Contacts: Tracey Noe (Media)
1-847-943-5678
news@mdlz.com

Shep Dunlap (Investors)
1-847-943-5454
ir@mdlz.com

Mondelēz International Reports Q3 2023 Results

Third Quarter Highlights

- Net revenues increased +16.3% driven by Organic Net Revenue[1] growth of +15.7% with strong +3.8pp Volume/Mix performance, Volume/Mix positive across all regions
- Diluted EPS was $0.72, up +84.6%; Adjusted EPS[1] was $0.82, up +16.7% on a constant currency basis
- Year-to-date cash provided by operating activities was $3.2 billion; Free Cash Flow[1] was $2.4 billion, up +$0.5 billion vs prior year
- Return of capital to shareholders was $2.2 billion in the first nine months of the year
- Closed the divestiture of our developed market gum business for $1.4 billion
- Raising Organic Net Revenue outlook to 14% to 15% and Adjusted EPS growth outlook to ~16%

CHICAGO, Ill. – November 1, 2023 – Mondelēz International, Inc. (Nasdaq: MDLZ) today reported its third quarter 2023 results.

“We delivered strong third quarter results that reinforce the durability of our categories, strength of our brands and geographies, and consistency of our execution. All regions delivered strong revenue growth with double-digit profitability growth, underpinned by strong volume/mix performance,” said Dirk Van de Put, Chairman and Chief Executive Officer. “We believe the best remains ahead as we strengthen and reshape our portfolio, substantially reinvest in our iconic brands, and continue developing best-in-class capabilities in key enablers such as digital and revenue growth management to further drive high-quality, sustainable growth for years to come. Our strong year-to-date performance and category attractiveness provide confidence to again raise both our net revenue and earnings outlook for the year.”

Net Revenue

$ in millions	Reported Net Revenues		Organic Net Revenue Growth		
	Q3 2023	% Chg vs PY	Q3 2023	Vol/Mix	Pricing
Quarter 3					
Latin America	$ 1,305	42.9 %	35.1 %	3.6 pp	31.5 pp
Asia, Middle East & Africa	1,791	5.1	11.9	3.3	8.6
Europe	3,086	16.5	15.4	3.3	12.1
North America	2,847	14.0	11.4	4.6	6.8
Mondelēz International	**$ 9,029**	**16.3 %**	**15.7 %**	**3.8 pp**	**11.9 pp**
Emerging Markets	$ 3,527	14.0 %	19.0 %	3.4 pp	15.6 pp
Developed Markets	$ 5,502	17.8 %	13.4 %	3.9 pp	9.5 pp
September Year-to-Date	**YTD 2023**		**YTD 2023**		
Latin America	$ 3,744	43.2 %	37.2 %	4.5 pp	32.7 pp
Asia, Middle East & Africa	5,339	4.6	13.0	4.2	8.8
Europe	9,319	13.5	15.9	—	15.9
North America	8,300	20.8	13.6 %	3.0	10.6
Mondelēz International	**$ 26,702**	**17.1 %**	**17.0 %**	**2.4 pp**	**14.6 pp**
Emerging Markets	$ 10,431	17.7 %	22.5 %	3.4 pp	19.1 pp
Developed Markets	$ 16,271	16.7 %	13.5 %	1.7 pp	11.8 pp

Operating Income and Diluted EPS

$ in millions, except per share data	Reported		Adjusted		
	Q3 2023	vs PY (Rpt Fx)	Q3 2023	vs PY (Rpt Fx)	vs PY (Cst Fx)
Quarter 3					
Gross Profit	$ 3,494	33.7 %	$ 3,483	20.1 %	22.3 %
Gross Profit Margin	38.7 %	5.0 pp	38.6 %	1.2 pp	
Operating Income	$ 1,379	103.1 %	$ 1,511	20.6 %	24.5 %
Operating Income Margin	15.3 %	6.6 pp	16.7 %	0.6 pp	
Net Earnings [2]	$ 984	85.0 %	$ 1,117	12.9 %	17.0 %
Diluted EPS	$ 0.72	84.6 %	$ 0.82	13.9 %	16.7 %
September Year-to-Date	**YTD 2023**		**YTD 2023**		
Gross Profit	$ 10,294	25.0 %	$ 10,075	16.3 %	20.0 %
Gross Profit Margin	38.6 %	2.5 pp	37.7 %	(0.3) pp	
Operating Income	$ 4,309	59.6 %	$ 4,424	18.7 %	23.6 %
Operating Income Margin	16.1 %	4.3 pp	16.6 %	0.2 pp	
Net Earnings	$ 4,009	87.9 %	$ 3,373	12.0 %	17.8 %
Diluted EPS	$ 2.92	89.6 %	$ 2.46	13.4 %	18.9 %

Third Quarter Commentary

- **Net revenues** increased 16.3 percent driven by Organic Net Revenue growth of 15.7 percent, and incremental sales from the company's 2022 acquisitions of Ricolino and Clif Bar, partially offset by unfavorable currency. Organic Net Revenue growth was driven by both pricing and favorable volume/mix.

