

## **Medline Inc. Fourth Quarter and Full Year 2025 Supplemental Disclosures and Non-GAAP Reconciliations**

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## **Non-GAAP financial measures**

To supplement the financial information provided, the Company has presented Organic Sales, Adjusted EBITDA, Adjusted EBITDA Margin, Free Cash Flow, and Net Leverage, which are considered non-GAAP financial measures. The non-GAAP financial measures presented may differ from similarly titled non-GAAP financial measures presented by other companies, and other companies may not define these non-GAAP financial measures in the same way. These measures are not substitutes for their comparable GAAP financial measures, such as net income/(loss), net income margin, net cash provided by/(used for) operating activities, net sales, or other measures prescribed by GAAP, and there are limitations to using non-GAAP financial measures.

Management uses these non-GAAP financial measures to assist in comparing the Company's performance on a consistent basis for purposes of business decision making by removing the impact of certain items that management believes do not directly reflect the Company's ongoing operating performance. The Company believes Organic Sales, Adjusted EBITDA, and Adjusted EBITDA Margin provide important comparability of ongoing operating performance, allowing investors and management to assess the Company's operating performance on a consistent basis. The Company believes Free Cash Flow and Net Leverage provide a measure of the Company's core operating performance, the cash-generating capabilities of the Company's business operations, and are factors used in determining the Company's borrowing capacity and the amount of cash available for debt repayments, acquisitions, and other corporate purposes.

Management believes that presenting the Company's non-GAAP financial measures is useful to investors because it (i) provides investors with meaningful supplemental information regarding financial performance by excluding certain items that we do not consider indicative of our ongoing operating performance, (ii) permits investors to view performance using the same tools that management uses to budget, make operating and strategic decisions, and evaluate historical performance, and (iii) otherwise provides supplemental information that may be useful to investors in evaluating the Company's results. The Company believes that the presentation of these non-GAAP financial measures, when considered together with the corresponding GAAP financial measures and the reconciliations to those measures, provides investors with additional understanding of the factors and trends affecting the Company's business than could be obtained absent these disclosures.

### **Definitions**

#### **Organic Sales**

Organic Sales is defined as net sales excluding, when they occur, the impact of acquisitions, divestitures, and changes in foreign exchange rates from the net sales changes. These amounts are calculated by translating current period GAAP results at the prior period foreign currency exchange rates and comparing these amounts to the current period GAAP results at the current period foreign currency exchange rates.

#### **Adjusted EBITDA and Adjusted EBITDA Margin**

Adjusted EBITDA is defined as net income (loss) adjusted for (i) interest expense, net, (ii) provision for income taxes, (iii) depreciation and amortization, (iv) inventory-related adjustments, (v) stock-based compensation, (vi) litigation (gains) charges, net, (vii) transaction-related costs, and (viii) other non-core (gains) charges. Adjusted EBITDA Margin is defined as Adjusted EBITDA divided by net sales.

#### **Free Cash Flow**

Free Cash Flow is defined as net cash provided by/(used for) operating activities less net capital expenditures. The use of this non-GAAP measure does not imply or represent the residual cash flow for discretionary expenditures since the Company has certain non-discretionary obligations such as debt service that are not deducted from the measure.

#### **Net Leverage**

Net Leverage is defined as net debt (total debt less cash, cash equivalents and short-term investments) divided by Adjusted EBITDA.

### **Guidance**

Guidance for Adjusted EBITDA and Organic Sales is provided on a non-GAAP basis only because certain information necessary to calculate the most comparable GAAP measure is unavailable due to the uncertainty and inherent difficulty of predicting the occurrence and the future financial statement impact of such items impacting comparability, including, but not limited to, inventory-related adjustments, stock-based compensation, litigation (gains) charges, net, transaction-related costs, the impact of currency, and other non-core (gains) charges, among other items. Therefore, as a result of the uncertainty and variability of the nature and amount of future adjustments, which could be significant, the Company is unable to provide a reconciliation of these measures with reasonable certainty and without unreasonable effort.

**MEDLINE INC.**

**CONSOLIDATED STATEMENTS OF INCOME**

| <i>(in millions, except per share earnings)</i>                                   | <b>Three months ended (Unaudited)</b> |                   |           |                   | <b>Year ended</b> |                   |           |                   |
|---|---------------------------------------|-------------------|-----------|-------------------|-------------------|-------------------|-----------|-------------------|
|   | December 31, 2025                     | December 31, 2024 | \$ Change | % Change          | December 31, 2025 | December 31, 2024 | \$ Change | % Change          |
| <b>Net sales</b>  | \$ 7,787                              | \$ 6,784          | \$ 1,003  | 14.8 %            | \$ 28,432         | \$ 25,507         | \$ 2,925  | 11.5 %            |
| Cost of goods sold  | 5,873                                 | 4,933             | 940       | 19.1 %            | 20,914            | 18,531            | 2,383     | 12.9 %            |
| <b>Gross profit</b>   | 1,914                                 | 1,851             | 63        | 3.4 %             | 7,518             | 6,976             | 542       | 7.8 %             |
| <i>Gross margin %</i>   | 24.6 %                                | 27.3 %            |           |                   | 26.4 %            | 27.3 %            |           |                   |
| <b>Operating expense</b>  |                                       |                   |           |                   |                   |                   |           |                   |
| Selling, general and administrative expenses                                      | 1,265                                 | 1,164             | 101       | 8.7 %             | 4,524             | 4,108             | 416       | 10.1 %            |
| Amortization of intangible assets   | 176                                   | 177               | (1)       | (0.6)%            | 704               | 685               | 19        | 2.8 %             |
| Other operating expenses  | 48                                    | 18                | 30        | NM <sup>(2)</sup> | 78                | 37                | 41        | NM <sup>(2)</sup> |
| Total operating expense   | 1,489                                 | 1,359             | 130       | 9.6 %             | 5,306             | 4,830             | 476       | 9.9 %             |
| <b>Operating income</b>   | 425                                   | 492               | (67)      | (13.6)%           | 2,212             | 2,146             | 66        | 3.1 %             |
| <i>Operating margin %</i>   | 5.5 %                                 | 7.3 %             |           |                   | 7.8 %             | 8.4 %             |           |                   |
| <b>Other expense</b>  |                                       |                   |           |                   |                   |                   |           |                   |
| Interest expense, net   | (166)                                 | (209)             | 43        | (20.6)%           | (812)             | (864)             | 52        | (6.0)%            |
| Other expense, net  | (58)                                  | (8)               | (50)      | NM <sup>(2)</sup> | (64)              | (43)              | (21)      | 48.8 %            |
| Foreign exchange gain (loss), net   | 5                                     | 30                | (25)      | (83.3)%           | (88)              | 7                 | (95)      | NM <sup>(2)</sup> |
| Total other expense   | (219)                                 | (187)             | (32)      | 17.1 %            | (964)             | (900)             | (64)      | 7.1 %             |
| <b>Income before income taxes</b>   | 206                                   | 305               | (99)      | (32.5)%           | 1,248             | 1,246             | 2         | 0.2 %             |
| Provision for income taxes  | 26                                    | 16                | 10        | 62.5 %            | 91                | 46                | 45        | 97.8 %            |
| <b>Net income</b>   | 180                                   | 289               | (109)     | (37.7)%           | 1,157             | 1,200             | (43)      | (3.6)%            |
| <i>Net income %</i>   | 2.3 %                                 | 4.3 %             |           |                   | 4.1 %             | 4.7 %             |           |                   |
| Net loss attributable to noncontrolling interests                                 | (2)                                   | —                 | (2)       | NM <sup>(2)</sup> | (2)               | —                 | (2)       | NM <sup>(2)</sup> |
| <b>Net income attributable to Medline Inc.</b>                                    | \$ 182                                | \$ —              | \$ 182    | NM <sup>(2)</sup> | \$ 1,159          | \$ —              | \$ 1,159  | NM <sup>(2)</sup> |
| <b>Net loss per share attributable to Medline Inc.<sup>(1)</sup></b>              |                                       |                   |           |                   |                   |                   |           |                   |
| Basic and diluted   | \$ (0.01)                             | N/A               |           |                   | \$ (0.01)         | N/A               |           |                   |
| <b>Weighted average number of Class A common shares outstanding<sup>(1)</sup></b> |                                       |                   |           |                   |                   |                   |           |                   |
| Basic and diluted   | 810                                   | N/A               |           |                   | 810               | N/A               |           |                   |

