	**-**	**72**	**1**	**1%**	**4**	**6%**
Neuro	102	-	-	102	128	-	128	(26)	(20%)	(26)	(20%)
Dermatology	43	-	-	43	59	-	59	(16)	(27%)	(16)	(27%)
Generics	27	-	-	27	38	-	38	(11)	(29%)	(11)	(29%)
Dentistry	25	-	-	25	24	-	24	1	4%	1	4%
Diversified	**197**	**-**	**-**	**197**	**249**	**-**	**249**	**(52)**	**(21%)**	**(52)**	**(21%)**
Bausch Health (excl. B+L)	**$1,013**	**$9**	**$-**	**$1,022**	**$1,029**	**($3)**	**$1,026**	**($16)**	**(2%)**	**($4)**	**0%**
Vision Care	587	20	-	607	560	-	560	27	5%	47	8%
Surgical	183	6	(2)	187	174	(2)	172	9	5%	15	9%
Ophthalmic Pharmaceuticals	161	5	-	166	155	-	155	6	4%	11	7%
Total Bausch + Lomb	**$931**	**$31**	**($2)**	**$960**	**$889**	**($2)**	**$887**	**$42**	**5%**	**$73**	**8%**
Total Bausch Health	**$1,944**	**$40**	**($2)**	**$1,982**	**$1,918**	**($5)**	**$1,913**	**$26**	**1%**	**$69**	**4%**

1. This is a non-GAAP measure or non-GAAP ratio. See Slide 3 and Non-GAAP Appendix for further information on non-GAAP measures and ratios.
2. 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.

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1Q23 Reconciliation of Reported Cash Provided by Operating Activities to Adjusted Cash Flows from Operations (Non-GAAP)[1]

In millions USD

	Three Months Ended March 31,	
	2023	2022
Cash provided by (used in) operating activities	$154	($63)
Payments of legacy legal settlements, net of insurance proceeds	(9)	349
Payments of transformation costs	28	-
Payments of separation costs, separation-related costs, IPO costs, and IPO-related costs	6	39
Interest payments charged against premium	(111)	-
Third party fees paid in connection with the Exchange	2	-
Adjusted cash flows from operations (non-GAAP)[1]	$70	$325

1. This is a non-GAAP measure or non-GAAP ratio. See Slide 3 and Non-GAAP Appendix for further information on non-GAAP measures and ratios.

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1Q23 Reconciliation of Reported Cash Provided by Operating Activities to Adjusted Cash Flows from Operations Excluding B+L (non-GAAP)[1]

In millions USD

	Three Months Ended March 31,		
	Bausch Health Companies Inc.	B+L	Bausch Health (excl. B+L)
Cash provided by (used in) operating activities	$154	($56)	$210
Payments of legacy legal settlements, net of insurance proceeds	(9)	-	(9)
Payments of transformation costs	28	28	-
Payments of separation costs, separation-related costs, IPO costs, and IPO-related costs	6	4	2
Interest payments charged against premium	(111)	-	(111)
Third party fees paid in connection with the Exchange	2	-	2
Adjusted cash flows from operations (non-GAAP)[1]	$70	($24)	$94

1. This is a non-GAAP measure. Management considers the presentation of Adjusted cash flows from operations for Bausch Health (excl. B+L) (non-GAAP) to be meaningful information and utilizes it in decision making and for compensation purposes. Adjusted cash flows from operations for Bausch Health (excl. B+L) (non-GAAP) is not intended to be representative of GAAP operating activities and Adjusted cash flows from operating activities for B+L is not intended to be representative of discontinued operations as the criteria for that accounting hasn't been met. As such, Adjusted cash flows from operations excluding B+L (non-GAAP) as included herein may not be indicative of the results of the operations or Adjusted cash flows from operations attributable to Bausch Health (non-GAAP) in the future, or if B+L met the criteria to be treated as a discontinued operation during any of the periods presented. See Slide 3 and Non-GAAP Appendix for further information on non-GAAP measures and ratios.