- **Gross profit** increased $881 million, and gross profit margin increased 500 basis points to 38.7 percent primarily driven by favorable year-over-year change in mark-to-market impacts from derivatives and an increase in Adjusted Gross Profit[1] margin. Adjusted Gross Profit increased $648 million at constant currency, and Adjusted Gross Profit margin increased 120 basis points to 38.6 percent due to pricing, lower manufacturing costs driven by productivity and favorable product mix, partially offset by higher raw material and transportation costs.

- **Operating income** increased $700 million and operating income margin was 15.3 percent, up 660 basis points primarily due to lapping prior-year acquisition-related costs, favorable year-over-year change in mark-to-market gains/(losses) from currency and commodity hedging activities, higher Adjusted Operating Income margin and lapping prior-year inventory step-up charges. These favorable items were partially offset by higher acquisition integration costs and contingent consideration adjustments, and higher divestiture-related costs. Adjusted Operating Income increased $307 million at constant currency while Adjusted Operating Income margin increased 60 basis points to 16.7 percent, driven primarily by higher net pricing, lower manufacturing cost driven by productivity, SG&A leverage and favorable product mix, partially offset by input cost inflation.

- **Diluted EPS** was $0.72, up 84.6 percent, primarily due to lapping prior-year acquisition-related costs, an increase in Adjusted EPS, favorable year-over-year change in mark-to-market impacts from currency and commodity derivatives, a gain on marketable securities and lapping prior-year inventory step-up charges. These favorable items were partially offset by higher equity method investee items, higher acquisition integration costs and contingent consideration adjustments, higher intangible asset impairment charges, lapping prior-year net earnings from divestitures and higher remeasurement loss of net monetary position.

- **Adjusted EPS** was $0.82, up 16.7 percent on a constant currency basis primarily driven by strong operating gains, lower interest expense and fewer shares outstanding, partially offset by higher taxes, lower benefit plan non-service income and lower equity method investment net earnings.

- **Capital Return**: The company returned $0.6 billion to shareholders in cash dividends and share repurchases.

2023 Outlook

Mondelēz International provides its outlook on a non-GAAP basis, as the company cannot predict some elements that are included in reported GAAP results, including the impact of foreign exchange. Refer to the Outlook section in the discussion of non-GAAP financial measures below for more details.

For 2023, the company is updating its 2023 fiscal outlook and now expects 14 to 15 percent Organic Net Revenue growth versus the prior outlook of 12+ percent, which reflects the strength of its year-to-date performance. The company's expectation for Adjusted EPS growth on a constant currency basis is now approximately 16 percent versus the prior outlook of 12+ percent. The company's Free Cash Flow outlook remains at $3.3+ billion. The company estimates currency translation would decrease 2023 net revenue growth by approximately 4 percent[3] with a negative $0.15 impact to Adjusted EPS[3].

Outlook is provided in the context of greater than usual volatility as a result of geopolitical uncertainty.

Conference Call

Mondelēz International will host a conference call for investors with accompanying slides to review its results at 5 p.m. ET today. A listen-only webcast will be provided at www.mondelezinternational.com. An archive of the webcast will be available on the company's web site.

About Mondelēz International

Mondelēz International, Inc. (Nasdaq: MDLZ) empowers people to snack right in over 150 countries around the world. With 2022 net revenues of approximately $31 billion, MDLZ is leading the future of snacking with iconic global and local brands such as *Oreo*, *Ritz, LU, Clif Bar* and *Tate's Bake Shop* biscuits and baked snacks, as well as *Cadbury Dairy Milk*, *Milka* and *Toblerone* chocolate. Mondelēz International is a proud member of the Standard and Poor's 500, Nasdaq 100 and Dow Jones Sustainability Index. Visit www.mondelezinternational.com or follow the company on Twitter at www.twitter.com/MDLZ.

End Notes

1. Organic Net Revenue, Adjusted Gross Profit (and Adjusted Gross Profit margin), Adjusted Operating Income (and Adjusted Operating Income margin), Adjusted EPS, Free Cash Flow and presentation of amounts in constant currency are non-GAAP financial measures. Please see discussion of non-GAAP financial measures at the end of this press release for more information.
2. Earnings attributable to Mondelēz International.
3. Currency estimate is based on published rates from XE.com on October 25, 2023.