<sup>(1)</sup> Represents net loss per share of Class A common stock and weighted-average shares of Class A common stock outstanding for the period from December 17, 2025, the date after the SEC declared effective the Company's Registration Statement on S-1 filed in connection with its IPO, through December 31, 2025, the period following the reorganization transactions and initial public offering.

<sup>(2)</sup> Not Meaningful

**MEDLINE INC.**

**CONSOLIDATED BALANCE SHEETS**

| <i>(in millions, except per share amounts)</i>  | As of December 31,<br>2025 | As of December 31,<br>2024 |
|---|----------------------------|----------------------------|
| <b>ASSETS</b>   |                            |                            |
| Current assets  |                            |                            |
| Cash and cash equivalents   | \$ 1,939                   | \$ 199                     |
| Trade accounts receivable, net of allowance for credit losses of \$152 and \$108 as of December 31, 2025 and 2024, respectively                                       | 3,533                      | 3,219                      |
| Inventories   | 4,769                      | 4,456                      |
| Other current assets  | 438                        | 398                        |
| Total current assets  | 10,679                     | 8,272                      |
| Property, plant, and equipment, net   | 4,778                      | 4,595                      |
| Other non-current assets  |                            |                            |
| Goodwill  | 8,079                      | 8,065                      |
| Intangible assets, net  | 13,893                     | 14,559                     |
| Deferred tax assets   | 583                        | —                          |
| Other long-term assets  | 472                        | 487                        |
| Total other non-current assets  | 23,027                     | 23,111                     |
| Total assets  | <u>\$ 38,484</u>           | <u>\$ 35,978</u>           |
| <b>LIABILITIES, MEZZANINE EQUITY AND STOCKHOLDERS' EQUITY / PARTNERS' CAPITAL</b>   |                            |                            |
| Current liabilities   |                            |                            |
| Current portion of long-term borrowings and other short-term borrowings   | \$ 77                      | \$ 78                      |
| Accounts payable  | 961                        | 869                        |
| Accrued expenses and other current liabilities  | 1,452                      | 1,493                      |
| Total current liabilities   | 2,490                      | 2,440                      |
| Non-current liabilities   |                            |                            |
| Long-term borrowings, less current portion  | 12,484                     | 16,416                     |
| Tax receivable agreement liability  | 3,542                      | —                          |
| Other long-term liabilities   | 682                        | 598                        |
| Total non-current liabilities   | 16,708                     | 17,014                     |
| Total liabilities   | <u>\$ 19,198</u>           | <u>\$ 19,454</u>           |
| Commitments and contingencies   |                            |                            |
| Mezzanine equity  | —                          | 366                        |
| Stockholders' equity / partners' capital  |                            |                            |
| Class A common stock, par value \$0.0001 per share; 50,000 shares authorized; 812 and no shares issued and outstanding as of December 31, 2025 and 2024, respectively | \$ —                       | \$ —                       |
| Class B common stock, par value \$0.0001 per share; 50,000 shares authorized; 502 and no shares issued and outstanding as of December 31, 2025 and 2024, respectively | —                          | —                          |
| Preferred stock, par value \$0.0001; 5,000 shares authorized; no shares issued and outstanding  | —                          | —                          |
| Additional paid-in capital  | 10,717                     | —                          |
| Accumulated deficit   | (7)                        | —                          |
| Partners' capital   | —                          | 16,147                     |
| Accumulated other comprehensive income  | 27                         | 11                         |
| Total Medline Inc. stockholders' equity / partners' capital   | 10,737                     | 16,158                     |
| Noncontrolling interests  | 8,549                      | —                          |
| Total stockholders' equity / partners' capital  | 19,286                     | 16,158                     |
| Total liabilities, stockholders' equity and mezzanine equity / partners' capital  | <u>\$ 38,484</u>           | <u>\$ 35,978</u>           |

