# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-K
(Mark One)
☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2025

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 001-18761

# MONSTER BEVERAGE CORPORATION

(Exact name of registrant as specified in its charter)

| | |
|---|---|
| Delaware<br>(State or other jurisdiction of incorporation or organization) | 47-1809393<br>(I.R.S. Employer Identification No.) |

1 Monster Way
Corona, California 92879
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (951) 739 - 6200

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---|---|---|
| Common Stock, $0.005 par value per share | MNST | Nasdaq Global Select Market |

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☑ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes ☐ No ☑

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act:

| | |
|---|---|
| Large accelerated filer ☑ | Accelerated filer ☐ |
| Non-accelerated filer ☐ | Smaller reporting company ☐ |
| | Emerging growth company ☐ |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☑

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined by Rule 12b-2 of the Exchange Act.). Yes ☐ No ☑

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the registrant was $56,505,471,480 computed by reference to the closing sale price for such stock on the Nasdaq Global Select Market on June 30, 2025, the last business day of the registrant's most recently completed second fiscal quarter.

The number of shares of the registrant's common stock, $0.005 par value per share (being the only class of common stock of the registrant), outstanding on February 13, 2026 was 978,270,734 shares.

DOCUMENTS INCORPORATED BY REFERENCE:

Portions of the registrant's Definitive Proxy Statement to be filed subsequent to the date hereof with the Commission pursuant to Regulation 14A in connection with the registrant's 2026 Annual Meeting of Stockholders are incorporated by reference into Part III of this Report. Such Definitive Proxy Statement will be filed with the Securities and Exchange Commission no later than 120 days after the conclusion of the registrant's fiscal year ended December 31, 2025.

**MONSTER BEVERAGE CORPORATION**

**FORM 10-K**

**TABLE OF CONTENTS**

## PART I

## ITEM 1. BUSINESS

When this report uses the words "the Company", "we", "us" and "our", these words refer to Monster Beverage Corporation and its subsidiaries, unless the context otherwise requires. Based in Corona, California, Monster Beverage Corporation is a holding company and conducts no operating business, except through its consolidated subsidiaries. The Company's subsidiaries primarily develop and market energy drinks.

### Overview

We develop, market, sell and distribute energy drink beverages and concentrates for energy drink beverages, primarily under the following brand names:

- Monster Energy®
- Monster Energy Ultra®
- Rehab Monster®
- Monster Energy®Nitro
- Java Monster®
- Punch Monster®
- Juice Monster®
- Reign Total Body Fuel®
- Reign Storm®
- Bang Energy®
- NOS®
- Full Throttle®
- Burn®
- Mother®
- Nalu®
- Ultra Energy®
- Play® and Power Play® (stylized)
- Relentless®
- BPM®
- BU®
- Samurai®
- Live+®
- Predator®
- Fury®

We also develop, market, sell and distribute craft beers, flavored malt beverages ("FMBs") and hard seltzers under a number of brands, including Jai Alai® IPA, Florida Man® IPA, Dale's Pale Ale®, Wild Basin® Hard Seltzers, Dallas Blonde®, Deep Ellum™ IPA, Perrin Brewing Company® Black Ale, Hop Rising® Double IPA, Wasatch® Apricot Hefeweizen, The Beast™, Beast® Tea, Blind Lemon®, Blinder Lemon™ and other brands.

### Industry Overview

The "alternative" beverage category combines non-carbonated, ready-to-drink iced teas, lemonades, juice cocktails, single-serve juices and fruit beverages, ready-to-drink dairy and coffee drinks, energy drinks, sports drinks and single-serve still waters (flavored, unflavored and enhanced) with "new age" beverages, including sodas that are considered natural, sparkling juices and flavored sparkling beverages. According to Beverage Marketing Corporation, domestic U.S. wholesale sales in 2025 for the "alternative" beverage category of the market are estimated at approximately $76.8 billion, representing an increase of approximately 2.4% over estimated domestic U.S. wholesale sales in 2024 of approximately $75.0 billion.

### Reportable Segments

We have four operating and reportable segments: (i) Monster Energy® Drinks segment ("Monster Energy® Drinks"), which is primarily comprised of our Monster Energy® drinks, Reign Total Body Fuel® high performance energy drinks, Reign Storm® total wellness energy drinks and Bang Energy® drinks, (ii) Strategic Brands segment ("Strategic Brands"), which is primarily comprised of the various energy drink brands acquired from The Coca-Cola Company ("TCCC") in 2015 as well as our affordable energy brands, Predator® and Fury®, (iii) Alcohol Brands segment ("Alcohol Brands"), which is comprised of various craft beers, FMBs and hard seltzers and (iv) Other segment ("Other"), which is comprised of certain products sold by American Fruits and Flavors LLC ("AFF"), a wholly-owned subsidiary of the Company, to independent third-party customers (the "AFF Third-Party Products").

Our Monster Energy® Drinks segment primarily generates net operating revenues by selling ready-to-drink packaged drinks primarily to bottlers and full service beverage distributors ("bottlers/distributors"). In some cases, we sell ready-to-drink packaged drinks directly to retail grocery and specialty chains, wholesalers, club stores, mass merchandisers, convenience and gas chains, drug stores, foodservice customers, value stores, e-commerce retailers and the military.

Our Strategic Brands segment primarily generates net operating revenues by selling “concentrates” and/or “beverage bases” to authorized bottling and canning operations. Such bottlers generally combine the concentrates and/or beverage bases with sweeteners, water and other ingredients to produce ready-to-drink packaged energy drinks. The ready-to-drink packaged energy drinks are then sold by such bottlers to other bottlers/distributors and to retail grocery and specialty chains, wholesalers, club stores, mass merchandisers, convenience and gas chains, foodservice customers, drug stores, value stores, e-commerce retailers and the military. To a lesser extent, our Strategic Brands segment generates net operating revenues by selling certain ready-to-drink packaged energy drinks to bottlers/distributors.

Generally, the Monster Energy® Drinks segment generates higher per case net operating revenues, but lower per case gross profit margin percentages than the Strategic Brands segment.

The Company’s Alcohol Brands segment primarily generates operating revenues by selling kegged and ready-to-drink canned beers, FMBs and hard seltzers, primarily to beer distributors in the United States.

Generally, the Alcohol Brands segment has lower gross profit margin percentages than the Monster Energy® Drinks segment.

For certain risks with respect to our beverages see “Part I, Item 1A – Risk Factors” below.

**Corporate History**

In the 1930s, Hubert Hansen and his sons started a business selling fresh non-pasteurized juices in Los Angeles, California. In 1977, Tim Hansen, one of the grandsons of Hubert Hansen, perceived a demand for shelf stable pasteurized natural juices and juice blends and formed Hansen Foods, Inc. (“HFI”). HFI expanded its product line from juices to include Hansen’s Natural Soda® brand sodas. In 1990, California Co-Packers Corporation (d/b/a Hansen Beverage Company) (“CCC”) acquired certain assets of HFI, including the right to market the Hansen’s® brand name. In 1992, Hansen Natural Corporation acquired the Hansen’s® brand natural soda and apple juice business from CCC. Under our ownership, the Hansen’s® beverage business significantly expanded to include a wide range of beverages within the growing “alternative” beverage category including, in particular, energy drinks. In 2012, we changed our name from Hansen Natural Corporation to Monster Beverage Corporation. In 2015, we acquired various energy brands from TCCC and disposed of our non-energy drink business. In 2016, we completed our acquisition of flavor supplier and long-time business partner AFF. In 2022, we completed our acquisition of Monster Brewing Company, which facilitated our entry into the alcohol beverage sector. In 2023, we completed our acquisition of the Bang Energy® drink business.

**2025 Product Introductions**

During 2025, we continued to expand our existing energy drink portfolio by adding additional products to our portfolio in a number of countries and further developed our distribution markets. During 2025, we sold the following new products to our customers:

- Bang Energy® Any Means Orange
- BPM® White Citrus
- Burn® Orange
- Burn® White Citrus Zero Sugar
- Fury® Mango Mayhem®
- Juice Monster® Voodoo Grape
- Monster Energy® Electric Blue™
- Monster Energy® Lando Norris Zero Sugar
- Monster Energy® Orange Dreamsicle®
- Monster Energy® Strawberry Shot
- Monster Energy® Ultra Punk Punch™
- Monster Energy® Ultra Red White & Blue Razz
- Monster Energy® Ultra Wild Passion
- Monster Energy® Valentino Rossi Zero Sugar

- Monster Energy® Zero Sugar Strawberry Shot
- Mother® Watermelon
- Mother® White Gummy
- Nalu® Zero Sugar Original
- Predator® Wild Berry
- Reign Total Body Fuel® White Haze
- Relentless® Guava
- Ultra Energy® White Citrus
- Blind Lemon® Cherry Lemonade
- Blind Lemon® Original Lemonade
- Blind Lemon® Peach Lemonade
- Blind Lemon® Strawberry Lemonade
- Blinder Lemon™ Original Lemonade
- Blinder Lemon™ Strawberry Lemonade

In the normal course of business, we discontinue certain products and/or product lines. Those products or product lines discontinued in 2025, either individually or in aggregate, did not have a material adverse impact on our financial position, results of operations or liquidity.

**Products – Monster Energy® Drinks Segment**

*Monster Energy® Drinks* – a line of carbonated energy drinks. Our Monster Energy® drinks contain vitamins, minerals, nutrients, herbs and other ingredients (collectively, "supplement ingredients"). We offer the following energy drinks under the Monster Energy® drink product line: Monster Energy®, Monster Energy® Strawberry Shot, Monster Energy® Zero Sugar, Monster Energy® Zero Sugar Strawberry Shot, Lo-Carb Monster Energy®, Monster Assault®, Juice Monster® Aussie Style Lemonade™, Juice Monster® Bad Apple®, Juice Monster® Khaotic®, Juice Monster® Mango Loco®, Juice Monster® Pacific Punch®, Juice Monster® Papillon® (Juiced Monster® Monarch in certain countries), Juice Monster® Pipeline Punch®, Juice Monster® Ripper®, Juice Monster® Rio Punch™, Juice Monster® Viking Berry™, Juice Monster® Voodoo Grape, Monster Energy® Import, Monster Energy® Electric Blue™, Monster Energy® Export, Monster Energy® Lando Norris Zero Sugar, Monster Energy® Orange Dreamsicle®, M3(stylized)®, Monster Energy Zero Ultra®, Monster Energy Ultra Black®, Monster Energy Ultra Blue®, Monster Energy® Ultra Blue Hawaiian, Monster Energy® Ultra Fantasy Ruby Red™, Monster Energy Ultra Fiesta® Mango, Monster Energy® Ultra Golden Pineapple®, Monster Energy Ultra Paradise®, Monster Energy® Ultra Peachy Keen®, Monster Energy® Ultra Punk Punch™, Monster Energy Ultra Red®, Monster Energy® Ultra Red White & Blue Razz, Monster Energy Ultra Rosa®, Monster Energy® Ultra Strawberry Dreams®, Monster Energy® Ultra Sunrise®, Monster Energy® Ultra Vice Guava®, Monster Energy Ultra Violet®, Monster Energy Ultra® Watermelon, Monster Energy Ultra® Wild Passion, Monster Energy® Mixxd Punch, Monster Energy® Valentino Rossi Zero Sugar, Monster Energy® Zero Sugar Full Throttle, Monster® (stylized) Reserve Orange Dreamsicle® and Monster® (stylized) Reserve Peaches N' Crème.

*Java Monster® Coffee + Energy Drinks* – a line of non-carbonated dairy-based coffee + energy drinks. We offer the following coffee + energy drinks under the Java Monster® product line: Java Monster® 300 French Vanilla, Java Monster® Café Latte, Java Monster® Irish Crème, Java Monster® Loca Moca®, Java Monster® Mean Bean®, Java Monster® Salted Caramel, Monster® Killer Brew™ Loca Moca® and Monster® Killer Brew™ Mean Bean®.

*Monster Energy® Nitro* – a carbonated energy drink containing nitrous oxide offered in the following flavor: Super Dry.

*Rehab Monster® Energy Drinks* – a line of non-carbonated energy drinks with electrolytes. We offer the following energy drinks under the Rehab Monster® product line: Green Tea, Peach Tea, Tea + Lemonade and Wild Berry Tea.

*Reign Total Body Fuel® High Performance Energy Drinks* – a line of high-performance energy drinks with BCAA's, B vitamins, electrolytes and CoQ10 with zero sugar. We offer the following high performance energy drinks under the Reign Total Body Fuel® product line: Cherry Limeade, Lemon Hdz, Lilikoi Lychee, Melon Mania®, Orange Dreamsicle®, Razzle Berry, Reignbow Sherbet®, Sour Gummy Worm, Tropical Storm®, Watermelon Sour Gummy, White Gummy Bear and White Haze.

*Reign Storm® Total Wellness Energy Drinks* – a line of better-for-you energy drinks with natural caffeine, Biotin, Zinc, B vitamins, Vitamin A and Vitamin C, with zero sugar. We offer the following under the Reign Storm® Total Wellness Energy product line: Citrus Zest, Guava Strawberry, Harvest Grape, Kiwi Blend, Mango, Peach Nectarine, Strawberry Apricot, Tropical and Valencia Orange.

*Bang Energy® Drinks* – a line of better-for-you lifestyle energy drinks with B vitamins, essential amino acids and unique flavor profiles with zero sugar. We offer the following energy drinks under the Bang Energy® product line: Any Means Orange, Black Cherry Vanilla, Blue Razz®, Cotton Candy, Delish Strawberry Kiss®, Lime Pop Drop, Peach Mango, Purple Haze™, Sour Heads®, Sour Ropes, Star Blast® and Wyldin' Watermelon®.

**Products – Strategic Brands Segment**

*BPM®* – a line of carbonated energy drinks. We offer the following energy drinks under the BPM® product line: Focus Berry Red, Fruit Punch and White Citrus.

*BU®* – a line of carbonated energy drinks. We offer the following energy drink under the BU® product line: Original.

*Burn®* – a line of carbonated energy drinks. We offer the following energy drinks under the Burn® product line: Apple Kiwi, Blue Refresh, Dark Energy®, Fruit Punch, Gold Rush, Guava, Mango, Orange, Original, Passion Punch, Peach Mango, Sour Twist, Watermelon Zero Sugar, and White Citrus Zero Sugar.

*Full Throttle®* – a line of carbonated energy drinks. We offer the following energy drinks under the Full Throttle® product line: Original (Citrus) and True Blue.

*Fury®* – a line of affordable carbonated energy drinks. We offer the following energy drinks under the Fury® product line: Gold Strike® and Mango Mayhem®.

*Live+®* – a line of carbonated energy drinks. We offer the following energy drinks under the Live+® product line: Original, Original Zero Sugar and Tart Apple.

*Mother®* – a line of carbonated energy drinks. We offer the following energy drinks under the Mother® product line: Frosty Berry®, Kicked Apple®, Lava Guava®, Orange Dreamsicle®, Original, Passion, Rainbow Sherbet, Sugar Free, Watermelon, White Gummy and Zero Sugar Razzle Berry.

*Nalu®* – a line of carbonated energy drinks. We offer the following energy drinks under the Nalu® product line: Exotic, Frost, Melon Splash, Original, Zero Sugar Original, Passion and Yuzu Rosemary.

*NOS®* – a line of carbonated energy drinks. We offer the following energy drinks under the NOS® product line: GT Grape, Original, Sonic Sour and Zero Sugar.

*Play® and Power Play® (stylized)* – a line of carbonated energy drinks. We offer the following energy drinks under the Play® and Power Play® (stylized) product line: Apple Kiwi, Mango, Passion Fruit, Original and Sugar Free.

*Predator®* – a line of affordable carbonated and non-carbonated energy drinks. We offer the following energy drinks under the Predator® product line: Gold Strike®, Mango Mayhem®, Mean Green®, Purple Rain®, Red Apple, Spicy Ginger, Tropical and Wild Berry.

*Relentless®* – a line of carbonated energy drinks. We offer the following energy drinks under the Relentless® product line: Fruit Punch, Guava, Origin, Raspberry Zero Sugar and White Citrus.

*Samurai®* – a line of carbonated energy drinks. We offer the following energy drinks under the Samurai® product line: Fruity and Strawberry.

*Ultra Energy®* – a line of carbonated energy drinks. We offer the following energy drinks under the Ultra Energy® product line: Apple Kiwi, Citrus Peach, Fruit Punch, Original, Passion Punch and White Citrus.

**Products – Alcohol Brands Segment**

*Blind Lemon®* – a line of FMBs. We offer the following flavors under the Blind Lemon® brand family: Cherry Lemonade, Original Lemonade, Peach Lemonade and Strawberry Lemonade.

*Blinder Lemon™* – a line of FMBs. We offer the following flavors under the Blinder Lemon™ brand family: Original Lemonade and Strawberry Lemonade.

*Cigar City®* – a line of craft beers. We offer the following brands under the Cigar City® brand family: Jai Alai®, Florida Man® and others.

*Oskar Blues®* – a line of craft beers. We offer the following brands under the Oskar Blues® brand family: Dale's Pale Ale®, Dale's Easy IPA, Dale's Light Lager, Double Dale's® and others.

*Deep Ellum™* – a line of craft beers. We offer the following brands under the Deep Ellum™ brand family: Dallas Blonde®, Deep Ellum™ IPA and others.

*Squatters®* – a line of craft beers. We offer the following brands under the Squatters® brand family: Hop Rising® Double IPA and others.

*Wild Basin®* – a line of craft hard seltzers. We offer the following flavors under the Wild Basin® product line: Blackberry, Lime, Passion Orange, Pomegranate Acai and others.

*Wasatch®* – a line of craft beers. We offer a number of brands under the Wasatch® brand family including Apricot Hefeweizen and others.

*Perrin* – a line of craft beers. We offer a number of brands under the Perrin brand family including Black Ale and others.

*The Beast™* – a line of FMBs. We offer the following flavors under The Beast™ brand family: Gnarly Grape™, Killer Sunrise™, Mean Green®, Peach Perfect™, Pink Poison™, Scary Berries® and White Haze™.

*Beast® Tea* – a line of FMBs. We offer the following flavors under the Beast® Tea brand family: Green Tea, Original, Peach and Tea + Lemonade.