Additional Definitions

Emerging markets consist of the Latin America region in its entirety; the Asia, Middle East and Africa region excluding Australia, New Zealand and Japan; and the following countries from the Europe region: Russia, Ukraine, Türkiye, Kazakhstan, Georgia, Poland, Czech Republic, Slovak Republic, Hungary, Bulgaria, Romania, the Baltics and the East Adriatic countries.

Developed markets include the entire North America region, the Europe region excluding the countries included in the emerging markets definition, and Australia, New Zealand and Japan from the Asia, Middle East and Africa region.

Forward-Looking Statements

This press release contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical fact are “forward-looking statements” for purposes of federal and state securities laws, including any projections of earnings, revenue or other financial items; any statements of the plans, strategies and objectives of management, including for future operations, capital expenditures or share repurchases; any statements concerning proposed new products, services, or developments; any statements regarding future economic conditions or performance; any statements of belief or expectation; and any statements of assumptions underlying any of the foregoing or other future events. Forward-looking statements may include, among others, the words, and variations of words, “will,” “may,” “expect,” “would,” “could,” “might,” “intend,” “plan,” “believe,” “likely,” “estimate,” “anticipate,” “objective,” “predict,” “project,” “drive,” “seek,” “aim,” “target,” “potential,” “commitment,” “outlook,” “continue” or any other similar words.

Although we believe that the expectations reflected in any of our forward-looking statements are reasonable, actual results or outcomes could differ materially from those projected or assumed in any of our forward-looking statements. Our future financial condition and results of operations, as well as any forward-looking statements, are subject to change and to inherent risks and uncertainties, many of which are beyond our control. Important factors that could cause our actual results or performance to differ materially from those contained in or implied by our forward-looking statements include, but are not limited to, the following:

- weakness in macroeconomic conditions in our markets, including as a result of inflation (and related monetary policy actions by governments in response to inflation), instability of certain financial institutions, volatility of commodity and other input costs and availability of commodities;
- geopolitical uncertainty, including the impact of ongoing or new developments in Ukraine and the Middle East, related current and future sanctions imposed by governments and other authorities and related impacts, including on our business operations, employees, reputation, brands, financial condition and results of operations;

- competition and our response to channel shifts and pricing and other competitive pressures;
- pricing actions and customer and consumer responses to such actions;
- promotion and protection of our reputation and brand image;
- weakness in consumer spending and/or changes in consumer preferences and demand and our ability to predict, identify, interpret and meet these changes;
- risks from operating globally, including in emerging markets, such as political, economic and regulatory risks;
- the outcome and effects on us of legal and tax proceedings and government investigations, including the European Commission legal matter;
- use of information technology and third party service providers;
- unanticipated disruptions to our business, such as malware incidents, cyberattacks or other security breaches, and supply, commodity, labor and transportation constraints;
- our ability to identify, complete, manage and realize the full extent of the benefits, cost savings or synergies presented by strategic transactions, including our recently completed acquisitions of Ricolino, Clif Bar, Chipita, Gourmet Food, Grenade and Hu;
- our investments and our ownership interests in those investments, including JDE Peet's;
- the restructuring program and our other transformation initiatives not yielding the anticipated benefits;
- changes in the assumptions on which the restructuring program is based;
- the impact of climate change on our supply chain and operations;
- global or regional health pandemics or epidemics;
- consolidation of retail customers and competition with retailer and other economy brands;
- changes in our relationships with customers, suppliers or distributors;
- management of our workforce and shifts in labor availability or labor costs;
- compliance with legal, regulatory, tax and benefit laws and related changes, claims or actions;
- perceived or actual product quality issues or product recalls;
- failure to maintain effective internal control over financial reporting or disclosure controls and procedures;
- our ability to protect our intellectual property and intangible assets;
- tax matters including changes in tax laws and rates, disagreements with taxing authorities and imposition of new taxes;
- changes in currency exchange rates, controls and restrictions;
- volatility of and access to capital or other markets, rising interest rates, the effectiveness of our cash management programs and our liquidity;
- pension costs;
- significant changes in valuation factors that may adversely affect our impairment testing of goodwill and intangible assets; and

- the risks and uncertainties, as they may be amended from time to time, set forth in our filings with the U.S. Securities and Exchange Commission, including our Annual Report on Form 10-K for the year ended December 31, 2022 and subsequent Quarterly Reports on Form 10-Q.

There may be other factors not presently known to us or which we currently consider to be immaterial that could cause our actual results to differ materially from those projected in any forward-looking statements we make. We disclaim and do not undertake any obligation to update or revise any forward-looking statement in this press release except as required by applicable law or regulation. In addition, historical, current and forward-looking sustainability-related statements may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve, and assumptions that are subject to change in the future.