**MEDLINE INC.**

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

| <i>(in millions)</i>   | <b>Year ended</b>    |                      |
|--|----------------------|----------------------|
|  | December 31,<br>2025 | December 31,<br>2024 |
| <b>Cash flows from operating activities</b>  |                      |                      |
| Net income   | \$ 1,157             | \$ 1,200             |
| Adjustments to reconcile net income to net cash provided by operating activities:  |                      |                      |
| Depreciation and amortization  | 1,011                | 977                  |
| Stock-based compensation expense   | 76                   | 61                   |
| Amortization of deferred financing costs   | 59                   | 57                   |
| Embedded derivative on debt  | (41)                 | —                    |
| Credit losses  | 54                   | 63                   |
| Unrealized foreign exchange loss (gain), net   | 68                   | (10)                 |
| Amortization of inventory step-up  | —                    | 25                   |
| Loss on extinguishment of debt   | 58                   | 32                   |
| Non-cash lease expense   | 72                   | 61                   |
| Other non-cash adjustments   | 13                   | (22)                 |
| Changes in assets and liabilities, net of acquisitions:  |                      |                      |
| Trade accounts receivable  | (355)                | (256)                |
| Inventories  | (264)                | (545)                |
| Other assets   | (126)                | 46                   |
| Accounts payable   | 73                   | 106                  |
| Accrued expenses and other current liabilities   | (92)                 | 62                   |
| Other liabilities  | (19)                 | (88)                 |
| Net cash provided by operating activities  | 1,744                | 1,769                |
| <b>Cash flows from investing activities</b>  |                      |                      |
| Purchases of property and equipment, net   | (447)                | (354)                |
| Acquisitions of businesses, net of cash acquired   | 6                    | (1,126)              |
| Cash paid for asset acquisitions   | (33)                 | (10)                 |
| Other investing activities   | —                    | (3)                  |
| Net cash used in investing activities  | (474)                | (1,493)              |
| <b>Cash flows from financing activities</b>  |                      |                      |
| Proceeds from issuance of Class A common stock in initial public offering, net of underwriting discounts and commissions | 7,048                | —                    |
| Purchase of Class A common stock and redemptions of Common Units from Pre-IPO owners                                     | (1,970)              | —                    |
| Payment for offering costs   | (36)                 | —                    |
| Proceeds from long-term borrowings   | 7,569                | 15,932               |
| Repayment for long-term borrowings   | (11,661)             | (15,995)             |
| Repayments under lines of credit   | (179)                | (166)                |
| Proceeds from lines of credit  | 179                  | 166                  |
| Payment for debt issuance cost   | —                    | (12)                 |
| Payment towards Class B unit repurchases   | (33)                 | (20)                 |
| Distributions to partners  | (518)                | (1,518)              |
| Net cash provided by (used in) financing activities  | 399                  | (1,613)              |
| Effect of exchange rate changes on cash and cash equivalents and restricted cash   | 23                   | 2                    |
| <b>Net change in cash and cash equivalents and restricted cash</b>   | <b>1,692</b>         | <b>(1,335)</b>       |
| <b>Cash, cash equivalents and restricted cash, beginning of year</b>   | <b>250</b>           | <b>1,585</b>         |
| <b>Cash, cash equivalents and restricted cash, end of year</b>   | <b>\$ 1,942</b>      | <b>\$ 250</b>        |

| <i>(in millions)</i>   | <b>Year ended</b>    |                      |
|--|----------------------|----------------------|
|  | December 31,<br>2025 | December 31,<br>2024 |
| <b>Supplemental disclosure of cash flow information:</b>                       |                      |                      |
| Cash payments for interest on borrowings                                       | \$ 944               | \$ 1,022             |
| Cash received from interest rate hedging activities                            | 89                   | 170                  |
| Cash payments for income taxes, net  | 62                   | 101                  |
| Operating cash flows paid for operating leases                                 | 109                  | 84                   |
| Right-of-use operating lease assets obtained in exchange for lease obligations | 115                  | 143                  |
| Non-cash purchases of property, plant and equipment                            | 58                   | 50                   |
| Recognition of tax receivable agreement liability                              | 3,542                | —                    |
| Recognition of deferred tax assets from equity transactions                    | 553                  | —                    |

The following table provides reconciliation of cash, cash equivalents and restricted cash shown above to the amounts reported within the Consolidated Balance Sheets as of December 31, 2025 and 2024:

| <i>(in millions)</i>                              | <b>Year ended</b>    |                      |
|---|----------------------|----------------------|
|   | December 31,<br>2025 | December 31,<br>2024 |
| Cash and cash equivalents                         | \$ 1,939             | \$ 199               |
| Restricted cash included in other current assets  | 3                    | 51                   |
| <b>Cash, cash equivalents and restricted cash</b> | <b>\$ 1,942</b>      | <b>\$ 250</b>        |

**MEDLINE INC.**

**(Dollars in millions)**

**Net Sales by Segment**

| <i>(in millions)</i>     | <b>Three months ended (Unaudited)</b> |                   |           |          | <b>Year ended</b> |                   |           |          |
|--------------------------|---------------------------------------|-------------------|-----------|----------|-------------------|-------------------|-----------|----------|
|                          | December 31, 2025                     | December 31, 2024 | \$ Change | % Change | December 31, 2025 | December 31, 2024 | \$ Change | % Change |
| Medline Brand            | \$ 3,723                              | \$ 3,329          | \$ 394    | 11.8 %   | \$ 13,720         | \$ 12,515         | \$ 1,205  | 9.6 %    |
| Front Line Care          | 1,762                                 | 1,583             | 179       | 11.3 %   | 6,514             | 6,088             | 426       | 7.0 %    |
| Surgical Solutions       | 1,672                                 | 1,489             | 183       | 12.3 %   | 6,166             | 5,471             | 695       | 12.7 %   |
| Laboratory & Diagnostics | 289                                   | 257               | 32        | 12.5 %   | 1,040             | 956               | 84        | 8.8 %    |
| Supply Chain Solutions   | 4,064                                 | 3,455             | 609       | 17.6 %   | 14,712            | 12,992            | 1,720     | 13.2 %   |
| Total Medline            | \$ 7,787                              | \$ 6,784          | \$ 1,003  | 14.8 %   | \$ 28,432         | \$ 25,507         | \$ 2,925  | 11.5 %   |

**Net Sales by Channel**

| <i>(in millions)</i> | <b>Three months ended (Unaudited)</b> |                   |           |          | <b>Year ended</b> |                   |           |          |
|----------------------|---------------------------------------|-------------------|-----------|----------|-------------------|-------------------|-----------|----------|
|                      | December 31, 2025                     | December 31, 2024 | \$ Change | % Change | December 31, 2025 | December 31, 2024 | \$ Change | % Change |
| Acute care           | \$ 5,338                              | \$ 4,600          | \$ 738    | 16.0 %   | \$ 19,506         | \$ 17,491         | \$ 2,015  | 11.5 %   |
| Non-Acute care       | 1,912                                 | 1,706             | 206       | 12.1 %   | 6,973             | 6,256             | 717       | 11.5 %   |
| United States        | 7,250                                 | 6,306             | 944       | 15.0 %   | 26,479            | 23,747            | 2,732     | 11.5 %   |
| International        | 537                                   | 478               | 59        | 12.3 %   | 1,953             | 1,760             | 193       | 11.0 %   |
| Total Medline        | \$ 7,787                              | \$ 6,784          | \$ 1,003  | 14.8 %   | \$ 28,432         | \$ 25,507         | \$ 2,925  | 11.5 %   |