**Products – Other Segment**

AFF sells a limited number of products to independent third-party customers.

**Other Products**

We continue to evaluate and, where considered appropriate, introduce additional products, flavors and types of beverages to complement our existing product lines. We may also evaluate, and as appropriate, introduce additional types of consumer products we consider to be complementary to our existing products and/or to which our brand names are able to add value.

The Company also sells and/or enters into license agreements that generate revenues associated with third-party sales of non-beverage products bearing the Company's trademarks including, but not limited to, clothing, backpacks, hats, t-shirts, jackets, helmets and automotive wheels.

**Products – Packaging**

Our products are packaged in a variety of different package types and sizes including, but not limited to, aluminum cans, aluminum cap cans, sleek aluminum cans, aluminum cans with re-sealable ends, kegs as well as to a limited extent, polyethylene terephthalate (PET) plastic bottles.

**Manufacture and Distribution**

AFF develops and manufactures the primary flavors for our Monster Energy® Drinks segment at its facilities in California and Athy, Ireland.

In 2025, we continued to outsource the manufacturing process for the majority of our finished goods energy drink products to third-party bottlers and contract packers. In addition, we manufacture Bang Energy® drinks and certain of our other energy drink products at our manufacturing facilities in Phoenix, AZ and Norwalk, CA.

We purchase flavor ingredients, flavors, concentrates, sweeteners, juices, supplement ingredients, cans, lids, bottles, caps, labels, trays, boxes and other ingredients for our non-alcohol products from ingredient suppliers, which are delivered to our various third-party bottlers and co-packers. In some cases, certain common supplies may be purchased by our various third-party bottlers and co-packers. Depending on the product, the third-party bottlers or co-packers add filtered water and/or other ingredients (including supplement ingredients) for the manufacture and packaging of the finished products into our approved containers in accordance with our recipes and formulas. Depending on the beverage, the bottler/packer may also add carbonation to the products as part of the production process.

For our Strategic Brands segment, we primarily purchase concentrates and/or beverage bases from ingredient suppliers including TCCC, which are then sold to certain of our various third-party bottlers/distributors. The third-party bottlers/distributors are responsible for the manufacture and packaging of the finished products, including the procurement of all other required ingredients and packaging materials.

For certain limited products in the Strategic Brands segment, we may purchase flavors, concentrates, sweeteners, juices, supplement ingredients, cans, lids, bottles, caps, labels, trays, boxes and other ingredients for our Strategic Brand products from our suppliers, which are delivered to our various third-party bottlers and co-packers. In some cases, certain common supplies may be purchased by our various third-party bottlers and co-packers. Depending on the product, the third-party bottlers or co-packers add filtered water and/or other ingredients (including supplement ingredients), for the manufacture and packaging of the finished products into our approved containers in accordance with our recipes and formulas. Depending on the beverage, the bottler/co-packer may also add carbonation to the products as part of the production process.

For our Alcohol Brands segment, we purchase cans, cartons, hops, malt, yeast, sugar, ethanol and other additives and flavorings and packaging materials from ingredient and raw material suppliers to be used in the brewing, fermentation, and packaging of alcohol beers, FMBs and hard seltzers. We are granted a right-of-use for any kegs used in production from a third-party supplier at a contracted rate per fill. Most of our alcohol finished goods are manufactured at our owned or leased manufacturing facilities or at third-party co-packers.

*Co-Packing Arrangements*

A majority of our non-alcohol and certain alcohol finished goods are manufactured by various third-party bottlers and co-packers situated throughout the United States and abroad, under separate arrangements with each party. Our co-packaging arrangements vary in terms and, from time to time, we may enter into manufacturing contracts with agreed upon minimum quantities to ensure continuity of supply of certain products in certain territories.

In some instances, subject to agreement, certain equipment may be purchased exclusively by us and/or jointly with our co-packers and/or bottlers and installed at their facilities to enable them to produce certain of our products. In certain cases, such equipment remains our property and is required to be returned to us upon termination of the packing arrangements with such co-packers and/or bottlers, unless we are reimbursed by the co-packer and/or bottler at the then book value or via a per-case credit over a pre-determined number of cases that are produced at the facilities concerned.

For our Monster Energy® Drinks segment, we are generally responsible for arranging for the purchase and delivery to our third-party bottlers and co-packers of the containers in which our beverage products are packaged.

Our products are packaged in a number of locations, both domestically and internationally. As distribution volumes increase in both our domestic and international markets, we will continue to source additional packing arrangements.

Our ability to estimate demand for our products is imprecise, particularly with new products, and may be less precise during periods of rapid growth, including in new markets. If we materially underestimate demand for our products and/or are unable to secure sufficient ingredients or raw materials including, but not limited to, aluminum cans, aluminum cap cans, sleek aluminum cans, aluminum cans with re-sealable ends, to a limited extent PET plastic bottles and caps, labels, flavor ingredients, flavors, juice concentrates, coffee, tea, supplement ingredients, ethanol, other ingredients and certain sweeteners, and/or procure adequate packing arrangements and/or obtain adequate or timely shipment of our products, we might not be able to satisfy demand on a short-term basis. (See "Part I, Item 1A – Risk Factors").

For certain of our products, there are limited co-packing facilities in our domestic and international markets with adequate capacity and/or suitable equipment to package our products. We believe a short disruption or delay in production would not significantly affect our revenues; however, as alternative co-packing facilities in our domestic and international markets with adequate long-term capacity may not be available for such products, either at commercially reasonable rates and/or within a reasonably short time period, if at all, a lengthy disruption or delay in production of any of such products could significantly affect our revenues.

We continue to actively seek alternative and/or additional co-packing facilities globally with adequate capacity and capability for the production of our various products to minimize transportation costs and transportation-related damages as well as to mitigate the risk of a disruption in production and/or importation.

*Distribution Agreements*

During 2025, we continued to expand distribution of our products in both our domestic and international markets.

Distribution levels vary by product and geographic location. Net sales outside the United States were $3.44 billion, $2.96 billion and $2.71 billion for the years ended December 31, 2025, 2024 and 2023, respectively.

*Monster Energy® Distribution Agreements*

We have entered into agreements with various bottlers/distributors providing for the distribution of certain of our energy drinks during initial terms of up to twenty years, which may be extended thereafter, subject to certain terms and conditions, which may vary depending on the form of the agreement. Such agreements remain in effect for their then-current term as long as our products are being distributed, but are subject to specified termination rights held by each party, which may include by way of example, and depending on the form of agreement, termination upon: mutual agreement; material breach of the agreement by, or an insolvency of, either party; deadlock; change of control; changes in legal or regulatory conditions and termination of certain related agreements. Additionally, we are entitled to terminate certain distribution agreements at any time without cause upon payment of a termination fee, including a limited number of distribution agreements with TCCC network bottlers that were entered into prior to 2015.

Certain of our material distribution arrangements for our Monster Energy® brand energy drinks, as amended from time to time, are described below:

(a) Amended and Restated Distribution Coordination Agreement with TCCC, pursuant to which we have designated, and in the future may designate, subject to TCCC's approval, territories in Canada and the United States in which bottlers from TCCC's network of wholly or partially-owned and independent bottlers (the "TCCC North American Bottlers") will distribute and sell, or continue to distribute and sell, our Monster Energy® brand energy drinks.

(b) Amended and Restated International Distribution Coordination Agreement with TCCC, pursuant to which we have designated, and in the future may designate, countries, or territories within countries, in which we wish to appoint TCCC network bottlers to distribute and sell our Monster Energy® brand energy drinks, subject to TCCC's approval. In February 2025, the Amended and Restated International Distribution Coordination Agreement with TCCC was renewed for an additional five-year term.

(c) Additionally, we have entered into distribution agreements for certain of our Monster Energy® products with various TCCC network bottlers, both in the United States and internationally.

All distribution territories in the United States, and substantially all distribution territories internationally have been transitioned to TCCC network bottlers/distributors.

*Strategic Brands Distribution Agreements*

We have entered into distribution coordination agreements with TCCC pursuant to which we have designated, and in the future may designate, subject to TCCC's approval, territories in which TCCC network bottlers will distribute our Strategic Brands energy drinks. We have entered into agreements with various TCCC network bottlers, both in the United States and internationally, providing for the distribution and sale of our Strategic Brands energy drinks.

*Alcohol Brands Distribution Agreements*

Monster Brewing Company has entered into agreements with various beer distributors, both in the United States and, to a limited extent, internationally, providing for the distribution of our alcohol products. Such agreements have varying terms and durations. Monster Brewing Company has also entered into distribution agreements with licensed beer distributors for the exclusive distribution of certain beverages in agreed upon territories.

**Raw Materials and Suppliers**

The principal raw materials used in the manufacturing of our products are aluminum cans, aluminum cap cans, sleek aluminum cans, aluminum cans with re-sealable ends, to a limited extent PET plastic bottles and caps, kegs, cartons as well as flavors, juice concentrates, glucose, sugar, sucralose, milk, cream, coffee, tea, hops, malt, yeast, ethanol, supplement ingredients and other packaging materials, the costs of which are subject to fluctuations.

AFF is our primary flavor supplier. We also purchase flavors from other suppliers as well as juices, supplement ingredients, glucose, sugar, sucralose, other sweeteners and other ingredients from independent suppliers located in the United States and abroad.

For our Strategic Brands energy drinks, we purchase flavors, concentrates and/or beverage bases from flavor suppliers including TCCC in the United States and abroad, and may purchase certain other ingredients from independent suppliers located in the United States and abroad.

For certain flavors purchased from third-party suppliers and used in certain of our Monster Energy® brand energy drinks, Strategic Brands energy drinks and/or our ready-to-drink alcohol drinks, these third-party flavor suppliers own the proprietary rights to certain of their flavor formulas. We do not have possession of the list of such flavor ingredients or formulas used in the production of certain of our products and certain of our blended concentrates, and we may be unable to obtain comparable flavors or concentrates from alternative suppliers on short notice. Our third-party flavor suppliers generally do not make such flavors and/or blended concentrates available to other third-party customers.

We have entered into purchase agreements with key packaging and ingredient suppliers to maintain an adequate supply of such packaging and ingredients for the next one to three years based on current anticipated volume needs. Changes to those volume needs could result in shortages or excess supply of these contracted varieties. Many outside factors such as crop yield, weather, agricultural legislation, and the geopolitical climate could impact supply and price; however, we do source certain ingredients from different regions and suppliers to mitigate some of this risk.

We have identified alternative suppliers for many of the ingredients contained in many of our beverages. However, industry-wide shortages of certain ingredients, including flavors, fruits and fruit juices, coffee, tea, dairy-based products, carbon dioxide, supplement ingredients and sweeteners have been, and could from time to time in the future be, encountered, which could interfere with and/or delay production of certain of our products.

We continually endeavor to develop back-up sources of supply for certain of our flavor ingredients, flavors and concentrates purchased from third-party suppliers, as well as to negotiate arrangements with our existing suppliers, which would enable us to obtain access to certain of such concentrates or flavor formulas under certain circumstances. We have been partially successful in these endeavors. Additionally, in a limited number of cases, contractual restrictions and/or the necessity to obtain regulatory approvals and licenses may limit our ability to enter into agreements with alternative suppliers, manufacturers and/or distributors.

**Competition**

The beverage industry is highly competitive. The principal areas of competition are pricing, packaging, development of new products and flavors as well as promotional and marketing strategies. Our products compete with a wide range of drinks produced by a relatively large number of companies.

Important factors affecting our ability to compete successfully include brand and product image, taste and flavor of products, trade and consumer promotions, rapid and effective development of new and unique cutting-edge products, ingredients, production processes, attractive and different packaging, brand exposure and marketing as well as pricing. We depend on our bottlers/distributors to prioritize our products, provide efficient, stable and reliable distribution and secure adequate shelf space in retail outlets. Competitive pressures in the "alternative," energy, coffee, "functional," "craft beer" and "beyond beer" (hard seltzers, FMBs, canned cocktails and other ready-to-drink beverages) beverage categories could cause our products to maintain or to lose market share, or we could experience price erosion, which could materially impact our business and results of operations.

We have experienced and continue to experience competition from new entrants in the energy drink, energy shot, beer and beyond beer categories. For instance, a number of companies which market and distribute iced teas, coffees, juice cocktails, enhanced waters and sports drinks in various larger volume packages in glass and plastic bottles (including BODYARMOR, Vitamin Water, CORE, Arizona, Ocean Spray, Powerade, Prime and Starbucks), have added supplement ingredients to their products with a view to marketing their products as "functional" or energy beverages or as having "functional" benefits. We believe that many of those products contain lower levels of supplement ingredients, principally deliver refreshment and are positioned differently from our energy or "functional" drinks.

We are also subject to increasing levels of regulatory issues, including in relation to the registration and/or taxation of our products in certain international markets, which may put us at a competitive disadvantage. (See "Government Regulation" below for additional information.)

We compete not only for consumer preference, but also for maximum marketing, sales efforts and attention from our multi-brand licensed bottlers and distributors, many of which have a principal affiliation with competing companies and brands. Our products compete with all liquid refreshments, including TCCC, PepsiCo, Inc. ("PepsiCo"), Keurig Dr. Pepper Inc. ("KDP") and Red Bull GmbH. From time to time, competitors have entered into distribution or acquisition agreements with certain other competitors. For example, KDP, which distributes C4 and Bloom, entered into a long-term sales and distribution agreement with Black Rifle Coffee Company as well as a definitive agreement to acquire GHOST Lifestyle LLC and GHOST Beverages LLC. In addition, Celsius Holdings, Inc. ("CELSIUS") acquired Alani Nutrition LLC ("Alani Nu"). We also compete with companies that are smaller or primarily local in operation. Our products also compete with private-label brands such as those carried by grocery store chains, convenience store chains and club stores.

Domestically, our energy drinks compete directly with Red Bull, CELSIUS, Alani Nu, C4, Ghost, 5-Hour Energy, Rockstar, Bloom, V8 + Energy, Venom, and many other brands.

Internationally, our energy drinks compete with Red Bull (including non-carbonated Red Bull in China and Asia), Rockstar, V-Energy, Lucozade, and numerous local and private-label brands that usually differ from country to country, such as HELL, Amper, Shock, Tiger, Fearless, Boost, TNT, Shark, Dragon, Score, Sting, Hot 6, Suntory ZONE, Battery, Bullit, Flash Up, Black, Non-Stop, Bomba, Semtex, Vive 100, Dark Dog, Speed, Guarana, M-150, Lipovitan, Bacchus, Volt, Bolt, Mr. Big, Boom, Raptor, Amp, Fusion, Hi-Tiger, Eastroc Super Drink, Carabao, Power Horse, XL, Crazy Tiger, Effect, Missile, Nocco, Adrenaline Rush, Real Gold, War Horse, BLU, CELSIUS, Eneryeti, GURU Organic Energy, Prime Energy, Switch, XOT, H2O Power, Baly, Gorilla, Supa Komando, Code Red, Tornado and a host of other international brands.

Our Reign Total Body Fuel® and Bang Energy® drinks compete with C4, GHOST Energy, CELSIUS ESSENTIALS, Bucked Up Energy, G Fuel and Redcon1 in the performance energy category.

Our Reign Storm® Total Wellness Energy product line competes directly with CELSIUS, Alani Nu, Bloom, Starbucks Iced Energy, UPTIME Energy, PHORM Energy, ZOA Energy, Bum Energy, Gorilla Mind, and C4 Smart Energy.

Our Java Monster® and Monster® Killer Brew™ product lines compete directly with Starbucks Frappuccino, Starbucks Doubleshot, Starbucks Tripleshot and other Starbucks coffee drinks, Black Rifle Coffee, Dunkin Donuts, La Colombe, Bolthouse Farms

Café, International Delight, Slate, Victor Allen's Coffee, Kitu Super Coffee, Stumptown Coffee Roasters, Stok, Nescafé and other private label brands.

Our alcohol products compete within the FMB, hard seltzer, and craft beer categories of the alcohol beverage industry. Competition includes microbreweries, regional brewers, national craft brewers, and large international and domestic producers of beers, FMBs, and hard seltzers such as Molson Coors, Constellation Brands, AB InBev, The Boston Beer Company and The Mark Anthony Group among many others.

**Sales and Marketing**

Our sales and marketing strategy for all our non-alcohol beverages is to focus our efforts on developing brand awareness through image-enhancing programs and product sampling. We support our non-alcohol brands with prize promotions, price promotions, competitions, endorsements from selected public and sports figures, sports personality endorsements, influencer endorsements, collaborations, sampling and sponsorship of selected athletes, teams, series, bands, esports, causes and events. We utilize "push-pull" methods to enhance shelf and display space exposure in sales outlets (including racks, coolers and barrel coolers), advertising, in-store promotions and in-store placement of point-of-sale materials to encourage demand from consumers for our products. In-store posters, outdoor posters, social media, concerts, print, radio and television advertising (directly and through our sponsorships and endorsements) and coupons may also be used to promote our brands. We use our branded vehicles and other promotional vehicles at events where we offer samples of our products to consumers. These strategies and activities may apply to our alcohol products where permitted by applicable laws.

We also manage taprooms and brewpubs adjacent to some of our manufacturing locations where we sell our alcohol products, merchandise, and food to consumers in a branded environment.

We believe that one of the keys to success in the beverage industry is differentiation, making our brands and products visually appealing and distinctive from other beverages on the shelves of retailers. We review our products and packaging on an ongoing basis and, where practical, endeavor to make them different and unique. The labels and graphics for many of our products are redesigned and refreshed from time to time to maximize their visibility and identification, wherever they may be placed in stores, which designs we continue to reevaluate from time to time.

Where appropriate, we partner with our bottlers/distributors and/or retailers to assist our marketing efforts.

We increased expenditures for our sales and marketing programs by approximately 6.3% in the year ended December 31, 2025 compared to the year ended December 31, 2024.