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Trailing Twelve Months Adjusted EBITDA[1]

In millions USD

	Trailing Twelve Months Ended				
	Mar-23	Dec-22	Sep-22	Jun-22	Mar-22
Net (loss) income	**($355)**	**($212)**	**$270**	**$139**	**($396)**
Interest expense, net	1,391	1,450	1,491	1,458	1,413
Provision for (benefit from) income taxes	172	83	(21)	(30)	(119)
Depreciation and amortization	1,361	1,394	1,397	1,444	1,501
EBITDA	**2,569**	**2,715**	**3,137**	**3,011**	**2,399**
Adjustments:					
Goodwill impairments	824	824	202	-	-
Asset impairments	20	15	36	53	94
Restructuring, integration, and transformation costs	82	58	47	37	18
Acquisition related costs and adjustments (excluding amortization of intangible assets)	58	30	5	9	23
(Gain) loss on extinguishment of debt	(875)	(875)	(683)	(101)	57
Share-based compensation	135	126	124	124	129
Separation costs, separation-related costs, IPO costs and IPO-related costs	100	127	167	181	169
Other adjustments:					
Litigation and other matters	2	9	43	(169)	355
IT infrastructure investment	17	15	20	24	27
Legal and other professional fees	20	32	36	43	52
(Gain) loss on sale of assets, net	(5)	(5)	(3)	18	21
Acquired in-process research and development costs	-	-	5	5	6
Other	3	9	15	15	13
Adjusted EBITDA (non-GAAP)[1]	**2,950**	**3,080**	**3,151**	**3,250**	**3,363**
Adjusted EBITDA attributable to noncontrolling interest (non-GAAP)[1]	(72)	(58)	(43)	(23)	(11)
Adjusted EBITDA attributable to Bausch Health Companies Inc. (non-GAAP)[1]	**$2,878**	**$3,022**	**$3,108**	**$3,227**	**$3,352**

1. This is a non-GAAP measure or non-GAAP ratio. See Slide 3 and Non-GAAP Appendix for further information on non-GAAP measures and ratios.

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Reconciliation of Reported Net (Loss) Income to Adjusted EBITDA (excl. B+L)[1]

(in millions)	Three Months Ended March 31, 2023 Bausch Health Companies Inc.	Three Months Ended March 31, 2023 B+L	Three Months Ended March 31, 2023 Bausch Health (Excl. B+L)	Three Months Ended March 31, 2022 Bausch Health Companies Inc.	Three Months Ended March 31, 2022 B+L	Three Months Ended March 31, 2022 Bausch Health (Excl. B+L)
Net (loss) income	**$ (209)**	**$ (88)**	**$ (121)**	**$ (66)**	**$ 23**	**$ (89)**
Interest expense, net	301	47	254	360	20	340
Provison for (benefit from) income taxes	73	33	40	(16)	6	(22)
Depreciation and amortization	319	91	228	352	95	257
EBITDA	**484**	**83**	**401**	**630**	**144**	**486**
Adjustments:						
Asset impairments	13	0	13	8	0	8
Restructuring, integration, and transformation costs	27	26	1	3	3	0
Acquisition related costs and adjustments (excluding amortization of intangible assets)	31	1	30	3	0	3
Share-based compensation	41	24	17	32	16	16
Separation costs, Separation-related costs, IPO costs and IPO-related costs	7	3	4	34	4	30
Other Adjustments:						
Litigation and other matters	(8)	0	(8)	(1)	0	(1)
IT infrastructure investment	7	6	1	5	1	4
Legal and other professional fees	3	0	3	15	0	15
Other	0	0	0	6	6	0
Adjusted EBITDA (non-GAAP) [1]	**$ 605** [2]	**$ 143** [2]	**$ 462**	**$ 735** [2]	**$ 174** [2]	**$ 561**

1. This is a non-GAAP measure. Management considers the presentation of Adjusted EBITDA for Bausch Health (excl. B+L) (non-GAAP) to be meaningful information and utilizes it in decision making and for compensation purposes. Adjusted EBITDA for Bausch Health Excluding B+L (non-GAAP) is not intended to be representative of GAAP continuing operations and Adjusted EBITDA for B+L is not intended to be representative of discontinued operations as the criteria for that accounting hasn't been met. As such, Adjusted EBITDA excluding B+L (non-GAAP) as included herein may not be indicative of the results of the operations or Adjusted EBITDA attributable to Bausch Health (non-GAAP) in the future, or if B+L met the criteria to be treated as a discontinued operation during any of the periods presented. See Slide 3 and Non-GAAP Appendix for further information on this and other non-GAAP measures and ratios.
2. Adjusted EBITDA (non-GAAP) above includes Adjusted EBITDA attributable to non-controlling interests. For Bausch Health Companies Inc, this amounted to $17 million and $3 million for the three months ended March 31, 2023 and 2022, which includes $2 million and $3 million, respectively related to B+L.