**Segment Net Sales and Adjusted EBITDA Margin (Unaudited)**

| <i>(in millions)</i>                       | <b>Three months ended</b> |                   |           |          | <b>Year ended</b> |                   |           |          |
|--|---------------------------|-------------------|-----------|----------|-------------------|-------------------|-----------|----------|
|  | December 31, 2025         | December 31, 2024 | \$ Change | % Change | December 31, 2025 | December 31, 2024 | \$ Change | % Change |
| <b>Medline Brand segment</b>               |                           |                   |           |          |                   |                   |           |          |
| Net sales                                  | \$ 3,723                  | \$ 3,329          | \$ 394    | 11.8 %   | \$ 13,720         | \$ 12,515         | \$ 1,205  | 9.6 %    |
| Adjusted EBITDA                            | 793                       | 824               | (31)      | (3.8)%   | 3,334             | 3,269             | 65        | 2.0 %    |
| Adjusted EBITDA Margin                     | 21.3 %                    | 24.8 %            |           |          | 24.3 %            | 26.1 %            |           |          |
| <b>Supply Chain Solutions segment</b>      |                           |                   |           |          |                   |                   |           |          |
| Net sales                                  | \$ 4,064                  | \$ 3,455          | \$ 609    | 17.6 %   | \$ 14,712         | \$ 12,992         | \$ 1,720  | 13.2 %   |
| Adjusted EBITDA                            | 217                       | 168               | 49        | 29.2 %   | 805               | 647               | 158       | 24.4 %   |
| Adjusted EBITDA Margin                     | 5.3 %                     | 4.9 %             |           |          | 5.5 %             | 5.0 %             |           |          |
| <b>Corporate &amp; Other<sup>(1)</sup></b> | \$ (205)                  | \$ (182)          | \$ (23)   | 12.6 %   | \$ (672)          | \$ (555)          | \$ (117)  | 21.1 %   |

<sup>(1)</sup>The organizational structure includes Corporate & Other which consists of expenses related to centralized corporate functions, such as finance, information technology, legal, human resources, and internal audit.

**MEDLINE INC.**

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**Reconciliation of Net Sales to Organic Sales (Unaudited)**

| <i>(in millions, except percentages)</i>      | <b>Three months ended</b> |            | <b>Year ended</b> |            |
|---|---------------------------|------------|-------------------|------------|
|   | Amount                    | Percentage | Amount            | Percentage |
| Net sales for period ended December 31, 2025  | \$ 7,787                  |            | \$ 28,432         |            |
| Net sales for period ended December 31, 2024  | 6,784                     |            | 25,507            |            |
| Net sales growth                              | 1,003                     | 14.8 %     | 2,925             | 11.5 %     |
| Impact of acquisitions                        | 10                        | 0.1 %      | 237               | 0.9 %      |
| Impact from changes in foreign exchange rates | 17                        | 0.3 %      | 12                | 0.1 %      |
| Organic Sales                                 | \$ 976                    | 14.4 %     | \$ 2,676          | 10.5 %     |

**MEDLINE INC.**

**Reconciliation of Net Income to Adjusted EBITDA and Net Leverage (Unaudited)**

| <i>(in millions)</i>                           | Three months ended |                   |               |                   | Year ended        |                   |               |                   |
|--|--------------------|-------------------|---------------|-------------------|-------------------|-------------------|---------------|-------------------|
|  | December 31, 2025  | December 31, 2024 | \$ Change     | % Change          | December 31, 2025 | December 31, 2024 | \$ Change     | % Change          |
| <b>Net income</b>                              | \$ 180             | \$ 289            | \$ (109)      | (37.7)%           | \$ 1,157          | \$ 1,200          | \$ (43)       | (3.6)%            |
| Interest expense, net                          | 166                | 209               | (43)          | (20.6)%           | 812               | 864               | (52)          | (6.0)%            |
| Provision for income taxes                     | 26                 | 16                | 10            | 62.5 %            | 91                | 46                | 45            | 97.8 %            |
| Depreciation and amortization                  | 261                | 254               | 7             | 2.8 %             | 1,011             | 977               | 34            | 3.5 %             |
| Inventory-related adjustments <sup>(1)</sup>   | 45                 | 11                | 34            | NM <sup>(5)</sup> | 83                | 78                | 5             | 6.4 %             |
| Stock-based compensation expense               | 27                 | 11                | 16            | NM <sup>(5)</sup> | 79                | 61                | 18            | 29.5 %            |
| Litigation charges (gains), net <sup>(2)</sup> | 14                 | —                 | 14            | NM <sup>(5)</sup> | (33)              | 2                 | (35)          | NM <sup>(5)</sup> |
| Transaction-related costs <sup>(3)</sup>       | 23                 | 9                 | 14            | NM <sup>(5)</sup> | 58                | 18                | 40            | NM <sup>(5)</sup> |
| Other non-core charges <sup>(4)</sup>          | 63                 | 11                | 52            | NM <sup>(5)</sup> | 209               | 115               | 94            | 81.7 %            |
| <b>Adjusted EBITDA</b>                         | <b>\$ 805</b>      | <b>\$ 810</b>     | <b>\$ (5)</b> | <b>(0.6)%</b>     | <b>\$ 3,467</b>   | <b>\$ 3,361</b>   | <b>\$ 106</b> | <b>3.2 %</b>      |
| <b>Net income margin</b>                       | <b>2.3 %</b>       | <b>4.3 %</b>      |               |                   | <b>4.1 %</b>      | <b>4.7 %</b>      |               |                   |
| <b>Adjusted EBITDA Margin</b>                  | <b>10.3 %</b>      | <b>11.9 %</b>     |               |                   | <b>12.2 %</b>     | <b>13.2 %</b>     |               |                   |
| Total debt                                     |                    |                   |               |                   | \$ 12,755         | \$ 16,757         | (4,002)       | (23.9)%           |
| Less: Cash and cash equivalents                |                    |                   |               |                   | 1,939             | 199               | 1,740         | NM <sup>(5)</sup> |
| Net debt                                       |                    |                   |               |                   | \$ 10,816         | \$ 16,558         | (5,742)       | (34.7)%           |
| Net Leverage                                   |                    |                   |               |                   | 3.1               | 4.9               |               |                   |
| <b>Contribution from acquisitions</b>          |                    |                   |               |                   | —                 | 64                |               |                   |
| <b>Run-rate Impact of signed contracts</b>     |                    |                   |               |                   | 230               | 133               |               |                   |

<sup>(1)</sup> Includes inventory adjustment associated with non-cash last-in, first-out (“LIFO”) reserves. Inventory adjustments were \$45 million, \$(1) million, \$83 million, and \$53 million for the three months and years ended December 31, 2025 and 2024, respectively. The three months and year ended December 31, 2024 also includes \$12 million and \$25 million of amortization of the inventory step-up resulting from acquisitions.