**Customers**

Our non-alcohol customers are primarily full service beverage bottlers/distributors, retail grocery and specialty chains, wholesalers, club stores, mass merchandisers, convenience and gas chains, drug stores, foodservice customers, value stores, e-commerce retailers and the military. Our alcohol customers are primarily beer distributors who in turn sell to retailers within the alcohol distribution system. Percentages of our gross billings to various customer types for the years ended December 31, 2025, 2024 and 2023 are reflected below. Such information includes sales made by us directly to the customer types concerned, which include our full service beverage bottlers/distributors in the United States. Such full service beverage bottlers/distributors in turn sell certain of our products to some of the same customer types listed below. We limit our description of our customer types to include only our sales to our full service bottlers/distributors without reference to such bottlers/distributors' sales to their own customers.

| | 2025 | 2024 | 2023 |
|---|---|---|---|
| U.S. full service bottlers/distributors | 45% | 46% | 47% |
| International full service bottlers/distributors | 43% | 41% | 40% |
| Club stores and e-commerce retailers | 8% | 8% | 8% |
| Retail grocery, direct convenience, specialty chains and wholesalers | 2% | 2% | 2% |
| Alcohol, value stores and other | 2% | 3% | 3% |

Our non-alcohol customers include Coca-Cola Canada Bottling Limited, Coca-Cola Consolidated, Inc., Coca-Cola Bottling Company United, Inc., Reyes Holdings, LLC, Coca-Cola Southwest Beverages LLC, The Coca-Cola Bottling Company of Northern

New England, Inc., Swire Pacific Holdings, Inc. (USA), Liberty Coca-Cola Beverages, LLC, Coca-Cola Europacific Partners, Coca-Cola Hellenic, Coca-Cola FEMSA, Swire Coca-Cola (China), COFCO Coca-Cola, Coca-Cola Beverages Africa, Coca-Cola İçecek and certain other TCCC network bottlers, Asahi Soft Drinks, Co., Ltd., Wal-Mart, Inc. (including Sam's Club), Costco Wholesale Corporation and Amazon.com, Inc.

Our alcohol customers include Reyes Beverage Group, Ben E. Keith Company, J.J. Taylor Distributing and Admiral Beverage Corporation.

A decision by any large customer to decrease amounts purchased from us or to cease carrying our products could have a material adverse effect on our financial condition and results of operations.

Coca-Cola Europacific Partners accounted for approximately 15%, 14% and 13% of our net sales for the years ended December 31, 2025, 2024 and 2023, respectively.

Coca-Cola Consolidated, Inc. accounted for approximately 10% of our net sales for each of the years ended December 31, 2025, 2024 and 2023.

**Seasonality**

Sales of ready-to-drink beverages are somewhat seasonal, with the second and third calendar quarters accounting for the highest sales volumes. The volume of sales in the beverage industry is affected by weather conditions. However, the energy drink category appears to be less seasonal than traditional beverages. Quarterly fluctuations may also be affected by other factors including the introduction of new products, the opening of new markets, particularly internationally, where temperature fluctuations may be more pronounced, the addition of new bottlers and distributors, changes in the mix of the sales of our finished products and increased or decreased advertising and promotional expenses.

**Intellectual Property**

We presently have more than 21,600 registered trademarks and pending applications in various countries worldwide, and we apply for new trademarks on an ongoing basis. We regard our trademarks, service marks, copyrights, domain names, trade dress and other intellectual property as very important to our business. We consider Monster®, Monster Energy®, ®, Monster Energy Ultra®, Unleash the Beast!®, Rehab Monster®, Java Monster®, Punch Monster®, Juice Monster®, Monster Energy® Nitro, Reign Total Body Fuel®, Reign Storm®, BU®, Nalu®, NOS®, Full Throttle®, Burn®, Mother®, Ultra Energy®, Play® and Power Play® (stylized), Relentless®, Predator®, Fury®, Live+®, BPM®, Samurai®, Bang Energy®, Oskar Blues Brewery®, Cigar City®, Deep Ellum Brewing Co®, Perrin Brewing Company®, Squatters®, Wasatch®, Jai Alai®, Dale's Pale Ale®, Dallas Blonde®, Wild Basin®, Dale's®, Hop Rising®, The Beast™, The Beast Unleashed®, Beast® Tea, Blind Lemon® and Blinder Lemon™ to be our core trademarks. We also own the intellectual property of our most important flavors for certain of our Monster Energy® Brand energy drinks in perpetuity.

We have registered Monster®, Monster Energy®, ®, Monster Energy Ultra®, Unleash the Beast!®, Rehab Monster®, Java Monster®, Punch Monster®, Juice Monster®, BU®, Nalu®, NOS®, Full Throttle®, Burn®, Mother®, Play®, Power Play® (stylized), Relentless®, Ultra Energy®, BPM®, Predator®, Fury®, Live+®, Samurai®, Reign®, Reign Total Body Fuel®, Reign Storm®, Bang®, Bang Energy®, The Beast®, The Beast Unleashed®, Beast® Tea, Blind Lemon® and Blinder Lemon® outside of the United States in certain jurisdictions.

We protect our trademarks by applying for registrations and registering our trademarks with the United States Patent and Trademark Office and with government agencies in other countries around the world, particularly where our products are distributed and sold. We assert copyright ownership of the statements, graphics and content appearing on the packaging of our products and in our marketing materials. We aggressively pursue individuals and/or entities seeking to profit from the unauthorized use of our trademarks and copyrights, including, without limitation, wholesalers, street vendors, retailers, online auction site sellers, website operators and third parties. In addition to initiating civil actions against these individuals and entities, we work with law enforcement officials where appropriate.

Depending upon the jurisdiction, trademarks are valid as long as they are in use and/or their registrations are properly maintained and they have not been found to have become generic. Registrations of trademarks can generally be renewed as long as the trademarks are in use.

We also enforce and protect our trademark rights against third parties infringing or disparaging our trademarks by opposing registration of conflicting trademarks and initiating litigation as necessary.

**Government Regulation**

The production, distribution and sale in the United States of many of our products are subject to various U.S. regulations, including but not limited to: the Federal Food, Drug and Cosmetic Act ("FD&C Act"); the Occupational Safety and Health Act and various state laws and regulations governing ingredient safety and labeling and workplace health and safety; various environmental statutes; the Safe Drinking Water and Toxic Enforcement Act of 1986 ("California Proposition 65"); various state and federal laws and regulations pertaining to the sale and distribution of alcohol beverages; data privacy, cybersecurity and personal data protection laws and regulations, including the California Consumer Privacy Act of 2018 (as modified by the California Privacy Rights Act) and a number of other federal, state and local statutes and regulations applicable to the production, transportation, sale, safety, advertising, marketing, labeling, packaging, and ingredients of such products. Outside the United States, the production, distribution and sale of many of our products are also subject to numerous statutes and regulations.

We also may in the future be affected by other existing, proposed and potential future regulations or regulatory actions, including those described below, any of which could adversely affect our business, financial condition and results of operations. See "Part I, Item 1A – Risk Factors – Changes in government regulation, or a failure to comply with existing regulations, related to energy drinks, could adversely affect our business, financial condition and results of operations," "Regulations concerning our alcohol beverages may adversely affect our business, financial condition or results of operations and inhibit the sales of such products," and "Significant changes to or failure to comply with various environmental laws may expose us to liability and/or cause certain of our facilities and/or those of our co-packers to close, relocate or operate at reduced production levels, which could adversely affect our business, financial condition and results of operations" below for additional information.

Furthermore, legislation and regulation may be introduced in the United States and other countries at the federal, state, provincial, municipal and supranational level in respect of each of the subject areas discussed below. Public health officials and health advocates are increasingly focused on the public health consequences associated with obesity and alcohol consumption, especially as they may affect children, and are seeking legislative and regulatory change to reduce the consumption of sweetened, ultra-processed, and alcohol beverages. There also has been an increased focus on caffeine content in beverages, and we are seeing some attention to other ingredients in energy drinks. More generally, officials in the current U.S. presidential administration (the "U.S. Administration") have articulated significant concerns about "highly processed" or "ultra-processed" foods ("UPF"), including beverages sweetened with sugar or non-nutritive sweeteners, and particular ingredients, such as synthetic color additives, as well as the "generally recognized as safe" ("GRAS") process for getting food ingredients to the market. The U.S. Administration released the latest Dietary Guidelines for Americans in January 2026, which urge the consumption of whole foods and the avoidance of highly processed foods, and recommended limiting beverages such as soda, fruit drinks, and energy drinks. Additionally, some states have removed such products from the Supplemental Nutrition Assistance Program ("SNAP"), formerly food stamps, and other states may take similar steps. In some territories, such as the European Union, food additives including sweeteners such as sucralose are subject to a safety re-evaluation which could potentially lead to changes in the specification for such additives or removal from the approved list of additives. The U.S. Food and Drug Administration (the "FDA") has also initiated a process for post-market review of food ingredients and plans to propose regulatory reforms to the GRAS process. Bills that would change the GRAS process have also been introduced in the U.S. Congress and some state legislatures. If implemented, changes to the GRAS process could affect the way Monster assesses the GRAS status of ingredients we use in our products.

*Product Formulation, Labeling, Packaging, and Advertising.* Globally, we are subject to a number of regulations applicable to the formulation, labeling, packaging, and advertising (including promotional campaigns) of our products. In California, we are subject to California Proposition 65, a law that requires that a specified warning be provided before exposing California consumers to any product that contains in excess of threshold amounts of a substance listed by California as having been found to cause cancer or reproductive toxicity. California Proposition 65 does not require a warning if the manufacturer of a product can demonstrate that the use of the product in question exposes consumers to an average daily quantity of a listed substance that is below that threshold amount, which is determined either by scientific criteria set forth in applicable regulations or via a "safe harbor" threshold that may be established by the state, or the substance is naturally occurring, or is subject to another applicable exception. Some states have passed laws and regulations that would prohibit certain food ingredients or require notices or warnings on food labels about the presence of certain ingredients. For example, West Virginia enacted legislation in 2025 that includes a ban on seven color additives and two preservatives products marketed to the general public; however, such portion of the law was challenged, and the court has granted a preliminary injunction, staying the ban pending the outcome of the legal challenge. Texas also enacted legislation in 2025 to require warnings for products containing any of approximately 44 ingredients enumerated in the law; a legal challenge against that law has also been filed. If we are required to remove certain ingredients from our products, add notices or warning labels to any of our products, or place warnings in certain locations where our products are sold, it will be difficult to predict whether, or to what extent, such actions would have an adverse impact on sales of our products in those locations or elsewhere. In addition, there has been increasing regulatory activity globally regarding constituents in packaging materials, including perfluoroalkyl and polyfluoroalkyl substances (“PFAS”) and bisphenol A (“BPA”). Regardless of whether perceived health consequences of these constituents are justified, such regulatory activity could result in additional government regulations that impact the packaging of our beverages.

In addition, the FDA has regulations with respect to serving size information and nutrition labeling on food and beverage products, including a requirement to disclose the amount of added sugars in such products. The FDA also published a proposed rule in 2025 that, if finalized, would require certain front-of-pack nutrition labeling for most packaged goods, including with respect to the level of added sugars in a product. Further, the U.S. Department of Agriculture (the “USDA”) promulgated regulations requiring that, as of January 1, 2022, the labels of certain bioengineered foods include a disclosure that the food is bioengineered. The Ninth Circuit recently ruled that certain aspects of the USDA’s regulations failed to implement the statutory mandate, and the issue will be remanded to the USDA to revise the rule in a manner that may require bioengineering disclosures on a broader range of foods and in a more explicit manner. These regulations may impact, reduce and/or otherwise affect the purchase and consumption of our products by consumers.

Other countries, such as Argentina, Brazil, China, Chile, Colombia, the Czech Republic, Ecuador, Honduras, Hungary, Jordan, Poland, the member states of the Gulf Cooperation Council, the member states of the Caribbean Community and Common Market (CARICOM), Mexico, the Central American Community, the People’s Republic of China, Paraguay, Peru, Uruguay, South Africa, and the member states of the Southern Common Market (MERCOSUR) are also considering, or have enacted, new labeling requirements, which may require us to amend our labels and warning statements.

More generally, some markets have specific energy drink standards that do not always allow for inclusion of certain ingredients, such as L-carnitine and ginseng, or that otherwise restrict the levels of certain ingredients in our products. In 2023, Peru challenged the use of L-carnitine in energy drinks. Other markets may also restrict or prohibit the use of ginseng and certain other botanicals in food. We may incur costs to address such country-specific requirements or face restrictions on our products.

*Age and Other Restrictions on Energy Drink Products.* Proposals to limit or restrict the sale and/or advertising of energy drinks to minors and/or persons below a specified age, and/or restrict the venues in which energy drinks can be sold, and/or to restrict the use of the Supplemental Nutrition Assistance Program (formerly food stamps) to purchase energy drinks have been raised and/or enacted in certain U.S. states, counties, municipalities and/or in certain foreign countries. For example, the City of Lancaster, CA, passed an ordinance on January 14, 2025, making it an infraction to sell or otherwise distribute an energy drink to a person under 18 years of age. Bills seeking to impose an age restriction on the sale of energy drinks have also been introduced in the Connecticut, Massachusetts, Puerto Rico, and South Carolina legislatures. Outside of the United States, for example, Honduras, Latvia, Lithuania, Poland, Romania, Hungary, Turkey, Armenia, Bahrain, and Kuwait prohibit the sale of energy drinks to persons under the age of 18; Norway prohibits the sale of energy drinks to persons under the age of 16; Kazakhstan prohibits the sale of energy drinks to persons under the age of 21; Canada prohibits the promotion of energy drinks to children 12 years and under; Honduras, Latvia, Romania, and Scotland prohibit the sale of energy drinks in educational establishments; Kuwait permits the sale of energy drinks only in designated areas of cooperative societies and parallel markets and prohibits all commercial advertising and sponsorships for energy drinks; and Honduras and Turkey prohibit the sale or advertising of energy drinks at sports facilities, school cafeterias and hospitals. Other Latin American countries such as Argentina, Brazil, Chile, Colombia, Dominican Republic, Mexico, and Uruguay have been considering age and other sales and advertising restrictions on energy drinks, as are other countries such as Bulgaria, the Czech Republic, Ireland, Kosovo, Kyrgyzstan, Slovakia, Spanish regions, Ukraine, and parts of the United Kingdom (including, most recently, for England). Similar rules would not apply to coffee products that contain similar or higher levels of caffeine.

*Excise Taxes and Tariffs on Energy Drinks.* Legislation that would impose an excise tax on sweetened beverages has been proposed in the U.S. Congress, in some state legislatures and by some local governments, with excise taxes generally ranging between \$0.01 and \$0.02 per ounce of sweetened beverage. Berkeley, California became the first jurisdiction to pass such a measure, and a general tax of \$0.01 per ounce on certain sweetened drinks, including energy drinks, became effective on January 1, 2015. Other U.S. jurisdictions (including Albany, Oakland and San Francisco, California; Boulder, Colorado; Philadelphia, Pennsylvania; Seattle, Washington; and Washington, DC) have passed similar measures, some of which have been challenged in litigation. The imposition of such taxes on our products would increase the cost of certain of our products or, to the extent levied directly on consumers, make certain of our products less affordable. Excise taxes on sweetened beverages already are in effect in certain foreign countries where we do business, such as France, the United Kingdom, Ireland, South Africa, Mexico, Poland and Colombia. Slovakia established a tax on sweetened soft drinks, specifically targeting beverages containing caffeine from any source in excess of 150mg/l. Brazil recently approved a tax reform that includes the creation of a Selective Tax (IS) which may potentially impose additional taxes on energy drinks. Other countries are considering similar measures. In addition, legislation has been proposed in certain jurisdictions that would specifically impose excise taxes on energy drinks. For example, Kuwait is considering a proposal that would impose an excise tax on energy drinks. Such targeted legislation has been passed in other countries. For instance, on January 1, 2020, a reform to a Mexican excise tax (Special Tax on Production and Services ("IEPS")) went into effect that expanded the definition of an "energy drink" subject to this tax to include products with any amount of caffeine (the prior version of the tax required a threshold of 20mg of caffeine per 100 millimeters for the tax to be applicable) and "taurine or glucuronolactone or thiamine and/or any other substance that produces similar stimulating effects." In 2025, Mexico reformed the IEPS law to tax flavored drinks containing any amount of sugar and/or sweetener. Latvia announced the introduction of an excise tax rate for energy drinks in December 2025, which is due to take effect on January 1, 2028. Hungary has an excise tax in place to which our products are subject. Bahrain, Saudi Arabia and the United Arab Emirates began applying a selective tax of 100% on energy drinks in 2017, Qatar and Oman began applying the tax in 2019, and there are indications that a similar measure may be enacted in Kuwait. Saudi Arabia and the United Arab Emirates have imposed sugar-sweetened beverage taxes that are lower than the 100% rate imposed on energy drinks. Both jurisdictions exclude energy drinks from this more favorable rate. Certain other jurisdictions are also considering UPF taxes that may ultimately impact the sales and/or formulation of certain of our products.

Separately, geopolitical tensions and related trade disputes may affect our ability to operate or sell our products in certain jurisdictions. For example, in recent months, the United States has proposed or implemented a range of new tariffs and trade measures affecting U.S. imports from across the world, including global reciprocal tariffs, as well as specific tariffs on imports from China, Canada, Mexico, and elsewhere. The nature and scope of evolving U.S. tariff measures, some of which have been challenged in litigation, are difficult to predict. In response to such measures, U.S. trading partners have suggested they may impose, or have imposed, retaliatory tariffs on U.S. exports, and/or other trade or commercial restrictions on U.S. companies. The threat, implementation, or modification of new U.S. trade restrictions, as well as any retaliatory measures adopted by affected U.S. trading partners, could prove disruptive to the international market in which we operate and may lead to increased costs of raw materials and finished products.

*Limits on Caffeine Content.* Legislation has been proposed to limit the amount of caffeine that may be contained in beverages, including energy drinks. Some jurisdictions where we do business have prescribed limits on caffeine content for beverages. For example, in Canada, the maximum amount of caffeine in a caffeinated energy drink cannot exceed 180mg per single-serving container or per serving (500 ml) in the case of a multi-serving container. We adjusted the caffeine levels in certain of our Monster Energy® products that are sold in Canada as caffeinated energy drinks to address these regulations, although the majority of our products were unaffected. In Europe, examples of caffeine restrictions include the Netherlands where there is a limit of 35mg/100ml, and Norway introduced, as of January 1, 2020, a limit of 32mg/100ml. Caffeine limit restrictions or restrictions on combining caffeine with other ingredients or in particular product sectors (such as performance beverages/sport drinks) have also been implemented or proposed in other jurisdictions, including Turkey, India, Pakistan's Punjab region, Egypt, Colombia, Iraq, and the member states of the Gulf Cooperation Council, including Kuwait. Such restrictions could require reformulations of certain of our products. However, we may not be able to satisfactorily reformulate our products in all jurisdictions that adopt similar legislation.