BAUSCH Health

Non-GAAP Appendix

Description of Non-GAAP Financial Measures

To supplement the financial measures prepared in accordance with U.S. GAAP, the Company uses certain non-GAAP financial measures. These measures do not have any standardized meaning under GAAP and other companies may use similarly titled non-GAAP financial measures that are calculated differently from the way we calculate such measures. Accordingly, our non-GAAP financial measures may not be comparable to similar non-GAAP measures of other issuers. We caution investors not to place undue reliance on such non-GAAP measures, but instead to consider them with the most directly comparable GAAP measures. Non-GAAP financial measures 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.

Adjusted EBITDA and Adjusted EBITDA Attributable to Bausch Health

Adjusted EBITDA (non-GAAP) is Net income (loss) (its most directly comparable GAAP financial measure) adjusted for interest expense, net, (Benefit from) provision for income taxes, depreciation and amortization and certain other items described below. Adjusted EBITDA attributable to Bausch Health Companies Inc. (non-GAAP) is Adjusted EBITDA (non-GAAP) further adjusted to exclude the Adjusted EBITDA attributable to noncontrolling interest (non-GAAP) as defined below.

Management believes that Adjusted EBITDA (non-GAAP) and Adjusted EBITDA attributable to Bausch Health Companies Inc. (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 these metrics focus management on the Company's underlying operational results and business performance. As a result, the Company uses these metrics to assess the actual financial performance of the Company and to forecast future results as part of its guidance. Management believes these metrics are a useful measure to evaluate current performance. These metrics are 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 (non-GAAP) is Net income (loss) (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:

Restructuring and integration 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. 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.

Asset Impairments, including loss on assets held for sale: The Company has excluded the impact of impairments of finite-lived and indefinite-lived intangible assets, as well as impairments of assets held for sale, 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 and assets held for sale from measuring the performance of the Company and the business, the Company believes that it is important for investors to understand that intangible assets contribute to revenue generation.

Goodwill Impairments: The Company excludes the impact of goodwill impairments. When the Company has made acquisitions where the consideration paid was in excess of the fair value of the net assets acquired, the remaining purchase price is recorded as goodwill. For assets that we developed ourselves, no goodwill is recorded. Goodwill is not amortized but is tested for impairment. The amount of goodwill impairment is measured as the excess of a reporting unit's carrying value over its fair value. Management excludes these charges in measuring the performance of the Company and the business.

Share-based compensation: The Company has excluded 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.

Acquisition-related costs and adjustments excluding amortization of intangible assets: The Company has excluded 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 is not consistent and is significantly impacted by the timing and size of the Company's acquisitions, as well as the nature of the agreed-upon consideration. In addition, the Company excludes the impact of acquisition-related costs and fair value inventory step-up resulting from acquisitions as the amounts and frequency of such costs and adjustments are not consistent and are impacted by the timing and size of its acquisitions.

Gain (Loss) on extinguishment of debt: The Company has excluded gain (loss) on extinguishment of debt as this represents a cost of refinancing our existing debt and is not a reflection of our operations for the period. Further, the amount and frequency of such charges are not consistent and are significantly impacted by the timing and size of debt financing transactions and other factors in the debt market out of management's control.