<sup>(2)</sup> For the year ended December 31, 2025, represents a settlement adjustment of \$(8) million related to the ethylene oxide (“EtO”) litigation, \$(43) million related to settlement of an intellectual property dispute, and \$18 million related to other legal settlements. For the year ended December 31, 2024, represents \$2 million related to one-time legal costs. The three months ended December 31, 2025 includes \$14 million related to other legal settlements.

<sup>(3)</sup> For the three months and years ended December 31, 2025 and 2024, respectively, includes \$5 million, \$10 million, \$28 million, and \$22 million of acquisition and integration-related costs and adjustments; and \$18 million, \$5 million, \$30 million and \$9 million of expenses related to our IPO, consisting of legal, accounting, and advisory fees, as well as one-time employee bonuses, including those with an ongoing service requirement. The three months and year ended December 31, 2024 also includes \$(6) million and \$(13) million of one-time gain related to acquisition of equity investment, respectively.

<sup>(4)</sup> For the three months and years ended December 31, 2025 and 2024, respectively, includes \$(4) million, \$(32) million, \$87 million, and \$(6) million of realized and unrealized foreign exchange and investment losses (gains); \$58 million, \$13 million, \$64 million, and \$56 million of loss on debt extinguishment and other refinancing costs and fees; \$(1) million, \$22 million, \$31 million, and \$38 million credit loss expense (recovery) related to certain customer receivables; and \$5 million, \$3 million, \$20 million, and \$23 million of other project costs.

<sup>(5)</sup> Not Meaningful

MEDLINE INC.

Reconciliation of GAAP Results to Non-GAAP Results (Unaudited)

|  |              | Three months ended December 31, 2025         |          |                                   |                          |                  |                    |                            |        |
|--|--------------|--|----------|-----------------------------------|--------------------------|------------------|--------------------|----------------------------|--------|
|  |              | Selling, general and administrative expenses |          | Amortization of intangible assets | Other operating expenses | Operating Income | Other expense, net | Foreign exchange loss, net | EBITDA |
| (in millions)                                | Gross profit |  |          |                                   |                          |                  |                    |                            |        |
| Reported                                     | \$ 1,914     | \$ 1,265                                     | \$ 176   | \$ 48                             | \$ 425                   | \$ (58)          | \$ 5               | \$ 633                     |        |
| Adjustments:                                 |              |  |          |                                   |                          |                  |                    |                            |        |
| Amortization                                 | —            | —  | (176)    | —                                 | 176                      | —                | —                  | —                          |        |
| Inventory-related adjustments <sup>(1)</sup> | 45           | —  | —        | —                                 | 45                       | —                | —                  | 45                         |        |
| Stock-based compensation expense             | —            | (27)   | —        | —                                 | 27                       | —                | —                  | 27                         |        |
| Litigation charges, net <sup>(2)</sup>       | —            | —  | —        | (14)                              | 14                       | —                | —                  | 14                         |        |
| Transaction-related costs <sup>(3)</sup>     | —            | —  | —        | (23)                              | 23                       | —                | —                  | 23                         |        |
| Other non-core charges, net <sup>(4)</sup>   | —            | (3)  | —        | (6)                               | 9                        | 59               | (5)                | 63                         |        |
| <b>Adjusted</b>                              | <b>1,959</b> | <b>1,235</b>                                 | <b>—</b> | <b>5</b>                          | <b>719</b>               | <b>1</b>         | <b>—</b>           | <b>805</b>                 |        |

|  |              | Three months ended December 31, 2024         |          |                                   |                          |                  |                    |                            |        |
|--|--------------|--|----------|-----------------------------------|--------------------------|------------------|--------------------|----------------------------|--------|
|  |              | Selling, general and administrative expenses |          | Amortization of intangible assets | Other operating expenses | Operating Income | Other expense, net | Foreign exchange loss, net | EBITDA |
| (in millions)                                | Gross profit |  |          |                                   |                          |                  |                    |                            |        |
| Reported                                     | \$ 1,851     | \$ 1,164                                     | \$ 177   | \$ 18                             | \$ 492                   | \$ (8)           | \$ 30              | \$ 767                     |        |
| Adjustments:                                 |              |  |          |                                   |                          |                  |                    |                            |        |
| Amortization                                 | —            | —  | (177)    | —                                 | 177                      | —                | —                  | —                          |        |
| Inventory-related adjustments <sup>(1)</sup> | 11           | —  | —        | —                                 | 11                       | —                | —                  | 11                         |        |
| Stock-based compensation expense             | —            | (11)   | —        | —                                 | 11                       | —                | —                  | 11                         |        |
| Litigation charges, net <sup>(2)</sup>       | —            | —  | —        | —                                 | —                        | —                | —                  | —                          |        |
| Transaction-related costs <sup>(3)</sup>     | —            | —  | —        | (15)                              | 15                       | (6)              | —                  | 9                          |        |
| Other non-core charges, net <sup>(4)</sup>   | —            | (24)   | —        | (3)                               | 27                       | 15               | (30)               | 12                         |        |
| <b>Adjusted</b>                              | <b>1,862</b> | <b>1,129</b>                                 | <b>—</b> | <b>—</b>                          | <b>733</b>               | <b>1</b>         | <b>—</b>           | <b>810</b>                 |        |

|  |              | Year ended December 31, 2025                 |          |                                   |                          |                  |                    |                            |        |
|--|--------------|--|----------|-----------------------------------|--------------------------|------------------|--------------------|----------------------------|--------|
|  |              | Selling, general and administrative expenses |          | Amortization of intangible assets | Other operating expenses | Operating Income | Other expense, net | Foreign exchange loss, net | EBITDA |
| (in millions)                                  | Gross profit |  |          |                                   |                          |                  |                    |                            |        |
| Reported                                       | \$ 7,518     | \$ 4,524                                     | \$ 704   | \$ 78                             | \$ 2,212                 | \$ (64)          | \$ (88)            | \$ 3,071                   |        |
| Adjustments:                                   |              |  |          |                                   |                          |                  |                    |                            |        |
| Amortization                                   | —            | —  | (704)    | —                                 | 704                      | —                | —                  | —                          |        |
| Inventory-related adjustments <sup>(1)</sup>   | 83           | —  | —        | —                                 | 83                       | —                | —                  | 83                         |        |
| Stock-based compensation expense               | —            | (79)   | —        | —                                 | 79                       | —                | —                  | 79                         |        |
| Litigation gains (charges), net <sup>(2)</sup> | —            | 43   | —        | (10)                              | (33)                     | —                | —                  | (33)                       |        |
| Transaction-related costs <sup>(3)</sup>       | —            | —  | —        | (58)                              | 58                       | —                | —                  | 58                         |        |
| Other non-core charges, net <sup>(4)</sup>     | —            | (51)   | —        | (5)                               | 56                       | 65               | 88                 | 209                        |        |
| <b>Adjusted</b>                                | <b>7,601</b> | <b>4,437</b>                                 | <b>—</b> | <b>5</b>                          | <b>3,159</b>             | <b>1</b>         | <b>—</b>           | <b>3,467</b>               |        |