*Limitations on Container Size.* We package our products in a variety of different package types and sizes including, for certain of our Monster Energy® brand energy drinks, aluminum cans larger than 16 fluid ounces. Certain jurisdictions, such as Colombia, Costa Rica, and the Dominican Republic, have considered container size limitations on energy drinks and other beverages. If adopted, such limitations may require us to change the container size of our products sold in certain countries.

*Compliance with Alcohol-Related Regulation and Laws.* Our Alcohol Brands segment is regulated by federal, state and local governments in both the U.S. and abroad whose laws and regulations govern the production, distribution and sale of alcohol beverages, including licensing, permitting, advertising and marketing. To operate our breweries, manufacturing facilities and other alcohol-related facilities, as well as to sell our alcohol products, we must obtain and maintain numerous approvals, licenses and permits from governmental agencies, including, but not limited to, the U.S. Department of Treasury, Alcohol and Tobacco Tax and Trade Bureau ("TTB"), the FDA, state and local alcohol regulatory agencies and state and federal environmental agencies. Our breweries, in particular, are subject to audits and inspections by TTB and applicable state alcohol regulatory agencies at any time.

Our alcohol beverages are also subject to various taxes, license fees, and the like levied by governmental entities as well as bonds that such entities may deem necessary to ensure compliance with applicable laws and regulations. One such tax that we must comply with is the U.S. federal excise tax. Beginning in January 2018, the federal excise taxes imposed on domestic brewers that produce less than 2 million barrels annually were reduced from $7.00 to $3.50 per barrel on the first 60,000 barrels shipped annually. State and local excise taxes, on the other hand, vary based on the alcohol content and type of beverage. Federal, state, or local governments may increase such excise taxes in the future.

*Compliance with Environmental Laws.* Our facilities and those of our co-packers in the United States are subject to federal, state and local environmental laws and regulations, including those relating to air emissions, water discharges, the use of water resources, waste disposal, recycling, and extended producer responsibility. Our operations in other countries are subject to similar federal, state, local and supranational laws and regulations that may be applicable in such countries. Changes in environmental compliance mandates, and any expenditures necessary to comply with such requirements, could adversely affect our financial performance and future growth. In addition, continuing concern over environmental matters, including climate change, is expected to continue to result in new or increased legal and regulatory requirements (in and outside of the United States), including to reduce or mitigate the potential effects of greenhouse gases, to limit or impose additional costs on commercial water use due to local water scarcity concerns, or to expand mandatory reporting of certain environmental, social and governance metrics. Compliance with these provisions has not had, nor do we expect such compliance to have, any material adverse effect upon our capital expenditures, net income or competitive position.

*Container Deposits.* Various municipalities, states and foreign countries require that a deposit be charged for certain non-refillable beverage containers. The precise requirements imposed by these measures vary by jurisdiction. Other deposit, recycling, ecotaxes and/or product stewardship proposals have been, and may in the future be, introduced and enacted at the federal, state, and local levels, and in foreign countries.

In California, we are required to collect redemption values from our customers and to remit such redemption values to the State of California Department of Resources Recycling and Recovery based upon the number of cans and bottles of certain carbonated and non-carbonated products sold. In certain other states and countries where our products are sold, we are also required to collect deposits from our customers and to remit such deposits to the respective jurisdictions based upon the number of cans and bottles of certain carbonated and non-carbonated products sold in such states.

**Human Capital Resources**

As of December 31, 2025, we have employees in 80 countries, with a total of 6,891 employees working worldwide. This employee population includes 4,559 employees in North America, 448 employees in Latin America, 308 employees in Asia Pacific (including Oceania) and 1,576 employees in Europe, Middle East and Africa (“EMEA”). Most of our employees are full-time (5,773 employees) and the remaining 1,118 employees hold part-time positions. Of our 6,891 employees, we employ 2,336 in corporate and operational capacities (including administration, human resources, legal, information technology, operations, facilities, warehouse, product development, regulatory and accounting) and 4,555 persons in sales and marketing capacities.

We support our employees through a variety of training, mentorship and development programs. We have a mid-level manager development program, in which participants learn leadership skills, network with peers and senior executives, and tackle critical initiatives. We also have a leadership development platform in partnership with a third party, for senior leaders to receive university grade certificates in business strategy and innovation and complete Food and Beverage Executive courses, as well as an electronic learning platform that focuses on business acumen, professional development and technical capabilities. In addition, we provide employees with access to an e-learning platform that offers courses focused on job and career training, business acumen, professional development and technical capabilities.

We provide compensation packages designed to attract and retain talent while maintaining alignment with market compensation surveys. We have multiple short-term incentive programs focused on incentivizing and retaining talent throughout the organization and provide long-term incentive programs to employees through equity and/or performance cash awards.

We cover the cost of insurance premiums including medical (including virtual visits), dental, vision, life, accidental death and dismemberment and short-and long-term disability, covering full-time employees and share in the cost of insurance premiums covering eligible dependents including medical, dental and vision coverage. We also offer several voluntary benefits to full-time employees, including supplemental life insurance, whole life insurance, accident insurance, critical illness insurance, flexible medical spending accounts, flexible spending accounts for childcare, travel insurance, pre-paid legal cover, healthy rewards programs, identity theft assistance, and retirement savings account(s).

We also offer an Employee Assistance Program (EAP) to all employees. See Note 16, “Employee Benefit Plan” in the Notes to the Consolidated Financial Statements for a discussion of our 401(k) Plan.

**Available Information**

As a public company, we are required to file our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, proxy statements on Schedule 14A and other information (including any amendments) with the Securities and Exchange Commission (the “SEC”). You can find the Company’s SEC filings at the SEC’s website, which contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC, at http://www.sec.gov.

Our Internet address is www.monsterbevcorp.com. Information contained on our website is not part of or incorporated into this filing or any of our other filings with the SEC. Our SEC filings (including any amendments) will be made available free of charge at www.monsterbevcorp.com, as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. In addition, you may request a copy of these filings (excluding exhibits) at no cost by writing to, or telephoning us, at the following address or telephone number:

Monster Beverage Corporation
1 Monster Way
Corona, CA 92879
(951) 739-6200
(800) 426-7367

**ITEM 1A. RISK FACTORS**

In addition to the other information in this Annual Report on Form 10-K, including Management’s Discussion and Analysis of Financial Condition and Results of Operations (“MD&A”) and the consolidated financial statements and related notes, you should carefully consider the following risks. If any of the following risks actually occur or continue to occur, our business, reputation, financial condition and/or operating results could be materially adversely affected. The risk factors summarized below are not the only risks we face. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also materially adversely affect our business, reputation, financial condition and/or operating results.

**Risk Factors Summary**

The following is a summary of the principal risks that could materially adversely affect our business, reputation, financial condition and/or operating results. You should read this summary together with the more detailed description of each risk contained below.

*Operational and Industry Risks*

- The Company and TCCC have extensive commercial arrangements and, as a result, the Company’s future performance is substantially dependent on the success of its relationship with TCCC.
- Provisions in our organizational documents and control by insiders or TCCC may prevent changes in control even if such changes would be beneficial to other stockholders.
- We primarily rely on bottlers and other contract packers to manufacture our products. If we are unable to maintain good relationships with our bottlers and contract packers and/or their ability to manufacture our products becomes constrained or unavailable to us, our business could suffer.
- We rely on limited Company-owned facilities for production of certain of our non-alcohol and alcohol beverages, and developments negatively affecting production at such facilities could materially impact the financial results of our business.
- We rely on bottlers and distributors to distribute our products. If we are unable to maintain good relationships with our existing bottlers and distributors and/or secure such bottlers and distributors, our business could suffer.

- We currently derive most of our revenues from energy drinks, and competitive pressure in the energy drink category could adversely affect our business and operating results.
- Criticism or negative perceptions of our products (regardless of accuracy) generally could adversely affect us.
- Increased competition in the beverage industry and changing retail landscape could hurt our business.
- Our inability to implement our growth strategy, including expanding our business in existing and new sectors, or successfully recognize the anticipated benefits of acquired businesses or assets could adversely affect our business and financial results.
- Changes in consumer product and shopping preferences may reduce demand for our products.
- Our continued expansion outside of the United States exposes us to uncertain conditions and other risks in international markets.
- If we are not able to pass on increases in the costs of raw materials, including aluminum cans, ingredients, fuel, costs of co-packing, and/or tariffs, we may face a higher cost base, and our business and results of operations could be adversely affected.
- Our failure to accurately estimate demand for our products or maintain sufficient inventory levels or anticipate shortages of raw materials could adversely affect our business and financial results.
- Our business is subject to seasonality, which may cause fluctuations in our operating results.
- The costs of packaging supplies, raw material inputs, ocean and domestic freight, tariffs, and inflation generally may adversely affect our results of operations.
- Global or regional catastrophic events could impact our operations and affect our ability to grow our business.
- Climate change and natural disasters may negatively affect our business.
- If we are not able to retain the services of our workforce, there may be an adverse effect on our operations and/or our operating performance until we find suitable replacements.
- Negative publicity (whether or not warranted) could damage our brand image and corporate reputation and may cause our business to suffer.

*Government Regulation and Litigation Risks*

- Changes in government regulation, or a failure to comply with existing regulations, including those related to energy drinks, data protection and advertising, could adversely affect our business, financial condition and results of operations.
- Regulations concerning our alcohol beverages may adversely affect our business, financial condition or results of operations and inhibit the sales of such products.
- Significant changes to or failure to comply with various environmental laws may expose us to liability and/or cause certain of our facilities and/or those of our co-packers to close, relocate or operate at reduced production levels, which could adversely affect our business, financial condition and results of operations.
- We cannot predict the effect of inquiries from and/or actions by litigants, attorneys general, and/or other (quasi-) government agencies into the production, advertising, marketing, promotion, labeling, ingredients, usage and/or sale of our products.
- Litigation regarding our products and practices, and related unfavorable media attention, could expose us to significant liabilities and reduce demand for our products, thus negatively affecting our financial results.
- If we encounter material product recalls, our business may suffer material losses and such recalls could damage our brand image and corporate reputation, also resulting in material losses.

*Intellectual Property, Information Technology and Data Privacy and Security Risks*

- Our intellectual property rights are critical to our success, and the loss of such rights could materially adversely affect our business.
- Our use of information technology exposes us to the risk of cybersecurity incidents and other costs and interruptions that could disrupt our business operations and adversely impact our reputation and results of operations.
- If we fail to comply with data privacy and personal data protection laws and emerging cybersecurity laws, we could be subject to adverse publicity, government enforcement actions and/or private litigation, which may negatively impact our business and operating results.

*Financial Risks*

- Fluctuations in our effective tax rate could adversely affect our financial condition and results of operations.
- We may be required to record a charge to earnings if our goodwill or intangible assets become impaired.
- Fluctuations in foreign currency exchange rates may adversely affect our operating results.
- Uncertainty in the financial markets and other adverse changes in general economic or political conditions in any of the major countries in which we do business could adversely affect our industry, business and results of operations.
- Default by or failure of one or more of our counterparty financial institutions could cause us to incur significant losses.

**Operational and Industry Risks**

*The Company and TCCC have extensive commercial arrangements and, as a result, the Company's future performance is substantially dependent on the success of its relationship with TCCC.*

We have transitioned all third parties' rights to distribute the Company's energy drink products in the U.S. to members of TCCC's distribution network, which largely consists of independent bottlers/distributors. In addition, except for a handful of countries, TCCC is our preferred distribution partner globally, with members of TCCC's network distributing our products internationally, including in Africa, Asia, Canada, Central and South America, Europe, Mexico and the Middle East. We expect TCCC's distribution network to continue as our preferred distribution partner globally. As a result, we have reduced our distributor diversification and are now dependent on TCCC's domestic and international distribution platforms.

TCCC has a substantial equity investment in the Company. The Company, TCCC and certain affiliates are parties to various agreements in which TCCC and certain affiliates have agreed, subject to certain exceptions, not to compete in the energy drink category in certain territories prior to the termination of the applicable distribution coordination agreement with TCCC. The Company's distribution agreements with TCCC distributors also provide, subject to certain exceptions, that the applicable distributor will not distribute competitive energy drink products.

While we believe that these agreements incentivize TCCC to take steps to ensure that our products receive the appropriate attention in the TCCC distribution system, disagreements as to the interpretation of the provisions in such agreements have arisen and may arise in the future. In addition, TCCC does not control all members of its distribution system, many of which are independent companies that make their own business decisions that may not always align with TCCC's interests.

*Provisions in our organizational documents and control by insiders or TCCC may prevent changes in control even if such changes would be beneficial to other stockholders.*

Our organizational documents may limit changes in control. Furthermore, as of February 13, 2026, Mr. Sacks and Mr. Schlosberg together may be deemed to beneficially own and/or exercise voting control over approximately 8.1% of our outstanding common stock. As of February 13, 2026, TCCC owned approximately 20.9% of our common stock. TCCC has also nominated one director to the Company's board of directors. Consequently, Mr. Sacks, Mr. Schlosberg and/or TCCC could exercise significant control over matters submitted to a vote of our stockholders, including electing directors, amending organizational documents and disapproving extraordinary transactions such as a takeover attempt, even though such actions may be favorable to the other common stockholders.

In particular, TCCC's ownership could have an effect on the Company's ability to engage in a change in control transaction. TCCC is obligated for a period of time to vote all of its common shares of the Company in excess of 20% of the outstanding common shares in the same proportion as all common shares not owned by TCCC with respect to a proposal for a change of control. However, if TCCC were to oppose such a change-in-control transaction, a bidder would be required to secure the support of holders of greater than 62.5% of the Company's common shares not owned by TCCC (assuming that TCCC maintains its ownership of more than 20% of the Company's common shares) to achieve a vote of a majority of the Company's outstanding shares for a change-in-control transaction. In addition, TCCC would have a bidding advantage if the Company's board of directors were to seek to sell the Company in the future because TCCC would not need to pay a control premium on the shares it owns at such time. TCCC and the Company would also be permitted to terminate TCCC's distribution coordination agreements with the Company after a change in control of the Company. In such event, TCCC would receive a termination fee if TCCC terminated the distribution coordination agreements following a change in control of the Company involving certain TCCC competitors, or if the Company terminated following a change in control of the Company involving any third-party.

The interests of TCCC may be different from or conflict with the interests of the Company's other stockholders and, as a result, TCCC's influence may result in the delay or prevention of potential actions or transactions. Moreover, TCCC's ownership of a significant amount of the Company's outstanding common shares could result in downward pressure on the trading price of the Company's common shares if TCCC were to sell a large portion of its shares or as a result of the perception that such a sale might occur.

*We primarily rely on bottlers and other contract packers to manufacture our products. If we are unable to maintain good relationships with our bottlers and contract packers and/or their ability to manufacture our products becomes constrained or unavailable to us, our business could suffer.*

In 2025, we continued to outsource manufacturing of most of our non-alcohol finished goods to bottlers and other contract packers. As a result, in the event of a disruption and/or delay, including, but not limited to, strikes, work stoppages, or labor unrest, and/or demand exceeding forecasted demand, we may be unable to procure alternative packing facilities at commercially reasonable rates and/or within a reasonably short time period. In addition, there are limited alternative packing facilities in our domestic and international markets with adequate capacity and/or suitable equipment for many of our products. A lengthy disruption or delay in the production of any of our products could significantly adversely affect, and historically has adversely affected, our revenues from and/or costs of such products, because alternative co-packing facilities in the United States and abroad with adequate long-term capacity may not be available for such products either at commercially reasonable rates and/or costs, within a reasonably short time period and/or within a geographically cost effective distance, if at all. In addition, in recent years, there has been a consolidation of co-packers, leading us to increasingly rely on fewer co-packing groups, certain of which account for a large percentage of our co-packing capacity for our Monster Energy® drinks. If we are unable to maintain good relationships with our largest co-packers, or if our costs of co-packing increase, our business, financial condition and results of operations could be adversely affected.

*We rely on limited Company-owned facilities for production of certain of our non-alcohol and alcohol beverages, and developments negatively affecting production at such facilities could materially impact the financial results of our business.*

Currently, the primary flavors for our Monster Energy® Drinks segment are developed and manufactured at the AFF facilities in Southern California and Athy, Ireland. Bang Energy® beverages and certain of our other energy drink products are manufactured at our facilities in Phoenix, Arizona and Norwalk, California. Further, we are dependent on Monster Brewing Company's portfolio of facilities located in Longmont, Colorado, Brevard, North Carolina, and Grand Rapids, Michigan to manufacture certain of our alcohol products.

Adverse changes or developments affecting our AFF facilities could adversely impact our ability to produce flavors of certain of our energy drink products. Adverse changes or developments affecting our Norwalk, California and/or Phoenix, Arizona facilities could adversely impact our ability to produce certain of our energy drink products or cause us to halt our production of such beverages. Likewise, adverse changes or developments affecting our alcohol licensed manufacturing facilities could hinder our ability to produce alcohol products to take to market on a timely basis or require us to entirely suspend certain of our Alcohol Brands segment operations.

Alternative facilities with sufficient capacity or capabilities may not be readily available or may take significant time or cost to run at the same capacity as our AFF, Phoenix, and Norwalk facilities or our current alcohol licensed manufacturing facilities. Such significant disruption may, in turn, have an adverse effect on gross margins, operating cash flows, and overall financial performance of our business.

*We rely on bottlers and distributors to distribute our products. If we are unable to maintain good relationships with our existing bottlers and distributors and/or secure such bottlers and distributors, our business could suffer.*

Many of our bottlers/distributors are affiliated with and manufacture and/or distribute other carbonated, non-carbonated, non-alcohol, alcohol and other beverage products. In many cases, such products compete directly with our products.