Non-GAAP Appendix

Separation and IPO costs and separation-related and IPO-related costs: The Company has excluded certain costs incurred in connection with activities taken to: (i) separate the eye-health and the Solta aesthetic medical device businesses from the remainder of the Company and (ii) register the eye-health and the Solta aesthetic medical device businesses as independent publicly traded entities. Separation and IPO costs are incremental costs directly related to effectuating the separation of the eye-health business and the initial public offering ("IPO") of the Solta aesthetic medical device business (the "Solta IPO"), which has now been suspended, 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 related board committees. Separation-related and IPO-related costs are incremental costs indirectly related to the separation of the eye-health business and the Solta IPO 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 has excluded certain other amounts, including legal and other professional fees incurred in connection with legal and governmental proceedings, investigations and information requests regarding certain of our legacy distribution, marketing, pricing, disclosure and accounting practices, litigation and other matters, and net (gain) loss on sales of assets. The Company has also excluded expenses associated with in-process research and development, as these amounts are inconsistent in amount and frequency and are significantly impacted by the timing, size and nature of acquisitions. Furthermore, as these amounts are associated with research and development acquired, the Company does not believe that they are a representation of the Company's research and development efforts during any given period. The Company has also excluded IT infrastructure investment, that are the result of other, non-comparable events to measure operating performance. 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 normal 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 normal operating expenses. In addition, as opposed to more ordinary course matters, the Company considers that each of the recent proceedings, investigations and information requests, given their nature and frequency, are outside of the ordinary course and relate to unique circumstances. 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 attributable to Bausch Health Companies Inc. (non-GAAP) is Adjusted EBITDA (non-GAAP) further adjusted to exclude the Adjusted EBITDA attributable to noncontrolling interest (non-GAAP). Adjusted EBITDA attributable to noncontrolling interest (non-GAAP) is Net income attributable to noncontrolling interest (its most directly comparable GAAP financial measure) adjusted for the portion of the adjustments described above attributable to noncontrolling interest.

Adjusted Net Income and Adjusted Net Income Attributable to Bausch Health

Adjusted net income (loss) (non-GAAP) is Net Income (its most directly comparable GAAP financial measure), adjusted for restructuring and integration costs, (gain) loss on extinguishment of debt, asset impairments (including (gain) loss on assets held for sale), acquisition-related adjustments, excluding amortization, separation and IPO costs and separation-related and IPO-related costs and other non-GAAP charges as these adjustments are described above, and 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 attributable to Bausch Health Companies Inc. (non-GAAP) is Adjusted net income (non-GAAP) further adjusted to exclude the Adjusted net income attributable to noncontrolling interest (non-GAAP). Adjusted net income attributable to noncontrolling interest (non-GAAP) is Net income attributable to noncontrolling interest (its most directly comparable GAAP financial measure) adjusted for the portion of the adjustments described above attributable to noncontrolling interest.

Non-GAAP Appendix

Historically, management has used Adjusted net income (loss) (non-GAAP) (the most directly comparable GAAP financial measure for which is GAAP net income (loss)) for strategic decision making, forecasting future results and evaluating current performance. This non-GAAP measure excludes the impact of certain items (as described above) that may obscure trends in the Company's underlying 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 allowed 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. It is also noted that, in recent periods, our GAAP net income (loss) was significantly lower than our Adjusted net income (non-GAAP). Commencing in 2017, management of the Company identified and began using certain new primary financial performance measures to assess the Company's financial performance. In addition, subsequent to the Bausch + Lomb IPO, the Company began presenting Adjusted net income (non-GAAP) attributable to Bausch Health Companies Inc. may be useful to investors in their assessment of the Company and its performance.

Organic Growth/Change and Organic Revenue

Organic revenue and organic revenue change are non-GAAP measures. Non-GAAP measures are not standardized measures under the financial reporting framework used to prepare the Company's financial statements and might not be comparable to similar financial measures disclosed by other issuers.

Organic revenue and change in organic revenue (non-GAAP), are defined as GAAP Revenue and changes in GAAP revenue (the most directly comparable GAAP financial measures), adjusted for changes in foreign currency exchange rates (if applicable) and excluding the impact of recent acquisitions, divestitures and discontinuations, as defined further below. Organic revenue (non-GAAP) is impacted by changes in product volumes and price. The price component is made up of two key drivers: (i) changes in product gross selling price and (ii) changes in sales deductions. The Company uses organic revenue (non-GAAP) and organic revenue changes (non-GAAP) to assess performance of its reportable segments, and the Company in total. The Company believes that providing these measures is useful to investors as they provide a supplemental period-to-period comparison.