|  |              | Year ended December 31, 2024                 |          |                                   |                          |                  |                    |                            |        |
|--|--------------|--|----------|-----------------------------------|--------------------------|------------------|--------------------|----------------------------|--------|
|  |              | Selling, general and administrative expenses |          | Amortization of intangible assets | Other operating expenses | Operating Income | Other expense, net | Foreign exchange loss, net | EBITDA |
| (in millions)                                | Gross profit |  |          |                                   |                          |                  |                    |                            |        |
| Reported                                     | \$ 6,976     | \$ 4,108                                     | \$ 685   | \$ 37                             | \$ 2,146                 | \$ (43)          | \$ 7               | \$ 3,087                   |        |
| Adjustments:                                 |              |  |          |                                   |                          |                  |                    |                            |        |
| Amortization                                 | —            | —  | (685)    | —                                 | 685                      | —                | —                  | —                          |        |
| Inventory-related adjustments <sup>(1)</sup> | 78           | —  | —        | —                                 | 78                       | —                | —                  | 78                         |        |
| Stock-based compensation expense             | —            | (61)   | —        | —                                 | 61                       | —                | —                  | 61                         |        |
| Litigation charges, net <sup>(2)</sup>       | —            | —  | —        | (2)                               | 2                        | —                | —                  | 2                          |        |
| Transaction-related costs <sup>(3)</sup>     | 2            | —  | —        | (29)                              | 31                       | (13)             | —                  | 18                         |        |
| Other non-core charges, net <sup>(4)</sup>   | —            | (60)   | —        | (6)                               | 66                       | 56               | (7)                | 115                        |        |
| <b>Adjusted</b>                              | <b>7,056</b> | <b>3,987</b>                                 | <b>—</b> | <b>—</b>                          | <b>3,069</b>             | <b>—</b>         | <b>—</b>           | <b>3,361</b>               |        |

<sup>(1)</sup> Includes inventory adjustment associated with non-cash last-in, first-out ("LIFO") reserves. Inventory adjustments were \$45 million, \$(1) million, \$83 million, and \$53 million for the three months and years ended December 31, 2025 and 2024, respectively. The three months and year ended December 31, 2024 also includes \$12 million and \$25 million of amortization of the inventory step-up resulting from acquisitions.

<sup>(2)</sup> For the year ended December 31, 2025, represents a settlement adjustment of \$(8) million related to the ethylene oxide ("EtO") litigation, \$(43) million related to settlement of an intellectual property dispute, and other legal settlements. For the year ended December 31, 2024, represents \$2 million related to one-time legal costs. The three months ended December 31, 2025 includes \$14 million related to other legal settlements.

<sup>(3)</sup> For the three months and years ended December 31, 2025 and 2024, respectively, includes \$5 million, \$10 million, \$28 million, and \$22 million of acquisition and integration-related costs and adjustments; and \$18 million, \$5 million, \$30 million and \$9 million of expenses related to our IPO, consisting of legal, accounting, and advisory fees, as well as one-time employee bonuses, including those with an ongoing service requirement. The three months and year ended December 31, 2024 also includes \$(6) million and \$(13) million of one-time gain related to acquisition of equity investment, respectively.

<sup>(4)</sup> For the three months and years ended December 31, 2025 and 2024, respectively, includes \$(4) million, \$(32) million, \$87 million, and \$(6) million of realized and unrealized foreign exchange and investment losses (gains); \$58 million, \$13 million, \$64 million, and \$56 million of loss on debt extinguishment and other refinancing costs and fees; \$(1) million, \$22 million, \$31 million, and \$38 million credit loss expense (recovery) related to certain customer receivables; and \$5 million, \$3 million, \$20 million, and \$23 million of other project costs.

**MEDLINE INC.**

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**Reconciliation of Net Cash Provided by Operating Activities to Free Cash Flow (Unaudited)**

| <i>(in millions)</i>                      | <b>Year ended</b> |                   |           |          |
|---|-------------------|-------------------|-----------|----------|
|   | December 31, 2025 | December 31, 2024 | \$ Change | % Change |
| Net cash provided by operating activities | \$ 1,744          | \$ 1,769          | \$ (25)   | (1.4)%   |
| Net capital expenditures                  | (447)             | (354)             | (93)      | 26.3 %   |
| Free Cash Flow                            | \$ 1,297          | \$ 1,415          | \$ (118)  | (8.3)%   |