Unilateral decisions by bottlers/distributors, buying groups, convenience and gas chains, grocery chains, mass merchandisers, specialty chain stores, club stores, e-commerce retailers, e-commerce websites and/or other customers, including retailer disagreements with our bottlers/distributors, to discontinue carrying all or any of our products that they are carrying at any time, restrict the range of our products they carry, impose restrictions or limitations on the sale of our products and/or the sizes of containers of our products and/or devote less resources to the sale of our products could cause our business to suffer. Moreover, competitors', consumers' or others' attempts to persuade regulators, retailers, and/or customers in certain countries to reduce the permitted or maximum container sizes for our products from those currently being sold and marketed by us could negatively impact our business. In addition, possible trading disputes between our bottler/distributors and their customers or buying groups may result in the delisting of certain of the Company's products, temporarily or otherwise. Bottler/distributor consolidation may also have an adverse impact on our business.

The TCCC North American Bottlers, Coca-Cola Europacific Partners, Coca-Cola Hellenic, Coca-Cola FEMSA, Swire Coca-Cola (China), COFCO Coca-Cola, Coca-Cola Beverages Africa and Coca-Cola İçecek are our primary domestic and international distributors of our non-alcohol products. We also sell our alcohol beverages to certain beer and alcohol beverage distributors through generally separate distribution networks for distribution to retailers. As a result, if we are unable to maintain good relationships with these bottlers/distributors, if changes in control or ownership occur within the current distribution network, or if they do not effectively focus on marketing, promoting, selling and/or distributing our products, sales of our products could be adversely affected.

A decision by any large customer to decrease the amount purchased from us or to cease carrying our products could have a material adverse effect on our financial condition and consolidated results of operations.

The marketing efforts of our bottlers/distributors are important to our success. If our brands prove to be less attractive to our existing bottlers/distributors, if we fail to attract additional bottlers/distributors, and/or our bottlers/distributors do not market, promote and/or distribute our products effectively, our business, financial condition and results of operations could be adversely affected.

Disruption in distribution channels and/or a decline in sales due to the termination and/or insolvency of existing or new bottlers/distributors may adversely affect our business and operating results.

No assurance can be given that we will be able to maintain our current distribution network or secure additional distributors on terms not less favorable to us than our current arrangements.

*We currently derive most of our revenues from energy drinks, and competitive pressure in the energy drink category could adversely affect our business and operating results.*

Our focus is in the energy drink category, and our business is vulnerable to adverse changes impacting the energy drink category and business, which could adversely impact our business and the trading price of our common stock.

Most of our sales are currently derived from our energy drinks. Any decrease in the sales of our Monster Energy® brand and other energy drinks could significantly adversely affect our future revenues and net income. Historically, we have experienced substantial competition from new entrants in the energy drink category as well as from the energy shot category. For a discussion of such competition, see "Part I, Item 1 – Business – Competition."

The increasing number of competitive products and limited amount of shelf space in retail stores, including in beverage coolers, may adversely impact our ability to gain or maintain our share of sales in the marketplace. In addition, certain actions of our competitors, including unsubstantiated and/or misleading claims, false advertising claims and tortious interference in our business, as well as competitors selling misbranded products, could impact our sales. Competitive pressures in the energy drink category could impact our revenues, cause price erosion and/or lower our market share, any of which could have a material adverse effect on our business and results of operations.

*Criticism or negative perceptions of our products (regardless of accuracy) generally could adversely affect us.*

An unfavorable report on the health effects of caffeine, other ingredients in energy drinks or energy drinks generally, or criticism or negative publicity regarding the caffeine content and/or any other ingredients in our products or energy drinks generally, including product safety concerns (regardless of the validity or scientific merit of any such reports, criticism, or negative publicity), could have an adverse effect on our business, financial condition and results of operations. Articles critical of the caffeine content and/or other ingredients in energy drinks and/or articles indicating certain health risks of energy drinks have been published in recent years. We believe the overall growth of the energy drink market in the U.S. may have been negatively impacted by the ongoing negative publicity and comments that continue to appear in the media questioning the safety of energy drinks, and suggesting limitations on their ingredients (including caffeine), and/or the levels thereof, and/or imposing minimum age restrictions for consumers. If reports, studies or articles critical of caffeine and/or energy drinks continue to be published or are published in the future, or additional voluntary measures are taken, they could adversely affect the demand for our products. If we are unable to satisfy all criteria set forth in any model energy drink guidelines, including, without limitation, those adopted by the American Beverage Association in the future, of which we are a member, and/or any international beverage associations, it could negatively affect our overall reputation, which in turn could have a negative impact on our business, financial condition and results of operations.

The alcohol beverage industry has also been the subject of considerable societal and political attention for many years due to increasing public concern over alcohol-related health and social issues, including driving under the influence, underage drinking, and the negative health impacts of the misuse or abuse of alcohol. Moreover, anti-alcohol groups have successfully advocated, and increasingly continue to advocate, for more stringent labeling requirements, higher taxes, and other regulations designed to curtail alcohol consumption. In response to these concerns and advocacy, advertising by alcohol producers could be further restricted, additional cautionary labeling or packaging requirements might be imposed, further restrictions on the sale of alcohol might be imposed, or there may be renewed efforts to impose increased excise or other taxes on alcohol sold in the United States or abroad. In addition, the increase of such criticism and negative perception of alcohol beverages generally could decrease sales and the consumption of alcohol, including the demand for our alcohol products. Any such developments may have a negative impact on the operating results of our Alcohol Brands segment.

*Increased competition in the beverage industry and changing retail landscape could hurt our business.*

The beverage industry is highly competitive. The principal areas of competition are pricing, packaging, development of new products, flavors, product positioning, quality as well as promotion and marketing strategies. Our products compete with a wide range of drinks, both non-alcohol and alcohol, produced by a relatively large number of domestic and international manufacturers.

Important factors affecting our ability to compete successfully include the efficacy, taste and flavor of our products, trade and consumer promotions, rapid and effective development of new and unique cutting-edge products, attractive and different packaging, branded product advertising and pricing. The success of our sports marketing, social media and other general marketing endeavors may impact our business, financial condition and results of operation. Our products compete with all liquid refreshments, including TCCC, Starbucks Corporation, PepsiCo, Red Bull GmbH, KDP, Molson Coors, Constellation Brands, AB InBev, The Boston Beer Company and The Mark Anthony Group. We also compete with companies that are smaller or primarily national or local in operations, such as CELSIUS, PRIME, C4, Alani Nu, GHOST, ZOA, GORGIE, and others as well as local craft breweries in our Alcohol Brands segment. Our products also compete with private-label brands such as those carried by grocery store chains, convenience store chains and club stores.

We anticipate competition will remain robust due to a number of new entrants in the energy drink category. Some competitors are consolidating (as evidenced by business combinations of substantial value carried out by significant competitors in recent years), building more capacity, expanding geographically, and/or adding more SKUs and styles. For example, PepsiCo entered into a long-term strategic distribution arrangement with Celsius Holdings, Inc., a competitor in the energy drink space, in August 2022. Additionally, competition in the alcohol beverage space—including from craft brewers and craft distilleries, ready-to-drink spirits and similar products—continues to evolve. Market dynamics have been influenced by broader competitive trends and regulatory focus on market structure, including analyses and recommendations contained in the February 2022 U.S. Treasury report, "Competition in the Markets for Beer, Wine, and Spirits," which assesses competitive conditions and potential barriers to entry. Actual growth in specific segments, such as hard seltzers, craft products, and other beverage categories, varies over time and may be affected by changing consumer preferences, regulatory developments and economic conditions. As a result of such increased competition for our products, we may face competitive pricing pressures and the demand for and market share of our products may fluctuate and possibly decline.

The rapid growth in sales through e-commerce retailers, e-commerce websites, mobile commerce applications and subscription services, and closures of physical retail operations may result in a shift away from physical retail operations to digital channels and a reduction in impulse purchases. As we build our e-commerce capabilities, we may not be able to develop and maintain successful relationships with existing and new e-commerce retailers without experiencing a deterioration of our relationships with key customers operating physical retail channels. If we are unable to profitably expand our own e-commerce capabilities and/or if e-commerce retailers take significant market share away from traditional retailers, our business may be adversely affected. Further, the ability of consumers to compare prices on a real-time basis using digital technology puts additional pressure on us to maintain competitive prices. Sales in gas chains may also be affected by increased gasoline prices, improvements in fuel efficiency and increased consumer preferences for electric or alternative fuel-powered vehicles, which may result in fewer trips by consumers to gas stations and a corresponding reduction in purchases by consumers in convenience gas retailers. If we are unable to successfully adapt to the rapidly changing retail landscape, our share of sales, volume growth and overall financial results could be negatively affected.

Due to competition in the beverage industry, there can be no assurance that we will not encounter difficulties in maintaining our current revenues, market share or position in the beverage industry. Moreover, there can be no assurance that we will successfully react to the emergence of new subcategories within the energy and/or alcohol beverage sectors. If our revenues decline, our business, financial condition and results of operations could be adversely affected.

*Our inability to implement our growth strategy, including expanding our business in existing and new sectors, or to successfully recognize the anticipated benefits of acquired businesses or assets could adversely affect our business and financial results.*

Our ability to compete in the highly competitive beverage industry and to achieve our business growth objectives depends, in part, on our ability to develop new flavors, products and packaging. The success of our innovation, in turn, depends on our ability to identify consumer trends and cater to consumer preferences. If we are not successful in our innovation activities, our business, financial condition and results of operation could be adversely affected.

On July 31, 2023, we acquired substantially all of the assets of Bang Energy. Among other assets, the acquisition included the Bang Energy® drink business. Prior to the Bang Energy acquisition, we acquired Monster Brewing Company, a craft beer and hard seltzer company, in February 2022. We may continue to make acquisitions that expand our business within the beverage industry. Overall, the effectiveness of acquisitions can be less predictable than developing new lines of beverages and might not provide the anticipated benefits or desired rates of return. Integrating the operations of acquired businesses could be a difficult, costly and time-consuming process that involves a number of risks including, but not limited to, the integration of company cultures and management teams, retaining key employees and customers, increased exposure to certain governmental regulations and compliance requirements, increased costs, and use of resources. Our business may also be adversely impacted if we are unable to rationalize brands that we have acquired or may acquire in the future.

To the extent we integrate acquired businesses, such as our integrations of the Bang Energy® and Monster Brewing Company businesses, it is possible that we will not realize the expected benefits from any completed acquisition over the timeframe we expect, or at all, or that our existing operations will be adversely affected as a result of acquisitions. For example, in 2025, we recognized impairment charges of $38.4 million related to certain finite-lived intangible assets and impairment charges of $15.3 million related to property and equipment in the Alcohol Brands segment. Therefore, the acquisition and integration of acquired businesses may not contribute to our earnings as expected, we may not achieve profit margin targets when expected, or at all, and we may not achieve the other anticipated strategic financial benefits of such transactions.

Our acquisition of Monster Brewing Company and any future acquisitions we may make that expand our business into new sectors in the beverage industry also pose unique risks. Risks associated with entering into a new sector, such as the alcohol beverage sector, include, but are not limited to: (1) having no or limited experience in such sector; (2) exposure to certain governmental regulations and compliance requirements; (3) difficulties developing, manufacturing, and marketing the products of newly acquired companies; and (4) our lesser familiarity with consumer preferences in the new sector. Entry into new sectors of the beverage industry may bring us into competition with new competitors that have potentially a larger, more established market presence. We cannot ensure that our entry into the alcohol beverage sector or any other new beverage sectors will be profitable, and future profitability may be delayed or otherwise materially adversely affected.

*Changes in consumer product and shopping preferences may reduce demand for our products.*

The beverage industry is subject to changing consumer preferences and shifts in consumer preferences may adversely affect us. There is increasing awareness of and concern for health, wellness and nutrition considerations, including concerns regarding caloric intake associated with sugar-sweetened beverages and the perceived undesirability of artificial ingredients and UPF. There are also increasing studies on and concern for the potential adverse consequences from excess consumption of alcohol beverages. Some consumer advocacy groups and others have expressed concerns regarding certain synthetic colors, low- and no-calorie sweeteners, and other ingredients that are contained in certain of our energy drinks, or have called for the curtailment of alcohol dissemination and consumption. There are also changes in demand for different packages, sizes and configurations. Such developments could reduce our revenues and adversely affect our results of operations.

Consumers are seeking greater variety in their beverages. For example, with regard to our Alcohol Brands, the broader alcohol industry is experiencing a shift in drinking preferences and behaviors, moving away from traditionally popular beer brands and segments and towards premium beers, imports, hard seltzers, FMBs, ready-to-drink malt-based, sugar-based, and spirits-based beverages, CBD and other cannabis beverages, and other similar beverages as well as an increasing focus on low and no-alcohol beverages. Our future success will depend, in part, upon our continued ability to develop and introduce different and innovative beverages that appeal to consumers.

In order to retain and expand our market share, we must continue to develop and introduce different and innovative beverages and be competitive in the areas of efficacy, taste, quality and price/value, although there can be no assurance of our ability to do so. There is no assurance that consumers will continue to purchase our products in the future. Product lifecycles for some beverage brands, products and/or packages may be limited to a few years before consumers' preferences change. The beverages we currently market are in varying stages of their product lifecycles, and there can be no assurance that such beverages will become or remain profitable for us. We may be unable to achieve volume growth through product and packaging initiatives. We may also be unable to penetrate new markets. Additionally, as shopping patterns are being affected by the digital evolution, with customers embracing shopping by way of mobile device applications, e-commerce retailers, e-commerce websites or platforms or artificial intelligence shopping agents, we may be unable to address or anticipate changes in consumer shopping preferences or engage with our customers on their preferred platforms. Moreover, artificial intelligence shopping agents may autonomously recommend products that are not ours and, in some cases, directly compete with our products. If our revenues decline, our business, financial condition and results of operations could be adversely affected.

*Our continued expansion outside of the United States exposes us to uncertain conditions and other risks in international markets.*

We have continued expanding our energy drink operations internationally into a variety of new markets. Our net sales to customers outside of the United States were approximately 41%, 40% and 38% of consolidated net sales for the years ended December 31, 2025, 2024 and 2023, respectively. As our growth strategy includes further expanding our international business, if we are unable to continue to expand distribution of our products or maintain consumer demand outside the United States, our growth rate could be adversely affected. In many international markets, we have limited operating experience and in some international markets we have no operating experience. It is costly to establish, develop and maintain international operations and develop and promote our brands in international markets. Our percentage gross profit margins in many international markets are expected to be less than the comparable percentage gross profit margins obtained in the United States. We face and will continue to face substantial risks associated with having foreign operations, including, but not limited to: economic and/or political instability in our international markets; fluctuations in foreign currency exchange rates; restrictions on or costs relating to the repatriation of foreign profits to the United States, including possible taxes and/or withholding obligations on any repatriations; and additional tariffs and/or trade restrictions, including foreign import tariffs proposed or imposed by the U.S. Administration and any responsive and/or retaliatory tariffs. These risks could have a significant impact on our ability to sell our products on a competitive basis in international markets and could have a material adverse effect on our business, financial condition and results of operations. Additionally, our operations outside of the United States are subject to risks relating to: appropriate compliance with legal and regulatory requirements in local jurisdictions; difficulties in staffing and managing local operations, which has, at times, necessitated enhanced local training, communications, and business partner management; higher rates of product damages, particularly when products are shipped long distances; higher incidence of fraud and/or corruption, such as invoicing fraud or kickback schemes; credit risk of local customers and distributors; and potentially adverse tax consequences.

*If we are not able to pass on increases in the costs of raw materials, including aluminum cans, ingredients, fuel, costs of co-packing, and/or tariffs, we may face a higher cost base, and our business and results of operations could be adversely affected.*

The principal raw materials used by us are aluminum cans, sleek aluminum cans, aluminum cap cans, aluminum cans with re-sealable ends, aluminum or steel kegs, cartons, to a limited extent PET plastic bottles and caps, flavors, juice concentrates, glucose, sugar, sucralose, milk, cream, coffee, tea, cocoa, malted barley, hops, water, yeast, ethanol, supplement ingredients and other packaging materials, the costs and availability of which are subject to fluctuations. Moreover, we rely upon trucks for the transportation of our products, which makes us susceptible to increases in the cost of fuel.

For certain flavors purchased from third-party suppliers and used in certain of our Monster Energy® brand energy drinks and/or our Strategic Brands energy drinks, these third-party flavor suppliers own the proprietary rights to certain of their flavor formulas. We do not have possession of the list of such flavor ingredients or formulas used in the production of certain of our products and certain of our blended concentrates, and our third-party flavor suppliers generally do not make such flavors and/or blended concentrates available to other third-party customers. While we have identified alternative suppliers for certain of the ingredients contained in many of our beverages, we may be unable to obtain comparable flavors or concentrates from alternative suppliers on short notice.

We are also uncertain whether the prices of any of the above raw materials, or any other raw materials or ingredient for that matter, will rise, or continue to rise, in the future and, if so, whether we will be able to pass on such increases to our customers. Certain of our co-packing arrangements, for instance, allow such co-packers to increase their fees based on certain of their own cost increases.

From time to time, we also enter into purchase agreements for portions of our annual anticipated requirements for certain of our raw materials such as glucose, sugar and sucralose. After imposing tariffs on steel and aluminum imports, in recent years, the United States has recently increased those tariffs and expanded the scope of their application. The U.S. Administration has also imposed tariffs more broadly on most imported goods and has also proposed additional tariffs on certain countries and sectors. Additional tariffs imposed by the United States, or further trade measures taken by other countries, retaliatory or otherwise, could result in an increase in raw material costs.

*Our failure to accurately estimate demand for our products or maintain sufficient inventory levels or anticipate shortages of raw materials could adversely affect our business and financial results.*

We may not correctly estimate demand for our existing products and/or new products. Our ability to estimate demand for our products is imprecise, particularly with regard to new products, and may be less precise during periods of rapid growth, including in new markets. If we materially underestimate demand for our products, and/or are unable to secure sufficient ingredients, raw materials and/or packaging materials, or experience production shortages or quality issues, we might not be able to satisfy demand on a short-term basis. Moreover, industry-wide shortages of certain flavor ingredients, flavors, fruits and fruit juices, coffee, tea, cocoa, dairy-based products, packaging materials (including aluminum cans), supplement ingredients and sweeteners have been, and could from time to time in the future be, encountered, resulting in production fluctuations or delays and/or product shortages and/or increased costs. We generally do not use hedging agreements or alternative instruments to manage this risk. Such shortages could interfere with and/or delay production of certain of our products and could have a material adverse effect on our business and financial results.

