MONSTER BEVERAGE CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
AS OF DECEMBER 31, 2021 AND 2020 (In Thousands, Except Par Value)

	December 31, 2021	December 31, 2020
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 1,326,462	$ 1,180,413
Short-term investments	1,749,727	881,354
Accounts receivable, net	896,658	666,012
Inventories	593,357	333,085
Prepaid expenses and other current assets	82,668	55,358
Prepaid income taxes	33,238	24,733
Total current assets	4,682,110	3,140,955
INVESTMENTS	99,419	44,291
PROPERTY AND EQUIPMENT, net	313,753	314,656
DEFERRED INCOME TAXES	225,221	241,650
GOODWILL	1,331,643	1,331,643
OTHER INTANGIBLE ASSETS, net	1,072,386	1,059,046
OTHER ASSETS	80,252	70,475
Total Assets	$ 7,804,784	$ 6,202,716
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 404,263	$ 296,800
Accrued liabilities	210,964	142,653
Accrued promotional allowances	211,461	186,658
Deferred revenue	42,530	45,429
Accrued compensation	65,459	55,015
Income taxes payable	30,399	23,433
Total current liabilities	965,076	749,988
DEFERRED REVENUE	243,249	264,436
OTHER LIABILITIES	29,508	27,432
COMMITMENTS AND CONTINGENCIES (Note 12)		
STOCKHOLDERS' EQUITY:		
Common stock - $0.005 par value; 1,250,000 shares authorized; 640,043 shares issued and 529,323 shares outstanding as of December 31, 2021; 638,662 shares issued and 528,097 shares outstanding as of December 31, 2020	3,200	3,193
Additional paid-in capital	4,652,620	4,537,982
Retained earnings	7,809,549	6,432,074
Accumulated other comprehensive (loss) income	(69,165)	3,034
Common stock in treasury, at cost; 110,720 shares and 110,565 shares as of December 31, 2021 and December 31, 2020, respectively	(5,829,253)	(5,815,423)
Total stockholders' equity	6,566,951	5,160,860
Total Liabilities and Stockholders' Equity	$ 7,804,784	$ 6,202,716

See accompanying notes to consolidated financial statements.

MONSTER BEVERAGE CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 2021, 2020 AND 2019
(In Thousands, Except Per Share Amounts)

	2021	2020	2019
NET SALES	$ 5,541,352	$ 4,598,638	$ 4,200,819
COST OF SALES	2,432,839	1,874,758	1,682,234
GROSS PROFIT	3,108,513	2,723,880	2,518,585
OPERATING EXPENSES	1,311,046	1,090,727	1,115,646
OPERATING INCOME	1,797,467	1,633,153	1,402,939
OTHER INCOME (EXPENSE), NET	3,952	(6,996)	13,023
INCOME BEFORE PROVISION FOR INCOME TAXES	1,801,419	1,626,157	1,415,962
PROVISION FOR INCOME TAXES	423,944	216,563	308,127
NET INCOME	$ 1,377,475	$ 1,409,594	$ 1,107,835
NET INCOME PER COMMON SHARE:			
Basic	$ 2.61	$ 2.66	$ 2.04
Diluted	$ 2.57	$ 2.64	$ 2.03
WEIGHTED AVERAGE NUMBER OF SHARES OF COMMON STOCK AND COMMON STOCK EQUIVALENTS:			
Basic	528,763	529,639	542,191
Diluted	535,639	534,807	546,608

See accompanying notes to consolidated financial statements.

MONSTER BEVERAGE CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021, 2020 AND 2019 (In Thousands)

	2021	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income	$ 1,377,475	$ 1,409,594	$ 1,107,835
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	50,155	57,030	60,727
Non-cash lease expense	4,107	3,943	4,087
Gain on disposal of property and equipment	(1,013)	(350)	(252)
Loss on impairment of intangibles	—	8,700	—
Stock-based compensation	70,483	70,289	63,356
Deferred income taxes	16,429	(156,873)	1,263
Effect on cash of changes in operating assets and liabilities:			
Accounts receivable	(254,228)	(119,672)	(59,941)
Inventories	(277,793)	30,304	(85,222)
Prepaid expenses and other assets	(29,341)	1,024	(13,774)
Prepaid income taxes	(10,919)	5,516	9,481
Accounts payable	114,297	18,696	28,832
Accrued liabilities	71,586	26,113	(14,018)
Accrued promotional allowances	31,498	13,762	21,943
Accrued compensation	7,950	7,501	7,228
Income taxes payable	7,221	10,422	8,105
Other liabilities	492	(356)	(1,030)
Deferred revenue	(22,658)	(21,480)	(24,858)
Net cash provided by operating activities	1,155,741	1,364,163	1,113,762
CASH FLOWS FROM INVESTING ACTIVITIES:			
Sales of available-for-sale investments	1,488,599	920,196	851,436
Proceeds from sale of property and equipment	1,328	993	1,239
Purchases of available-for-sale investments	(2,413,143)	(1,299,981)	(1,067,736)
Purchases of property and equipment	(43,868)	(48,722)	(101,661)
Additions to intangibles	(13,585)	(18,550)	(8,737)
Increase in other assets	(11,353)	(26,423)	(1,265)
Net cash used in investing activities	(992,022)	(472,487)	(326,724)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Borrowings (payments) on debt	2,928	(3,086)	(13,569)
Issuance of common stock	45,723	72,936	92,363
Purchases of common stock held in treasury	(13,830)	(595,918)	(707,300)
Net cash provided by (used in) financing activities	34,821	(526,068)	(628,506)
Effect of exchange rate changes on cash and cash equivalents	(52,491)	16,848	1,912
NET INCREASE IN CASH AND CASH EQUIVALENTS	146,049	382,456	160,444
CASH AND CASH EQUIVALENTS, beginning of year	1,180,413	797,957	637,513
CASH AND CASH EQUIVALENTS, end of year	$ 1,326,462	$ 1,180,413	$ 797,957
SUPPLEMENTAL INFORMATION:			
Cash paid during the year for:			
Interest	$ 134	$ 44	$ 320
Income taxes	$ 420,521	$ 355,509	$ 293,810

See accompanying notes to consolidated financial statements.