**MEDLINE INC.**

**Consolidated Statements of Income (Unaudited)**

| <i>(in millions)</i>                         | <b>Three months ended</b> |                  |                       |                      |                   |                  |                       |                      |
|--|---------------------------|------------------|-----------------------|----------------------|-------------------|------------------|-----------------------|----------------------|
|  | March 30,<br>2024         | June 29,<br>2024 | September 28,<br>2024 | December 31,<br>2024 | March 29,<br>2025 | June 28,<br>2025 | September 27,<br>2025 | December 31,<br>2025 |
| <b>Net sales</b>                             | \$ 6,150                  | \$ 6,185         | \$ 6,388              | \$ 6,784             | \$ 6,644          | \$ 6,886         | \$ 7,115              | \$ 7,787             |
| Cost of goods sold                           | 4,444                     | 4,523            | 4,631                 | 4,933                | 4,820             | 4,981            | 5,240                 | 5,873                |
| <b>Gross profit</b>                          | 1,706                     | 1,662            | 1,757                 | 1,851                | 1,824             | 1,905            | 1,875                 | 1,914                |
| <i>Gross margin %</i>                        | 27.7 %                    | 26.9 %           | 27.5 %                | 27.3 %               | 27.5 %            | 27.7 %           | 26.4 %                | 24.6 %               |
| <b>Operating expense</b>                     |                           |                  |                       |                      |                   |                  |                       |                      |
| Selling, general and administrative expenses | 980                       | 976              | 988                   | 1,164                | 1,070             | 1,073            | 1,116                 | 1,265                |
| Amortization of intangible assets            | 167                       | 168              | 173                   | 177                  | 175               | 176              | 177                   | 176                  |
| Other operating (income) expenses            | (5)                       | 2                | 22                    | 18                   | 8                 | 14               | 8                     | 48                   |
| Total operating expense                      | 1,142                     | 1,146            | 1,183                 | 1,359                | 1,253             | 1,263            | 1,301                 | 1,489                |
| <b>Operating income</b>                      | 564                       | 516              | 574                   | 492                  | 571               | 642              | 574                   | 425                  |
| <i>Operating margin %</i>                    | 9.2 %                     | 8.3 %            | 9.0 %                 | 7.3 %                | 8.6 %             | 9.3 %            | 8.1 %                 | 5.5 %                |
| <b>Other expense</b>                         |                           |                  |                       |                      |                   |                  |                       |                      |
| Interest expense, net                        | (229)                     | (213)            | (213)                 | (209)                | (210)             | (223)            | (213)                 | (166)                |
| Other expense, net                           | (32)                      | (2)              | (1)                   | (8)                  | (0)               | —                | (6)                   | (58)                 |
| Foreign exchange (loss) gain, net            | —                         | (1)              | (22)                  | 30                   | (23)              | (60)             | (10)                  | 5                    |
| Total other expense                          | (261)                     | (216)            | (236)                 | (187)                | (233)             | (283)            | (229)                 | (219)                |
| <b>Income before income taxes</b>            | 303                       | 300              | 338                   | 305                  | 338               | 359              | 345                   | 206                  |
| Provision for income taxes                   | 8                         | 8                | 14                    | 16                   | 16                | 26               | 23                    | 26                   |
| <b>Net income</b>                            | \$ 295                    | \$ 292           | \$ 324                | \$ 289               | \$ 322            | \$ 333           | \$ 322                | \$ 180               |
| <i>Net income %</i>                          | 4.8 %                     | 4.7 %            | 5.1 %                 | 4.3 %                | 4.8 %             | 4.8 %            | 4.5 %                 | 2.3 %                |

**MEDLINE INC.**

**Segment Net Sales and Adjusted EBITDA Margin (Unaudited)**

| <i>(in millions)</i>                  | <b>Three months ended</b> |                  |                       |                      |                   |                  |                       |                      |
|---------------------------------------|---------------------------|------------------|-----------------------|----------------------|-------------------|------------------|-----------------------|----------------------|
|                                       | March 30,<br>2024         | June 29,<br>2024 | September 28,<br>2024 | December 31,<br>2024 | March 29,<br>2025 | June 28,<br>2025 | September 27,<br>2025 | December 31,<br>2025 |
| <b>Medline Brand segment</b>          |                           |                  |                       |                      |                   |                  |                       |                      |
| Net sales                             | \$ 3,041                  | \$ 3,022         | \$ 3,123              | \$ 3,329             | \$ 3,264          | \$ 3,322         | \$ 3,411              | \$ 3,723             |
| Adjusted EBITDA                       | 801                       | 794              | 850                   | 824                  | 830               | 890              | 821                   | 793                  |
| Adjusted EBITDA Margin                | 26.3 %                    | 26.3 %           | 27.2 %                | 24.8 %               | 25.4 %            | 26.8 %           | 24.1 %                | 21.3 %               |
| <b>Supply Chain Solutions segment</b> |                           |                  |                       |                      |                   |                  |                       |                      |
| Net sales                             | \$ 3,109                  | \$ 3,163         | \$ 3,265              | \$ 3,455             | \$ 3,380          | \$ 3,564         | \$ 3,704              | \$ 4,064             |
| Adjusted EBITDA                       | 160                       | 162              | 157                   | 168                  | 182               | 201              | 205                   | 217                  |
| Adjusted EBITDA Margin                | 5.1 %                     | 5.1 %            | 4.8 %                 | 4.9 %                | 5.4 %             | 5.6 %            | 5.5 %                 | 5.3 %                |
| Corporate & Other <sup>(1)</sup>      | \$ (117)                  | \$ (129)         | \$ (127)              | \$ (182)             | \$ (144)          | \$ (156)         | \$ (167)              | \$ (205)             |

<sup>(1)</sup>The organizational structure includes Corporate & Other which consists of expenses related to centralized corporate functions, such as finance, information technology, legal, human resources, and internal audit.

**MEDLINE INC.**

**Reconciliation of Net Income to Adjusted EBITDA (Unaudited)**

| <i>(in millions)</i>             | <b>Three months ended</b> |                  |                       |                      |                   |                  |                       |                      |
|----------------------------------|---------------------------|------------------|-----------------------|----------------------|-------------------|------------------|-----------------------|----------------------|
|                                  | March 30,<br>2024         | June 29,<br>2024 | September 28,<br>2024 | December 31,<br>2024 | March 29,<br>2025 | June 28,<br>2025 | September 27,<br>2025 | December 31,<br>2025 |
| <b>Net income</b>                | \$ 295                    | \$ 292           | \$ 324                | \$ 289               | \$ 322            | \$ 333           | \$ 322                | \$ 180               |
| Interest expense, net            | 229                       | 213              | 213                   | 209                  | 210               | 223              | 213                   | 166                  |
| Provision for income taxes       | 8                         | 8                | 14                    | 16                   | 16                | 26               | 23                    | 26                   |
| Depreciation and amortization    | 237                       | 239              | 248                   | 254                  | 247               | 250              | 253                   | 261                  |
| Inventory-related adjustments    | 25                        | 32               | 10                    | 11                   | 21                | 15               | 2                     | 45                   |
| Stock-based compensation expense | 17                        | 16               | 17                    | 11                   | 22                | 15               | 15                    | 27                   |
| Litigation (gains) charges, net  | (1)                       | 2                | 1                     | —                    | (34)              | (13)             | —                     | 14                   |
| Transaction-related costs        | (9)                       | 1                | 17                    | 9                    | 12                | 11               | 12                    | 23                   |
| Other non-core charges           | 43                        | 24               | 36                    | 11                   | 52                | 75               | 19                    | 63                   |
| <b>Adjusted EBITDA</b>           | <b>\$ 844</b>             | <b>\$ 827</b>    | <b>\$ 880</b>         | <b>\$ 810</b>        | <b>\$ 868</b>     | <b>\$ 935</b>    | <b>\$ 859</b>         | <b>\$ 805</b>        |
| <b>Net income margin</b>         | <b>4.8 %</b>              | <b>4.7 %</b>     | <b>5.1 %</b>          | <b>4.3 %</b>         | <b>4.8 %</b>      | <b>4.8 %</b>     | <b>4.5 %</b>          | <b>2.3 %</b>         |
| <b>Adjusted EBITDA Margin</b>    | <b>13.7 %</b>             | <b>13.4 %</b>    | <b>13.8 %</b>         | <b>11.9 %</b>        | <b>13.1 %</b>     | <b>13.6 %</b>    | <b>12.1 %</b>         | <b>10.3 %</b>        |