If we do not accurately anticipate the future demand for a particular product or the time it will take to obtain new inventory, our inventory levels may be inadequate, and our results of operations may be negatively impacted. If we fail to meet our shipping schedules, we could damage our relationships with distributors and/or retailers, increase our distribution costs and/or cause sales opportunities to be delayed or lost. In order to be able to deliver our products on a timely basis, we need to maintain adequate inventory levels of the requisite products. If we produce excess inventory, we may have significant inventory writeoffs. Further, if the inventory of our products held by our distributors and/or retailers is too high, they will not place orders for additional products, which could unfavorably impact our future sales and adversely affect our operating results.

*Our business is subject to seasonality, which may cause fluctuations in our operating results.*

Our business is subject to seasonality, which may cause the sale of our products to fluctuate from period to period due to the inherent demands and timing of our customers and consumer needs as well as seasonal factors, such as poor weather conditions. Given such variation by season, our results for any particular quarter may not be indicative of the results to be achieved for the entire fiscal year.

*The costs of packaging supplies, raw material inputs, ocean and domestic freight, tariffs, and inflation generally may adversely affect our results of operations.*

Many of our packaging supply contracts allow our suppliers to adjust the costs they charge us for packaging supplies based on changes in the costs of the underlying commodities that are used to produce those packaging supplies, such as aluminum for cans, PET plastic for bottles and pulp and paper for cartons and/or trays. These changes in the prices we pay for our packaging supplies occur at certain predetermined times that vary by product and supplier. In some cases, we are able to fix the prices of certain packaging supplies and/or commodities for a reasonable period. In other cases, we bear the risk of increases in the costs of these packaging supplies, including the underlying costs of the commodities that comprise these packaging supplies. We use derivative instruments to manage a portion of this risk in relation to aluminum for cans. Inflation and tariffs have affected, and may continue to affect, certain of our raw material and packaging costs, commodities and other inputs globally. If the costs of packaging supplies and other costs, such as truck fuel costs, shipping container costs, and ocean and domestic freight rates, further increase, we may be unable to pass these costs along to our customers through corresponding adjustments to the prices we charge, which could have a material adverse effect on our results of operations.

*Global or regional catastrophic events could impact our operations and affect our ability to grow our business.*

Because of our increasingly global presence, our business could be affected by unstable political conditions, civil unrest, protests and demonstrations, large-scale terrorist acts, especially those directed against the United States or other major industrialized countries where our products are distributed, the outbreak or escalation of armed hostilities, major natural disasters and extreme weather conditions, such as hurricanes, wildfires, tornados, earthquakes or floods, or widespread outbreaks of infectious diseases (such as the COVID-19 pandemic). Such catastrophic events could impact our operations and our supply chain, including the production and/or distribution of our products. Materials and/or personnel may need to mobilize to other locations. Our headquarters and a large part of our operations are located in California, a state at greater risk for earthquakes and wildfires. Some of the raw materials we use, including certain sizes of cans, are available from limited suppliers, and a regional catastrophic event impacting such suppliers could adversely impact our operations. In addition, such events could disrupt global or regional economic activity, which could adversely affect consumer purchasing power and consumers' ability to purchase our products, thereby reducing demand for our products. If our operations are disrupted or we are unable to grow our business as a result of these factors, our growth rate could decline and our business, financial condition and results of operations could be adversely affected.

*Failure to meet evolving corporate governance expectations or standards, including those related to sustainability matters, could expose us to increased costs, reputational harm, or other adverse consequences.*

Some regulators and stakeholders are focused on corporate responsibility and sustainability matters, including, but not limited to, greenhouse gas emissions and other climate-related risks, sustainable packaging, water stewardship, and corporate governance and oversight. While we are actively addressing these issues, these initiatives represent our current plans and aspirations that may be refined in the future and are not guarantees that we will be able to achieve them, especially given the difficulties and expenses of implementation as well as the ever-changing regulatory and technological landscape. For example, disclosures about our sustainability-related initiatives and goals, and progress against those goals, 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. In addition, previously reported data has, and may continue to be, adjusted to reflect improvements in the availability and quality of internal and third-party data, changes in the nature and scope of our operations, and other changes in circumstances. If our climate-related information, processes and disclosures are incomplete or inaccurate, our reputation, business, and growth could be negatively impacted.

Furthermore, the rules, regulations, and standards set forth by various governmental and self-regulatory organizations, such as the SEC, the European Union, the Nasdaq Stock Market, and the Financial Accounting Standards Board ("FASB"), continue to evolve in scope and complexity and, at times, are inconsistent with one another, which, in turn, makes compliance more uncertain and difficult. For example, the standards used to identify and collect the data required pursuant to the European Union's Corporate Sustainability Reporting Directive are still in development, which could result in increased costs related to complying with the changing reporting obligations and could increase our risk of failing to comply with the directive. These changing rules and regulations, along with constantly evolving stockholder expectations, have resulted in, and may continue to result in, increased general and administrative expenses and increased management time and attention spent complying with or meeting such expectations and rules.

Our failure or perceived failure to progress or achieve our climate-related commitments, maintain sustainability practices, or comply with emerging sustainability regulations that meet developing regulatory or stakeholder expectations could harm our reputation, harm our ability to maintain or attract customers and talent, and expose us to increased scrutiny from enforcement authorities and stakeholders. Our reputation may also be harmed by the perceptions that stakeholders, regulators or other interested parties have about our action or inaction on sustainability- and corporate responsibility-related issues as well as the nature or scope of, or revisions to, our sustainability initiatives and goals. For example, we could face negative responses or backlash from governmental actors (such as anti-environmental, social and governance-related legislation) or consumers (such as boycotts or negative publicity campaigns) who disagree with our goals and initiatives. Damage to our reputation and loss of brand equity may reduce demand for our products and thus have an adverse effect on our future financial results, as well as require additional resources to rebuild our reputation and could impact our stock price.

*Our use of artificial intelligence technologies in our operations may expose us to risks.*

We rely on artificial intelligence ("AI") technologies to support and enhance various aspects of our products, services, and internal operations. These systems may not perform as intended and expose us to risks. In particular, AI models can generate inaccurate, biased, or unpredictable outputs, and failures in data quality, system design, or oversight could result in operational disruptions, security or privacy incidents, reputational challenges, and other harms. Because AI systems can be complex and difficult to fully evaluate or audit, we may be unable to detect errors or vulnerabilities in a timely manner. If we are unable to effectively implement, monitor, and manage these technologies, our business, financial condition, and results of operations could be adversely affected.

*Climate change and natural disasters may negatively affect our business.*

There is concern that a gradual increase in global average temperatures due to increased carbon dioxide and other greenhouse gases in the atmosphere could cause significant changes in weather patterns around the globe and an increase in the frequency and severity of natural disasters. Changing weather patterns could result in decreased agricultural productivity in certain regions, and/or outbreaks of diseases or other health issues, which may limit the availability and/or increase the cost of certain key ingredients, juice concentrates, supplements and other ingredients used in our products and could impact the food security of communities around the world. Increased frequency, duration, and intensity of extreme weather conditions and/or natural disasters could also impair our production capabilities, disrupt our supply chain, impact demand for our products, and/or create financial risk due to rising insurance premiums or the inability to maintain coverage.

Natural disasters and extreme weather conditions, such as hurricanes, wildfires, earthquakes or floods, and outbreaks of diseases (such as the COVID-19 pandemic) or other health issues, have affected, and may continue to affect, our operations and the operation of our supply chain, impact the operations of our bottlers/distributors and unfavorably impact our consumers' ability to purchase our products. In September and October 2024, for example, Hurricanes Helene and Milton impacted sales at retail in certain states. In addition, due to flooding from Hurricane Helene, we were forced to close one of our breweries located in Brevard, North Carolina for one week and could not operate this brewery at full capacity for approximately one month. Additionally, in early 2025, we temporarily closed our AFF manufacturing facility in Southern California due to the air pollution caused by the Los Angeles wildfires. While the impact of such natural disasters on our business was ultimately immaterial, similar extreme weather occurrences could negatively harm our operations and hinder our growth, especially if such events continue to occur with increased frequency.

The predicted effects of climate change may also result in challenges regarding the availability and quality of water, or less favorable pricing for water, which could adversely impact our business and results of operations. Sales of our products may also be influenced to some extent by weather conditions in the markets in which we operate. We, our bottlers and our contract packers use a number of key ingredients in the manufacture of our beverage products that are derived from agricultural commodities, such as sugar, ethanol, coffee, tea, cocoa, barley and hops. Increased demand for food products and decreased agricultural productivity in certain regions of the world as a result of changing weather patterns and other factors may limit the availability or increase the cost of such agricultural commodities and could impact the food security of communities around the world. Weather conditions may influence consumer demand for certain of our beverages, which could have an effect on our operations, either positively or negatively.

In addition, public expectations for reductions in greenhouse gas emissions could result in increased energy, transportation and raw material costs and may require us to make additional investments in facilities and equipment. Changes in applicable laws, regulations, standards or practices related to greenhouse gas emissions, packaging and water scarcity, as well as initiatives by advocacy groups in favor of certain climate change-related laws, regulations, standards or practices, have and may continue to result in increased compliance costs, capital expenditures and other financial obligations, which could affect our business, financial condition and results of operations. For example, the California legislature and European Union have each adopted laws that require us to significantly increase our disclosures related to climate change and mitigation efforts and, in turn, has required us to incur additional costs to comply and impose more oversight obligations on our Board of Directors and management.

*If we are not able to retain the services of our workforce, there may be an adverse effect on our operations and/or our operating performance until we find suitable replacements.*

Our business is dependent, to a large extent, upon the services of our workforce. We do not maintain key person life insurance on any members of our senior management. The loss of services of any key member of our senior management team could adversely affect our business until suitable replacements can be found. There may be a limited number of personnel with the requisite skills to serve in these positions, and we may be unable to locate or employ such qualified personnel on acceptable terms.

*Negative publicity (whether or not warranted) could damage our brand image and corporate reputation and may cause our business to suffer.*

Our success depends on our ability to build and maintain the brand image for our existing products, new products and brand extensions and maintain our corporate reputation. There can be no assurance that our advertising, marketing and promotional programs and our commitment to product safety and quality, human rights and environmental sustainability will have the desired impact on our products' brand images and on consumer preferences and demand. Claims regarding product safety, quality and/or ingredient content issues, efficacy or lack thereof (real or imagined), our culture and our workforce, our environmental impact and the sustainability of our operations, or allegations of product contamination, even if false or unfounded, could tarnish the image of our brands and may cause consumers to choose other products. Consumer demand for our products could diminish significantly if we, our employees, bottlers/distributors, suppliers or business partners fail to preserve the quality of our products and/or act or are perceived to act in an unethical, illegal, discriminatory, unequal or socially irresponsible manner, including with respect to the sourcing, content or sale of our products, service and treatment of our customers, or the use or protection of customer data. Furthermore, our brand image or perceived product quality could be adversely affected by litigation, unfavorable reports in the media (internet or elsewhere), studies in general and regulatory or other governmental inquiries (in each case whether involving our products or those of our competitors) and proposed or new legislation or regulations affecting the beverage industry, whether related to alcohol or non-alcohol beverages. Negative postings or comments on social media or networking websites about the Company or any one of our brands, even if inaccurate or malicious, could generate adverse publicity that could damage the reputation of our brands or the Company. Business incidents, whether isolated or recurring and whether originating from us, our bottlers/distributors, suppliers or business partners, that erode consumer trust can significantly reduce brand value or potentially trigger boycotts of our products and can have a negative impact on consumer demand for our products as well as our reputation and financial results. The impact of such incidents may be exacerbated if they receive considerable publicity, including rapidly through social or digital media (including for malicious reasons), or result in litigation.

In addition, from time to time, there are public policy endeavors that are either directly related to our products and packaging or to our business. These public policy debates can occasionally be the subject of backlash from advocacy groups that have a differing point of view and could result in adverse media and consumer reaction, including product boycotts. Similarly, our sponsorship relationships could subject us to negative publicity as a result of actual or alleged misconduct by individuals or entities associated with organizations that we sponsor or support. Likewise, campaigns by activists connecting us, or our supply chain, with human and workplace rights and/or environmental or animal rights issues could adversely impact our corporate image and reputation.

We have made commitments to respect human rights, including the policies and initiatives described in our Modern Slavery Transparency Statement. Allegations, even if untrue, that we are not respecting the human rights found in the United Nations Universal Declaration of Human Rights; actual or perceived failure by our suppliers or other business partners to comply with applicable labor and workplace rights laws, including child labor laws, or their actual or perceived abuse or misuse of migrant workers; adverse publicity surrounding obesity and alcohol consumption, including alcoholism, drunk driving and associated cancer risks; and other such concerns related to our products, water usage, our environmental impact and the sustainability of our operations, labor relations, our culture and our workforce or the like could negatively affect our Company's overall reputation and brand image, which in turn could have a negative impact on our products' acceptance by consumers.

**Government Regulation and Litigation Risks**

*Changes in government regulation, or a failure to comply with existing regulations, including those related to energy drinks, data protection and advertising, could adversely affect our business, financial condition and results of operations.*

Legislation has been proposed and/or adopted at the U.S. federal, state and/or municipal level and proposed and/or adopted in certain foreign jurisdictions to restrict the sale of energy drinks (including, prohibiting the sale of energy drinks at certain establishments or pursuant to certain governmental programs, such as SNAP), limit the content or levels of caffeine and other ingredients in beverages, require certain product labeling disclosures and/or warnings, impose excise taxes, limit product size or impose age restrictions for the sale of energy drinks. For a discussion of certain of such legislation, see "Part I, Item 1 – Business – Government Regulation." Furthermore, additional legislation may be introduced in the United States and other countries at the federal, state, provincial, local, municipal and/or supranational level in respect of each of the foregoing subject areas. Public health officials and health advocates are increasingly focused on the public health consequences associated with obesity, especially as it affects children, and are seeking legislative change to reduce the consumption of sweetened beverages. There has also been heightened focus on the caffeine and ingredient content in beverages. In the past year alone, certain states, including Texas and West Virginia, have enacted laws, mandating food label warnings regarding certain ingredients contained in products and/or banning certain additives. To the extent any such legislation is enacted in one or more jurisdictions where a significant amount of our products are sold, individually or in the aggregate, it could result in a reduction in demand for, or availability of, our energy drinks and adversely affect our business, financial condition and results of operations.

The production, distribution and sale, as well as our manufacturing facilities themselves, in the United States of many of our products are also currently subject to various federal and state regulations, including, but not limited to: the FD&C Act; the Occupational Safety and Health Act; various environmental statutes; privacy and data protection laws; California Proposition 65; and various other federal, state and local statutes and regulations applicable to the production, transportation, sale, safety, advertising, labeling, packaging and ingredients of such products.

Outside the United States, the production, distribution and sale of many of our products are also subject to numerous statutes and regulations.

If a regulatory authority finds that a current or future product, its label, or a production run or facility is not in compliance with any of these regulations, we may be fined or face other regulatory penalties, or the products in question may have to be recalled, removed from the market, reformulated and/or have their packaging changed, which could adversely affect our business, financial condition and results of operations.

*Regulations concerning our alcohol beverages may adversely affect our business, financial condition or results of operations and inhibit the sales of such products.*

Governmental agencies heavily regulate the alcohol beverage industry. In particular, such agencies monitor and regulate licensing, warehousing, trade and pricing practices, permitted and required labeling, including warning labels, signage, advertising, relations with wholesalers and retailers, and, in control states, product listings. Increased regulatory trade practice enforcement may increase in response to the Treasury Report. Both in the U.S. and in other markets, there may also be a focus on companies with established non-alcohol beverages lines of business that have expanded into the alcohol beverage industry, since marketing practices that are acceptable in the non-alcohol space may have regulatory challenges in the alcohol space (including with respect to crossover appeal from one category to another). In addition, other countries in which we may sell alcohol beverages could impose duties, excise taxes and/or other related taxes. If, in the future, we are unable to comply with certain regulations, sales of our products could decrease significantly. Additionally, if such agencies or jurisdictions, foreign or domestic, choose to implement new or revised laws, regulations, fees, taxes, or other such requirements, our business could be adversely affected. Attention to the risks of alcohol consumption has been increasing in the United States and abroad. If governmental bodies require increased additional product labeling, warning requirements, or otherwise limit the marketing or sale of our alcohol products due to their contents or allegations concerning their potential to cause adverse health effects, or our marketing of such products, our sales of alcohol beverages may be adversely affected.

*Significant changes to or failure to comply with various environmental laws may expose us to liability and/or cause certain of our facilities and/or those of our co-packers to close, relocate or operate at reduced production levels, which could adversely affect our business, financial condition and results of operations.*

We, and our co-packers, are subject to an ever-changing and increasingly broad array of federal, state, regional, local, and international environmental laws, including statutes and regulations, which aim to regulate emissions and impacts to air, land, and water. Our operations and those of our co-packers may result in odors, noise, or other pollutants being emitted. Failure to comply with any environmental laws or any future changes to them could result in alleged harm to employees or others near our facilities or those of our co-packers. Significant costs to satisfy environmental compliance, remediation or compensatory requirements, or the imposition of penalties or restrictions on operations by governmental agencies or courts, may adversely affect our business, financial condition, and results of operations.

Increasing international and regional concern over sustainability matters, including climate change, has resulted in, and will likely continue to result in, new or revised laws and regulations aimed at reducing or mitigating the potential effects of greenhouse gases, restricting or increasing the costs of commercial water use due to local water scarcity concerns, or increasing mandatory reporting of certain sustainability metrics, such as recycling. If we fail to comply with applicable environmental compliance mandates or fail to meet sustainability metrics, our business operations and our reputation could be adversely impacted.

*Changes in the regulation of artificial intelligence could result in enforcement actions, fines, or other adverse consequences.*

We operate in a global market, and our use of AI is subject to different levels of regulations in different markets. These differences, as well as changes in the way AI is regulated—including potential new requirements governing transparency, accountability, data usage, and model controls—could increase our compliance costs, limit the use of certain technologies, or require changes to our products and processes. Any failure to comply with emerging AI regulatory frameworks could result in enforcement actions, fines, or other adverse consequences.