The adjustments to GAAP Revenue and changes in GAAP revenue to determine Organic Revenue (non-GAAP) and changes in Organic Revenue (non-GAAP) are as follows:

Foreign currency exchange rates: 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 business. The impact of 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.

Acquisitions, divestitures and discontinuations: In order to present period-over-period organic revenue (non-GAAP) growth/change on a comparable basis, revenues associated with acquisitions, divestitures and discontinuations are adjusted to include only revenues from those businesses and assets owned during both periods. Accordingly, organic revenue and organic growth/change exclude from the current period, revenues attributable to each acquisition for twelve months subsequent to the day of acquisition, as there are no revenues from those businesses and assets included in the comparable prior period. Organic revenue and organic growth/change exclude from the prior period, all revenues attributable to each divestiture and discontinuance during the twelve months prior to the day of divestiture or discontinuance, as there are no revenues from those businesses and assets included in the comparable current period.

Adjusted EBITA and 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 and integration 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 charges” 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. On a segment basis, Adjusted EBITA represents Segment profit (its most directly comparable GAAP financial measure) adjusted to exclude the items above, as applicable.

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.

Non-GAAP Appendix

Adjusted Gross Profit/Adjusted Segment Gross Profit and Adjusted Gross Margin/Adjusted Segment Gross Margin

Adjusted gross profit (non-GAAP)/Adjusted segment 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)/Adjusted segment gross margin (non-GAAP) (the most directly comparable GAAP financial measure for which is gross margin) represents Adjusted gross profit (non-GAAP)/Adjusted segment gross profit (non-GAAP) divided by Product revenues.

Adjusted gross profit (non-GAAP)/Adjusted segment gross profit (non-GAAP) and Adjusted gross margin (non-GAAP)/Adjusted segment gross profit margin (non-GAAP) are measures used by management to understand and evaluate each 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)/Adjusted segment gross profit (non-GAAP) and Adjusted gross margin (non-GAAP)/Adjusted segment gross profit margin (non-GAAP) facilitates period-to-period comparisons of each 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)/Adjusted segment gross profit (non-GAAP) and Adjusted gross margin (non-GAAP)/Adjusted segment gross profit 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 each segment's 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.

Adjusted SG&A Expenses and Adjusted G&A Expenses

Adjusted SG&A expenses (non-GAAP) represents selling, general and administrative expenses ("SG&A expenses") (its most directly comparable GAAP financial measure) and Adjusted G&A expenses (non-GAAP) represents general and administrative expenses ("G&A expenses") (its most directly comparable GAAP financial measure), each 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 and separation-related and IPO-related costs. See the discussion under "Other Non-GAAP charges" above.

Management uses Adjusted SG&A expenses (non-GAAP) and Adjusted G&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) and Adjusted G&A (non-GAAP) are useful to investors as they provide consistency and comparability with our past financial performance and facilitates period-to-period comparisons of our SG&A expenses, G&A expenses and operations, as these measures eliminate 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.

Total Adjusted Operating Expenses

Total Adjusted Operating Expenses (non-GAAP) represents operating expenses (its most directly comparable GAAP financial measure) adjusted to exclude restructuring and integration costs, asset impairments, including loss on assets held for sale, goodwill impairments, acquisition related costs and adjustments excluding amortization of intangible assets, separation costs, IPO costs, separation-related costs, IPO-related costs and certain other non-GAAP charges as discussed under "Other Non-GAAP charges" above.

Management believes that Total Adjusted Operating Expenses (non-GAAP), along with the GAAP and non-GAAP measures used by management, provide a supplemental measure for period-to-period comparison to understand and evaluate its ability manage and control its costs, assess the actual financial performance of the Company and to forecast future results as part of its guidance. Management believes that Total Adjusted Operating Expenses (non-GAAP) is a useful measure to evaluate current performance amounts.

The Company believes that Total Adjusted Operating Expenses (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 operating expenses as Total Adjusted Operating Expenses eliminates 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 which are substantially outside of management's control.