**MEDLINE INC.**

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**Business Days Summary**

Medline closes and reports on a 4-4-5 week calendar, which can create discrepancy in days per quarter. While this tends to net out for the full year, certain quarters could have slightly more or less days than the same quarter in the previous year. The differences in days could have an impact on year-over-year growth rates.

|      | Q1 | Q2 | Q3 | Q4 | FY  |
|------|----|----|----|----|-----|
| 2022 | 59 | 64 | 63 | 67 | 253 |
| 2023 | 59 | 64 | 63 | 67 | 253 |
| 2024 | 64 | 64 | 63 | 64 | 255 |
| 2025 | 62 | 64 | 63 | 65 | 254 |
| 2026 | 61 | 64 | 63 | 66 | 254 |

**MEDLINE INC.**

**Reconciliation of Net Income to Illustrative Adjusted Net Income and Illustrative Adjusted Net Income per Share**

Illustrative Adjusted Net Income is shown as net income (loss) adjusted for (i) intangible asset amortization, (ii) inventory-related adjustments, (iii) stock-based compensation, (iv) litigation (gains) charges, net, (v) transaction-related costs, (vi) other non-core (gains) charges, and (vii) tax impacts related to non-GAAP adjustments, noncontrolling interests conversion, and retained tax receivable agreement ("TRA") benefits. Illustrative Adjusted Net Income per Share is defined as Illustrative Adjusted Net Income divided by adjusted weighted-average number of shares of common stock, which includes potentially dilutive shares.

The following table shows an illustrative view of our three months and full year ending December 31, 2025 Adjusted Net Income and Adjusted Net Income per Share leveraging December 31, 2025 results and our best estimates of relevant assumptions and adjustments. This calculation is for illustrative purposes only and intended to provide directional clarity on the major components of actual Adjusted Net Income and Adjusted Net Income per Share calculation that will be included with our results beginning in the first quarter 2026. The assumptions used herein and nature of the anticipated adjustments are subject to change.

|  | Three months<br>ended | Year<br>ended        |
|--|-----------------------|----------------------|
|  | December 31, 2025     | December 31, 2025    |
| <b>Net income</b>  | \$ 180                | \$ 1,157             |
| Intangible asset amortization  | 176                   | 704                  |
| Inventory-related adjustments <sup>(1)</sup>                           | 45                    | 83                   |
| Stock-based compensation expense                                       | 27                    | 79                   |
| Litigation charges (gains), net <sup>(2)</sup>                         | 14                    | (33)                 |
| Transaction-related costs <sup>(3)</sup>                               | 23                    | 58                   |
| Other non-core charges <sup>(4)</sup>                                  | 63                    | 209                  |
| Tax effect on non-GAAP adjustments <sup>(5)</sup>                      | (80)                  | (255)                |
| Tax provision on conversion of noncontrolling interests <sup>(6)</sup> | (26)                  | (221)                |
| Tax impact of retained TRA benefits <sup>(7)</sup>                     | 6                     | 25                   |
| <b>Illustrative Adjusted Net Income</b>                                | <b>\$ 428</b>         | <b>\$ 1,806</b>      |
| <b>Illustrative dilutive shares</b>                                    |                       |                      |
| Weighted average number of Class A common stock outstanding            |                       | 809,688,887          |
| Anti-dilutive securities <sup>(8)</sup>                                |                       | 553,653,695          |
| <b>Total illustrative dilutive shares</b>                              |                       | <b>1,363,342,582</b> |
| <b>Illustrative Adjusted Net Income per Share</b>                      | <b>\$ 0.31</b>        | <b>\$ 1.32</b>       |

(1) Includes inventory adjustment associated with non-cash last-in, first-out ("LIFO") reserves. Inventory adjustments were \$45 million and \$83 million for the three months and year ended December 31, 2025, respectively. This adjustment is consistent with the non-GAAP adjustment within the Adjusted EBITDA definition included in Schedule 6 of these materials.

(2) For the year ended December 31, 2025, represents a settlement adjustment of \$(8) million related to the EtO litigation, \$(43) million related to settlement of an intellectual property dispute, and \$18 million related to other legal settlements. The three months ended December 31, 2025 includes \$14 million related to other legal settlements. This adjustment is consistent with the non-GAAP adjustment within the Adjusted EBITDA definition included in Schedule 6 of these materials.

(3) For the three months and year ended December 31, 2025, respectively, includes \$5 million and \$28 million of acquisition and integration-related costs and adjustments; and \$18 million and \$30 million of expenses related to our IPO, consisting of legal, accounting, and advisory fees, as well as one-time employee bonuses, including those with an ongoing service requirement. This adjustment is consistent with the non-GAAP adjustment within the Adjusted EBITDA definition included in Schedule 6 of these materials.

(4) For the three months and year ended December 31, 2025, respectively, includes (\$4) million and \$87 million of realized and unrealized foreign exchange and investment losses (gains); \$58 million and \$64 million of loss on debt extinguishment and other refinancing costs and fees; (\$1) million and \$31 million credit loss expense (recovery) related to certain customer receivables; and \$5 million and \$20 million of other project costs. This adjustment is consistent with the non-GAAP adjustment within the Adjusted EBITDA definition included in Schedule 6 of these materials.

(5) Non-GAAP adjustments are tax effected using an estimated effective tax rate of 25% as a proxy. This reflects an estimate as of February 25, 2026 and is subject to future changes or revisions. Stock-based compensation expense for 2025 is not tax effected, as this relates to partnership units that are not tax deductible.

(6) Represents incremental tax provision assuming 100% ownership by Medline Inc., using an estimated effective tax rate of 25% as a proxy, applied to the Income before income taxes on our Consolidated Statements of Income included in Schedule 1 of these materials. This reflects an estimate as of February 25, 2026 and is subject to future changes or revisions.

(7) Represents the 10% benefit that we retain for the shared tax benefits related to the TRA. Amount is the 2026 estimate as of February 25, 2026, is used as a proxy for full year 2025, and is subject to future changes or revisions.

(8) Weighted average shares outstanding and anti-dilutive securities are consistent with Note 18 - Net Income (Loss) Per Share of our Notes to Consolidated Financial Statements within Item 8 of our previously filed Form 10-K for the year ended December 31, 2025.