*We cannot predict the effect of inquiries from and/or actions by litigants, attorneys general, and/or other (quasi-) government agencies into the production, advertising, marketing, promotion, labeling, ingredients, usage and/or sale of our products.*

We are subject to the risks of litigation, investigations and/or enforcement actions by state attorneys general and/or other government agencies (quasi or otherwise) relating to, among other things, the production, advertising, marketing, promotion, labeling, ingredients, usage and/or sale of our products, and we are a party, from time to time, to various government and regulatory inquiries and/or proceedings. Defending these proceedings can result in significant ongoing expenditures and the diversion of our management's time and attention from the operation of our business, which could have a negative effect on our business operations.

In addition, from time to time, government and/or quasi-governmental agencies may investigate the safety of caffeine and other ingredients in energy drinks as well as the safety and potential adverse effects of alcohol beverages. If an inquiry by a state attorney general or other government or quasi-governmental agency finds that our products, our protection of consumer data, and/or the production, advertising, marketing, promotion, labeling, ingredients, usage and/or sale of such products are not in compliance with applicable laws or regulations, we may become subject to fines, product reformulations, container changes, changes in the usage or sale of our products and/or changes in our advertising, marketing, promotion, and data practices, each of which could have an adverse effect on our business, financial condition or results of operations.

*Litigation regarding our products and practices, and related unfavorable media attention, could expose us to significant liabilities and reduce demand for our products, thus negatively affecting our financial results.*

We have been and are a party, from time to time, to various litigation claims and legal proceedings, including, but not limited to, intellectual property, fraud, unfair business practices, false advertising, product liability, breach of contract claims, claims from prior distributors, labor and employment matters, personal injury matters, consumer class actions, securities actions, data protection matters, shareholder derivative actions, mediation, arbitration, and administrative proceedings.

Other lawsuits have been filed against us claiming that certain statements made in our advertisements and/or on the labels of our products were false and/or misleading or otherwise not in compliance with food standards under local law, and/or that our products are not safe. Putative class action lawsuits have also been filed against certain of our competitors asserting that certain claims in their advertisements amount to false advertising. We do not believe any statements made by us in our promotional materials or set forth on our product labels are false or misleading or noncompliant with local law, or that our products are in any way unsafe, and we vigorously defend such lawsuits.

Our acquisition of Monster Brewing Company also exposes us to class action or other private or governmental litigation and claims relating to alcohol marketing, advertising, or distribution practices, alcohol abuse problems or other health consequences arising from excessive consumption of or other misuse of alcohol, including death. For example, in a number of states, plaintiffs have alleged that alcohol beverage manufacturers and marketers have improperly targeted underage consumers in their advertising in violation of the consumer protection or deceptive trade practices statutes of certain states.

Any of the foregoing matters or other litigation, the threat thereof, or unfavorable media attention arising from pending or threatened product-related litigation related to our products or practices could consume significant financial and managerial resources and result in decreased demand for our products, significant monetary awards against us, an injunction barring the sale of any of our products and injury to our reputation. Our failure to successfully defend or settle any litigation or legal proceedings could result in liabilities that, to the extent not covered by our insurance, could have a material adverse effect on our financial condition, revenue and profitability and could cause the market value of our common stock to decline.

*If we encounter material product recalls, our business may suffer material losses and such recalls could damage our brand image and corporate reputation, also resulting in material losses.*

We have been, and may in the future be, required from time to time to recall products entirely or from specific co-packers, markets, retailers or batches or reformulate certain of our products if such products become contaminated, damaged, mislabeled, defective or otherwise materially non-compliant with applicable regulatory requirements. For example, in recent years, we have experienced limited recalls of certain products in Canada, Europe, and the United States. A material product recall could adversely affect the availability of our products, our profitability, including the loss of product sales from the destruction of product inventory, and our brand image and corporate reputation. We do not maintain recall insurance.

**Intellectual Property, Information Technology and Data Privacy and Security Risks**

*Our intellectual property rights are critical to our success, and the loss of such rights could materially adversely affect our business.*

We own numerous trademarks that are very important to our business. We also own the copyright in, and to, a portion of the content on the packaging of our products. We regard our trademarks, copyrights and similar intellectual property as critical to our success and attempt to protect such intellectual property through registration and enforcement actions. However, there can be no assurance that other parties will not infringe or misappropriate our trademarks, copyrights and similar proprietary rights. We also have been, and may in the future be, unable to use our trademarks, trade names or designs and/or trade dress in certain countries, which may impact sales of the affected brands and require increased expenditures, which could have an adverse effect on our business, financial condition or results of operations.

*Our use of information technology exposes us to the risk of cybersecurity incidents and other costs and interruptions that could disrupt our business operations and adversely impact our reputation and results of operations.*

We have been, and may continue to be, the subject of cybersecurity incidents. We may be subject to further incidents in the future even if we appropriately allocate and effectively manage the resources necessary to build and sustain the proper technology infrastructure. Cybersecurity incidents may be difficult to detect for periods of time, and include, but are not limited to, malicious software (malware, ransomware and viruses), phishing and social engineering, attempts to gain unauthorized access to networks, computer systems and data, malicious or negligent actions of employees (including misuse of information they are entitled to access), cyber extortion, electronic or wire fraud, and business email compromise, among others. These cybersecurity incidents may be caused by failures during routine operations, such as inadvertent lack of system upgrades leading to unpatched vulnerabilities, user errors, network or hardware failures, malicious or disruptive software, unintentional or malicious actions of employees or contractors, as well as cybersecurity attacks by hackers, criminal groups or nation-state organizations. Due to the constant evolving nature and methods of security threats, we cannot predict the form and nature of any future cybersecurity incident, and the cost and operational expense of implementing, maintaining and enhancing protective measures to guard against increasingly complex and sophisticated cyber threats could increase significantly.

Cybersecurity incidents could lead to disruptions in or loss of access to our data or business systems; an inability to process customer orders or lost customer orders; unauthorized release of confidential, proprietary or otherwise protected information belonging to us or our employees, customers, consumers, partners, suppliers, or other third party service providers; lost revenues or other costs due to office, plant, production, warehouse or other facility disruption or shutdown; additional expenses, including the cost of remediating incidents or improving security measures, increased insurance costs, or ransomware payments; and corruption or destruction of data. Moreover, if our data management systems do not effectively collect, store, process and report relevant data for the operation of our business (such as due to a cybersecurity incident), our ability to effectively plan, forecast and execute our business plan and comply with applicable laws and regulations will be impaired, perhaps materially. We also may suffer reputational damage because of lost or misappropriated confidential or proprietary information belonging to us, or employees, customers, suppliers or other third-party service providers, which could result in legal action and increased regulatory oversight, including governmental inquiries, investigations, enforcement actions and regulatory fines. Any such consequences could materially and adversely affect our financial condition, results of operations and cash flows.

Although we maintain cybersecurity insurance coverage that may, subject to the relevant policy's terms and conditions, cover certain aspects of a breach or disruption, such insurance coverage may be insufficient to cover all losses that might arise from a cybersecurity incident or interruption.

We are upgrading our enterprise resource planning system, including implementing SAP S4 HANA with a planned go-live date of January 1, 2028, in order to improve operational efficiency, scalability, and overall business management. These upgrades involve personnel training, data migration, and potential security and stability risks, and any significant delays or failures could disrupt our business and negatively affect our operations and financial results.

*Cybersecurity incidents, business interruptions and compliance issues experienced by third parties could materially and adversely affect our financial condition, results of operation and cash flows.*

We rely on relationships with third parties, including suppliers, distributors, bottlers, contract packers, contractors, cloud data storage and other information technology service providers and other external business partners, for certain functions or for services in support of our operations. These third-party service providers and partners, with whom we may share data and operational systems, have, and could in the future, experience cybersecurity incidents. Third parties have experienced, and could in the future experience, challenges complying with laws and regulations, such as data protection requirements, and interruptions to business systems, disruption to operations, and employee failures. While we have procedures in place for selecting and managing our relationships with third-party service providers and other business partners, we do not have control over their business operations or governance and compliance systems, practices and procedures. Furthermore, our management of multiple third-party service providers increases our operational complexity. Third parties have and could in the future experience cybersecurity incidents that may involve data we share with them or rely on them to provide to us with respect to timely notification and access to personnel and information concerning an incident, which may complicate our efforts to resolve any issues that arise. Third parties on whom we rely for our business operations, products, and services have and could in the future experience cybersecurity incidents that may impede their ability to deliver or provide to us business operations, products, or services. As a result, we are subject to the risk that the activities associated with our third-party service providers and partners will adversely affect our business, even if the cybersecurity incident does not directly impact our systems or information.

Additionally, these risks are also present in acquired businesses, joint ventures or companies that we invest in or with whom we partner and over which we do not yet, or will not have, direct control. Such businesses may use separate information systems or have not yet been fully integrated into our information systems.

*If we fail to comply with data privacy and personal data protection laws and emerging cybersecurity laws, we could be subject to adverse publicity, government enforcement actions and/or private litigation, which may negatively impact our business and operating results.*

We receive, process, transmit and store information relating to certain identified or identifiable individuals ("personal data"), including customers, partners, and current and former employees, in the ordinary course of business. As a result, we are subject to various U.S. and international laws and regulations relating to personal data. These laws are subject to change, and new personal data or cybersecurity legislation and/or regulations may be enacted in other jurisdictions at any time. In the European Union, the General Data Protection Regulation ("GDPR") includes operational requirements for companies within scope who receive or otherwise process personal data of residents of data subjects (which may not necessarily be limited to those who are residents of the European Union) and includes significant penalties for noncompliance. Additionally, privacy and data protection laws and regulations have been adopted or are being considered by various U.S. states. These laws and regulations impose operational requirements, including disclosures to consumers about personal data practices, opt-out and consent choices and required contractual terms with certain third parties, as well as obligations to provide notice to individuals, third parties, and/or regulators in the event of certain cybersecurity incidents involving personal data. In China, for instance, the Personal Information Protection Law also imposes requirements on the collection, use, and cross-border transfer of personal information, and noncompliance may result in penalties and operational restrictions.

These laws and regulations, as well as changes and new laws and regulations that apply to personal data and cybersecurity practices, subject the Company to, among other things, additional costs and may require changes to our business practices, security systems, policies, and procedures. Inquiries from regulators and/or private litigation regarding our use and protection of personal data could harm our reputation, cause loss of consumer confidence, and subject us to government enforcement actions (including fines and injunctions), which may result in potential loss of revenue, increased costs, liability for monetary damages or fines and/or criminal prosecution, thereby negatively impacting our business and operating results.

**Financial Risks**

*Fluctuations in our effective tax rate could adversely affect our financial condition and results of operations*.

We are subject to income and other taxes in both the U.S. and certain foreign jurisdictions. Therefore, we are subject to audits for multiple tax years in various jurisdictions at once.

We are in various stages of examination with certain states and certain foreign jurisdictions. Our 2022 through 2025 U.S. federal income tax returns are subject to examination by the IRS. Our state income tax returns are generally subject to examination for the 2021 through 2025 tax years. The United Kingdom and Ireland income tax returns are subject to examination for the 2021 through 2025 tax years.

At any given time, events may occur which change our expectation about how any such tax audits will be resolved, and thus, there could be significant variability in our quarterly and/or annual tax rates, because these events may change our plans for uncertain tax positions.

Changes in U.S. tax laws as a result of legislation proposed by the U.S. presidential administration or U.S. Congress could affect our provision for income taxes, resulting in an adverse impact on our financial condition or results of operations. For example, on July 4, 2025, the One Big Beautiful Bill Act (the “OBBBA”), which includes a broad range of tax reform provisions, was enacted in the United States. We cannot guarantee that it will not affect our financial condition or results of operations in the future. In addition, changes in the manner in which U.S. multinational corporations are taxed on foreign earnings, including changes in how existing tax laws are interpreted or enforced, could adversely affect our financial condition or results of operations. For example, the Organization for Economic Cooperation and Development (“OECD”) has recommended changes to numerous long-standing international tax principles through its base erosion and profit shifting (“BEPS”) project and, as recently as early January 2026, has agreed upon an OECD BEPS global minimum tax framework. These changes, to the extent adopted, may increase tax uncertainty, result in higher compliance costs and adversely affect our provision for income taxes, results of operations and/or cash flow. In connection with the OECD’s BEPS project, companies are required to disclose more information to tax authorities on operations around the world, which may lead to greater audit scrutiny of profits earned in various countries. Economic and political pressures to increase tax revenues in jurisdictions in which we operate, or the adoption of new or reformed tax legislation or regulation, may make resolving tax disputes more difficult, and the final resolution of tax audits and any related litigation could differ from our historical provisions and accruals, resulting in an adverse impact on our financial condition or results of operations.

*We may be required to record a charge to earnings if our goodwill or intangible assets become impaired.*

Under United States Generally Accepted Accounting Principles (“GAAP”), we are required to test our indefinite lived intangible assets and goodwill for impairment at least annually and to review our intangible assets for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. Factors that may be considered a change in circumstances indicating that the carrying value of our intangible assets may not be recoverable include declining or slower than anticipated growth rates for certain of our existing products, a decline in stock price and market capitalization, and slower growth rates in our industry.

We may be required to record a charge to earnings during the period in which we determine that our intangible assets have been impaired. Any such charge would adversely impact our results of operations. As of December 31, 2025, our goodwill totaled approximately $1.33 billion and other intangible assets totaled approximately $1.38 billion. For the year ended December 31, 2025, we recorded $38.4 million of impairment charges related to certain finite-lived intangible assets in the Alcohol Brands segment.

*Fluctuations in foreign currency exchange rates may adversely affect our operating results.*

We are exposed to foreign currency exchange rate risk with respect to our sales, expenses, profits, assets and liabilities denominated in currencies other than the U.S. dollar. We enter into forward currency exchange contracts with financial institutions to create an economic hedge to specifically manage a portion of the foreign exchange risk exposure associated with certain consolidated subsidiaries' non-functional currency denominated assets and liabilities. We have not used instruments to hedge against all foreign currency risks and are therefore not protected against all foreign currency fluctuations. As a result, our reported earnings are, and may continue to be, affected by changes in foreign currency exchange rates. Moreover, any favorable impacts to profit margins or financial results from fluctuations in foreign currency exchange rates are likely to be unsustainable over time. The current relative strength of the U.S. dollar has impacted our results of operations.

For the years ended December 31, 2025, 2024 and 2023, aggregate foreign currency transaction gains (losses), including the gains or losses on forward currency exchange contracts, amounted to $(11.9) million, $(26.4) million and $(60.2) million, respectively.

*Potential changes in accounting standards or practices and/or taxation may adversely affect our financial results.*

We cannot predict the impact that future changes in accounting standards or practices may have on our financial results. New accounting standards could be issued that change the way we record revenues, expenses, assets and liabilities. These changes in accounting standards could adversely affect our reported earnings.

Increases in direct and indirect income tax rates could affect after-tax income. Equally, increases in indirect taxes (including environmental taxes pertaining to the disposal of beverage containers and/or indirect taxes on beverages generally or energy drinks in particular) could affect our products' affordability and reduce our sales.

*If we fail to maintain effective disclosure controls and procedures and internal control over financial reporting on a consolidated basis, our stock price and investor confidence in the Company could be materially and adversely affected.*

We are required to maintain both disclosure controls and procedures as well as internal control over financial reporting that are effective for the purposes described in "Part II, Item 9A – Controls and Procedures." If we fail to maintain such controls and procedures, our business, results of operations, financial condition and/or the value of our stock could be materially harmed.

*Uncertainty in the financial markets and other adverse changes in general economic or political conditions in any of the major countries in which we do business could adversely affect our industry, business and results of operations.*

Global economic uncertainties, including highly inflationary economies and foreign currency exchange rates and rising interest rates, affect businesses such as ours in a number of ways, making it difficult to accurately forecast and plan our future business activities. There can be no assurance that economic improvements will occur, would be sustainable, or would enhance conditions in markets relevant to us. In addition, we cannot predict the duration and severity of disruptions in any of our markets or the impact they may have on our customers or business, as our expansion outside of the United States has increased our exposure to any developments or crises in African, Asian, Central and South American, European, Middle Eastern and other international markets. Moreover, geopolitical tensions have created, and may continue to create, supply chain and financial risk due to our reliance on aluminum for packaging and the potential for increased costs due to tariffs or shortages.

Unfavorable economic conditions and financial uncertainties, including economic slowdowns and recessions, and unstable political conditions, including civil unrest and governmental changes, in our major markets could undermine global consumer confidence and reduce consumers' purchasing power, thereby reducing demand for our products. The U.S. federal government has shut down multiple times in recent years, in some cases for prolonged periods, and may shut down again in the future, which could significantly impact business and economic conditions. The foregoing also includes the impact of several elections worldwide and the resulting policy shifts, the impact of new policies implemented by the U.S. or other jurisdictions particularly with respect to tax and trade policies, including tariffs, and the impact of sanctions and related activities by the U.S., European Union, or other jurisdictions and any increased economic uncertainty and volatility in commodity prices that it poses.

*Default by or failure of one or more of our counterparty financial institutions could cause us to incur significant losses.*

As part of any hedging activities that we may conduct, we may enter into transactions involving derivative financial instruments, including forward contracts, commodity futures contracts, option contracts, collars and swaps, with various financial institutions. We also have significant amounts of cash, cash equivalents and other investments on deposit or in accounts with banks or other financial institutions both in the United States and abroad, exposing us to risk of default by or failure of such counterparty financial institutions. This risk of counterparty default or failure is greater during periods of economic downturn or uncertainty in financial markets. If one of our counterparties became insolvent or filed for bankruptcy, our ability to recover losses incurred due to the default or to retrieve assets deposited or held in accounts with such counterparty may be limited by the counterparty's liquidity or applicable laws governing insolvency and bankruptcy proceedings. Default by or failure of one or more of our counterparties could cause us to incur significant losses and negatively impact our results of operations and financial condition.