Adjusted Cash Flows from Operations

Adjusted cash flows from operations (non-GAAP) is Cash generated from operations (its most directly comparable GAAP financial measure) adjusted for: (i) payments of legacy legal settlements, net of insurance proceeds, (ii) payments for separation costs, IPO costs, separation-related costs, and IPO-related costs, and (iii) fees paid in connection with the debt exchange transaction

Management believes that Adjusted cash flows from 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) 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) 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.

Non-GAAP Appendix

Constant Currency

Changes in the relative values of non-U.S. currencies to the U.S. dollar may affect the Company’s financial results and financial position. To assist investors in evaluating the Company’s performance, we have adjusted for foreign currency effects. 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.

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 EBITDA excluding Bausch + Lomb (non-GAAP)

Adjusted EBITDA excluding Bausch + Lomb (non-GAAP) is Adjusted EBITDA (non-GAAP) adjusted to remove Adjusted EBITDA attributable to Bausch + Lomb (non-GAAP). Adjusted EBITDA attributable to Bausch + Lomb (non-GAAP) is Income (loss) before income taxes of our Bausch + Lomb segment (its most directly comparable GAAP financial measure) adjusted for the portion of the Company’s interest expense, depreciation, amortization and other adjustments as described above, allocated or attributable to Bausch + Lomb.

Adjusted EBITDA excluding Bausch + Lomb is not intended to be, and may not be, representative of income from continuing operations (for Bausch Health excluding Bausch + Lomb) or from discontinued operations (for B+L) in accordance with GAAP, as: (i) the criteria for that accounting has not been met and (ii) certain cost allocations to BHC excluding B+L and B+L are not in accordance with the criteria for that accounting. As such, Adjusted EBITDA excluding Bausch + Lomb (non-GAAP) as included herein may not be indicative of the results of the operations or Adjusted EBITDA attributable to Bausch Health (non-GAAP) in the future, or if Bausch + Lomb met the criteria to be treated as a discontinued operation during any of the periods presented.

Management believes that Adjusted EBITDA excluding Bausch + Lomb (non-GAAP), along with the GAAP and other non-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 these metrics focus management on the Company's underlying operational results and business performance. As a result, the Company uses these metrics to assess the actual financial performance of the Company and to forecast future results as part of its guidance. Management believes these metrics are a useful measure to evaluate current performance. These metrics are 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 Cash Flows from Operations excluding Bausch + Lomb (non-GAAP)

Adjusted Cash Flows from Operations excluding Bausch + Lomb (non-GAAP) is Adjusted Cash Flow from Operations (non-GAAP) adjusted to remove Adjusted Cash Flow from Operations attributable to Bausch + Lomb (non-GAAP). Adjusted Cash Flow from Operations attributable to Bausch + Lomb (non-GAAP) is Cash Flow from Operations of our Bausch + Lomb segment (its most directly comparable GAAP financial measure) adjusted for the portion of the Company’s payment of separation costs, separation-related costs, IPO costs, and IPO-related costs and other adjustments as described above, allocated or attributable to Bausch + Lomb.

Adjusted Cash Flow from Operations excluding Bausch + Lomb is not intended to be, and may not be, representative of Cash Flow from Operations (for Bausch Health excluding Bausch + Lomb) or from discontinued operations (for B+L) in accordance with GAAP, as: (i) the criteria for that accounting has not been met and (ii) certain cost allocations to BHC excluding B+L and B+L are not in accordance with the criteria for that accounting. As such, Adjusted Cash Flow from Operations excluding Bausch + Lomb (non-GAAP) as included herein may not be indicative of the cash flows or Adjusted Cash Flow from Operations attributable to Bausch Health (non-GAAP) in the future, or if Bausch + Lomb met the criteria to be treated as a discontinued operation during any of the periods presented.

Management believes that Adjusted Cash Flow from Operations excluding Bausch + Lomb (non-GAAP), along with the GAAP and other non-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 these metrics focus management on the Company's underlying operational results and business performance. As a result, the Company uses these metrics to assess the actual financial performance of the Company and to forecast future results as part of its guidance. Management believes these metrics are a useful measure to evaluate current performance. These metrics are intended to show our cash flows and therefore reflects our financial performance based on operational factors.