*Volatility of our stock price may restrict sale opportunities.*

Our stock price is affected by a number of factors, including stockholder expectations, financial results, the introduction of new products by us and our competitors, general economic and market conditions such as inflation, estimates and projections by the investment community and public comments by other parties, as well as many other factors, including litigation, many of which are beyond our control. We do not provide guidance on our future performance, including, but not limited to, our revenues, margins, product mix, operating expenses, net income, or earnings per share. We may be unable to achieve analysts' net revenue and/or earnings forecasts, which are based on their own projected revenues, sales volumes and sales mixes of many product types and/or new products, certain of which are more profitable than others, as well as their own estimates of gross margin and operating expenses. There can be no assurance that we will achieve any such projected levels or mix of product sales, revenues, gross margins, operating profits, net income and/or earnings per share. As a result, our stock price is subject to significant volatility, and stockholders may not be able to sell our stock at attractive prices. In addition, periods of volatility in the market price of our stock could result in the initiation of securities class action litigation against us. During the fiscal year ended December 31, 2025, the high of our stock price was $78.31 and the low was $45.70.

*Our investments are subject to risks which may cause losses and affect the liquidity of such investments.*

At December 31, 2025, we had $2.09 billion in cash and cash equivalents, $677.1 million in short-term investments and $487.3 million in long-term investments, including commercial paper, certificates of deposit, municipal securities, U.S. treasuries and corporate bonds. Certain of these investments are subject to general credit, liquidity, market and interest rate risks. These risks associated with our investment portfolio may have an adverse effect on our future results of operations, liquidity and financial condition.

## ITEM 1B. UNRESOLVED STAFF COMMENTS

Not applicable.

## ITEM 1C. CYBERSECURITY

Our Board recognizes the importance of maintaining the trust and confidence of our customers, consumers, employees, partners, and other stakeholders and oversees cybersecurity matters. Management plays a central role in our cybersecurity program, which is a critical component of our enterprise risk management and includes the implementation of controls generally aligned with industry best practices and applicable frameworks to identify threats, deter attacks and protect our Company assets. We also include cybersecurity training as part of our mandatory, periodic employee training program. In addition, we engage a range of cybersecurity experts, including cybersecurity auditors, assessors, and consultants, in evaluating and testing our security controls and processes. These partnerships enable us to leverage specialized knowledge and insights to align our cybersecurity strategies and processes with industry best practices. Our collaboration with these third parties includes regular audits, threat assessments, and consultations on potential security enhancements.

Our Chief Information Officer and his team are responsible for leading our cybersecurity strategy, policy, standards, architecture, and processes. Our cybersecurity leadership team has more than 40 years of combined experience in cyber and information security matters. Our cybersecurity program is also supported by our Chief Compliance Officer and other members of senior management. We conduct periodic reviews of our program by internal and external experts with the results of those reviews reported to senior management and the Board. Moreover, pursuant to our Audit Committee Charter, as amended and restated, the Audit Committee of our Board (the "Audit Committee") reviews our cybersecurity matters with our Chief Information Officer at each of its quarterly meetings. We have procedures in place for addressing potential cybersecurity risks when selecting and managing our relationships with third-party service providers and other business partners. For example, we require certain third-party service providers and other business partners to provide us with SOC II reports that demonstrate alignment with data and cybersecurity standards. We also actively engage with industry participants as part of our continuing efforts to evolve our cybersecurity governance.

Our cybersecurity team promptly informs our Incident Response Team of potentially material cybersecurity incidents, including with respect to such incidents involving our third-party service providers. The Chief Information Officer briefs our Chief Executive Officer and reports to the Audit Committee. The Audit Committee, in turn and if appropriate, briefs the Board on, among other matters, potentially material cybersecurity incidents, our cyber risks and threats, the status of projects to strengthen our enterprise systems (such as employee cybersecurity training), an assessment of the cybersecurity program, and the emerging threat landscape. The Cybersecurity and Compliance Steering Committee, comprised of senior members of management, convenes on a quarterly basis to review matters related to strengthening our cybersecurity posture and providing cybersecurity governance.

As of the date of this filing, we have not identified any cybersecurity threats or incidents that have materially affected or are reasonably likely to materially affect our business strategy, results of operations, or financial condition. However, there can be no assurance that we, or our third-party service providers and other business partners, will not experience a cybersecurity threat or incident in the future that could materially adversely affect our business strategy, results of operations, or financial condition. For additional discussion regarding cybersecurity risks and potential related impacts on us, see "Part I, Item 1A – Risk Factors – Our use of information technology exposes us to the risk of cybersecurity incidents and other interruptions that could disrupt our business operations and adversely impact our reputation and results of operations," "Cybersecurity incidents, business interruptions, and compliance issues experienced by third parties could materially and adversely affect our financial condition, results of operation and cash flows" and "If we fail to comply with data privacy and personal data protection laws and emerging cybersecurity laws, we could be subject to adverse publicity, government enforcement actions and/or private litigation, which may negatively impact our business and operating results."

## ITEM 2. PROPERTIES

As of February 13, 2026, our principal properties include the following:

- Our owned corporate headquarters located in Corona, California, consist of (i) a free-standing, six-story building (LEED Gold and ENERGY STAR certified), (ii) a three-story parking structure and storage facility, which houses our quality control laboratory, (iii) a free-standing, three-story building (currently pursuing ENERGY STAR certification), (iv) a free-standing, single-story building and (v) a free-standing, two-story building;
- Our owned Southern California warehouse and distribution center is located in Rialto, California, which is LEED certified;
- Our owned beverage production facilities in Phoenix, Arizona, and Norwalk, California, where we manufacture certain of our energy drink products;
- Our two owned office buildings located in Uxbridge, United Kingdom;
- Our manufacturing plants and adjoining land in Athy, County Kildare, Ireland, which produces certain ingredients, including flavors, for certain of our international markets; and
- Our production facility in San Fernando, California, which produces certain ingredients, including flavors, for our U.S. market and certain of our international markets.

In addition, we lease many smaller office and/or warehouse/manufacturing spaces, both domestically and in certain international locations.

## ITEM 3. LEGAL PROCEEDINGS

From time to time in the normal course of business, the Company is named in litigation, including mediation, arbitration, administrative proceedings, labor and employment matters, personal injury matters, consumer class actions, intellectual property matters, data privacy matters, and claims, including from prior distributors. Although it is not possible to predict the ultimate outcome of such litigation, based on the facts known to the Company, management believes that such litigation in aggregate will likely not have a material adverse effect on the Company's financial position or results of operations.

The Company evaluates, on a quarterly basis, developments in legal proceedings and other matters that could cause an increase or decrease in the amount of the liability that is accrued, if any, and any related insurance reimbursements. As of December 31, 2025 and 2024, $36.2 million and $16.8 million, respectively, of loss contingencies were included in the Company's accompanying consolidated balance sheets.

## ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

## PART II

## ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

**Principal Market**

The Company's common stock trades on the Nasdaq Global Select Market under the symbol, "MNST". As of February 13, 2026, there were 978,270,734 shares of the Company's common stock outstanding held by approximately 185 holders of record. The holders of record do not include those stockholders whose shares are held of record by banks, brokers and other financial institutions.

**Stock Price and Dividend Information**

We have not paid cash dividends to our stockholders since our inception and do not anticipate paying cash dividends in the foreseeable future.

*Share Repurchase Programs*

On August 19, 2024, the Company's Board of Directors authorized a share repurchase program for the purchase of up to an additional $500.0 million of the Company's outstanding common stock (the "August 2024 Repurchase Plan"). During the year ended December 31, 2025, no shares were repurchased under the August 2024 Repurchase Plan. As of February 26, 2026, $500.0 million remained available for repurchase under the August 2024 Repurchase Plan.

The aggregate amount of the Company's outstanding common stock that remains available for repurchase under all previously authorized repurchase plans is $500.0 million as of February 26, 2026.

During the year ended December 31, 2025, 1.5 million shares of common stock were purchased from employees in lieu of cash payments for options exercised or withholding taxes due for a total amount of $103.6 million. While such purchases are considered common stock repurchases, they are not counted as purchases against the Company's authorized share repurchase programs. Such shares are included in common stock in treasury in the accompanying consolidated balance sheet at December 31, 2025.

The following tabular summary reflects the Company's repurchase activity during the quarter ended December 31, 2025.

| Period | Total Number of Shares Purchased[1] | Average Price per Share | Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs[2] | Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs (In thousands) |
|---|---|---|---|---|
| Oct 1 – Oct 31, 2025 | 471 | $ 67.53 | — | $ 500,000 |
| Nov 1 – Nov 30, 2025 | 812,753 | $ 73.45 | — | $ 500,000 |
| Dec 1 – Dec 31, 2025 | — | $ — | — | $ 500,000 |
| Total | 813,224 | $ 73.44 | — | $ 500,000 |

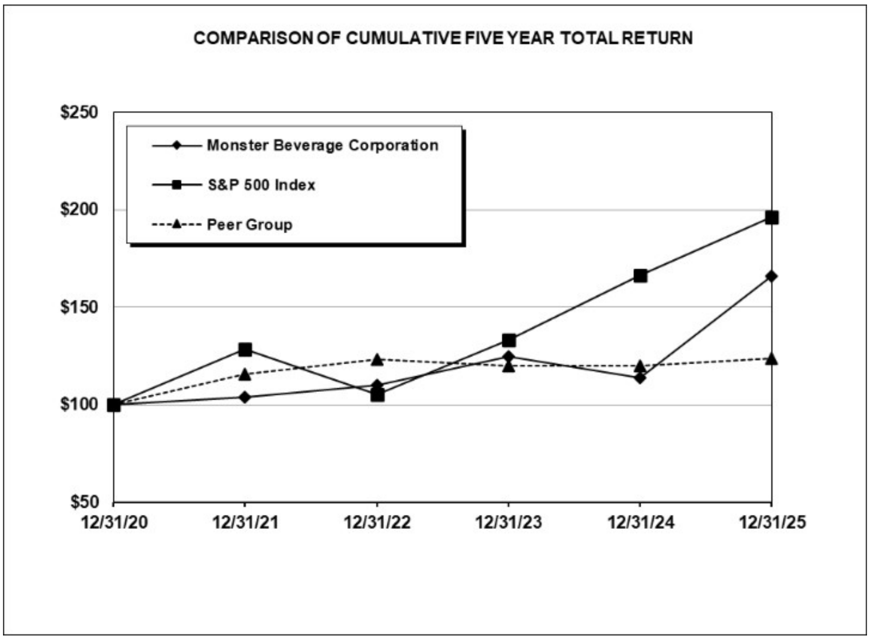
*[1]The total number of shares purchased includes (1) shares repurchased, if any, pursuant to the August 2024 Repurchase Plan and (2) shares repurchased, if any, to satisfy exercise price and/or tax withholding obligations in connection with exercises of employee stock options and/or the vesting of restricted stock issued to employees.*

*[2]On August 19, 2024, the Company publicly announced that its Board of Directors authorized the August 2024 Repurchase Plan. Board authorization of the repurchase plan remains in effect until shares in the amount authorized thereunder have been repurchased.*

For information concerning shares of the Company's Common Stock authorized for issuance under the Company's equity compensation plans, see "Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters."

**Performance Graph**

The following graph shows a five-year comparison of cumulative total returns:[1]




[1]Annual return assumes reinvestment of dividends. Cumulative total return assumes an initial investment of $100 on December 31, 2020. The Company's self-selected peer group is comprised of TCCC, Keurig Dr. Pepper Inc., Constellation Brands, Inc., Molson Coors Beverage Company and PepsiCo, Inc.

## ITEM 6. [RESERVED]

## ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following MD&A is provided as a supplement to – and should be read in conjunction with – our financial statements and the accompanying notes ("Notes") included in Part II, Item 8 of this Form 10-K. This discussion contains forward-looking statements that are based on management's current expectations, estimates and projections about our business and operations. Our actual results may differ materially from those currently anticipated and expressed in such forward-looking statements. See "Forward-Looking Statements" and "Part I, Item 1A – Risk Factors."

This overview provides our perspective on the individual sections of MD&A. MD&A includes the following sections:

- *Pricing Actions* – a discussion of certain pricing actions implemented during 2025 and 2024;
- *Our Business* – a general description of our business, the value drivers of our business, and opportunities and risks facing our Company, stock repurchases, acquisitions and divestitures;
- *Results of Operations* – an analysis of our consolidated results of operations for the years ended December 31, 2025 and 2024;
- *Sales* – details of our sales measured on a quarterly basis in both dollars and cases;
- *Inflation* – information about the impact that inflation may or may not have on our results;
- *Liquidity and Capital Resources* – an analysis of our cash flows, sources and uses of cash and contractual obligations;
- *Accounting Policies and Pronouncements* – a discussion of accounting policies that require critical judgments and estimates including newly issued accounting pronouncements;

- *Forward-Looking Statements* – cautionary information about forward-looking statements and a description of certain risks and uncertainties that could cause our actual results to differ materially from the Company's historical results or our current expectations or projections; and
- *Market Risks* – information about market risks and risk management. (See "Forward-Looking Statements" and "Part II, Item 7A – Qualitative and Quantitative Disclosures about Market Risk").

**Pricing Actions**

We implemented price increases in the fourth quarters of fiscal years 2025 and 2024 (for core brands and packages) in the United States and at various times in certain international markets during 2025 and 2024 (collectively, the "Pricing Actions"). The Pricing Actions positively impacted gross profit margins in 2025 as compared to 2024.

**Liquidity and Capital Resources**

As of the date of this filing, we expect to maintain sufficient liquidity as described in the "Liquidity and Capital Resources" section below.

**Our Business**

***Overview***

We develop, market, sell and distribute energy drink beverages and concentrates for energy drink beverages, primarily under the following brand names:

- Monster Energy®
- Monster Energy Ultra®
- Rehab Monster®
- Monster Energy® Nitro
- Java Monster®
- Punch Monster®
- Juice Monster®
- Reign Total Body Fuel®
- Reign Storm®
- Bang Energy®
- NOS®
- Full Throttle®
- Burn®
- Mother®
- Nalu®
- Ultra Energy®
- Play® and Power Play® (stylized)
- Relentless®
- BPM®
- BU®
- Samurai®
- Live+®
- Predator®
- Fury®

We also develop, market, sell and distribute craft beers, FMBs and hard seltzers under a number of brands, including Jai Alai® IPA, Florida Man® IPA, Dale's Pale Ale®, Wild Basin® Hard Seltzers, Dallas Blonde®, Deep Ellum™ IPA, Perrin Brewing Company® Black Ale, Hop Rising® Double IPA, Wasatch® Apricot Hefeweizen, The Beast™, Beast® Tea, Blind Lemon®, Blinder Lemon™ and other brands.

Our net sales of $8.29 billion for the year ended December 31, 2025 represented record annual net sales. Net changes in foreign currency exchange rates had an unfavorable impact on net sales of approximately $3.0 million for the year ended December 31, 2025. Net sales on a foreign currency adjusted basis increased 10.7% for the year ended December 31, 2025.

The vast majority of our net sales are derived from our Monster Energy® Drinks segment. Our Monster Energy® Drinks segment represented 92.4% and 91.6% of our net sales for the years ended December 31, 2025 and 2024, respectively. Our Strategic Brands segment represented 5.7% and 5.8% of our net sales for the years ended December 31, 2025 and 2024, respectively. Our Alcohol Brands segment represented 1.6% and 2.3% of our net sales for the years ended December 31, 2025 and 2024, respectively. Our Other segment represented 0.3% of our net sales for both years ended December 31, 2025 and 2024.

Net changes in foreign currency exchange rates had an unfavorable impact on net sales in the Monster Energy® Drinks segment of approximately $2.5 million for the year ended December 31, 2025. Net changes in foreign currency exchange rates had an unfavorable impact on net sales in the Strategic Brands segment of approximately $0.5 million for the year ended December 31, 2025.

Our growth strategy includes further developing our domestic markets and expanding our international business. Net sales to customers outside the United States were $3.44 billion and $2.96 billion for the years ended December 31, 2025 and 2024, respectively. Such sales were approximately 41% and 40% of net sales for the years ended December 31, 2025 and 2024, respectively. Net changes in foreign currency exchange rates had an unfavorable impact on net sales to customers outside of the United States of approximately $3.0 million for the year ended December 31, 2025. Net sales to customers outside the United States, on a foreign currency adjusted basis, increased 16.2% for the year ended December 31, 2025.

Our non-alcohol customers are primarily full service beverage bottlers/distributors, retail grocery and specialty chains, wholesalers, club stores, mass merchandisers, convenience and gas chains, drug stores, foodservice customers, value stores, e-commerce retailers and the military. Our alcohol customers are primarily beer distributors who in turn sell to retailers within the alcohol distribution system. Percentages of our gross billings to our various customer types for the years ended December 31, 2025, 2024 and 2023 are reflected below. Such information includes sales made by us directly to the customer types concerned, which include our full service beverage bottlers/distributors in the United States. Such full service beverage bottlers/distributors in turn sell certain of our products to some of the same customer types listed below. We limit our description of our customer types to include only our sales to our full service bottlers/distributors without reference to such bottlers/distributors' sales to their own customers.

| | 2025 | 2024 | 2023 |
|---|---|---|---|
| U.S. full service bottlers/distributors | 45% | 46% | 47% |
| International full service bottlers/distributors | 43% | 41% | 40% |
| Club stores and e-commerce retailers | 8% | 8% | 8% |
| Retail grocery, direct convenience, specialty chains and wholesalers | 2% | 2% | 2% |
| Alcohol, value stores and other | 2% | 3% | 3% |

Our non-alcohol customers include Coca-Cola Canada Bottling Limited, Coca-Cola Consolidated, Inc., Coca-Cola Bottling Company United, Inc., Reyes Holdings, LLC, Coca-Cola Southwest Beverages LLC, The Coca-Cola Bottling Company of Northern New England, Inc., Swire Pacific Holdings, Inc. (USA), Liberty Coca-Cola Beverages, LLC, Coca-Cola Europacific Partners, Coca-Cola Hellenic, Coca-Cola FEMSA, Swire Coca-Cola (China), COFCO Coca-Cola, Coca-Cola Beverages Africa, Coca-Cola İçecek and certain other TCCC network bottlers, Asahi Soft Drinks, Co., Ltd., Wal-Mart, Inc. (including Sam's Club), Costco Wholesale Corporation and Amazon.com, Inc.

Our alcohol customers include Reyes Beverage Group, Ben E. Keith Company, J.J. Taylor Distributing, and Admiral Beverage Corporation.

A decision by any large customer to decrease amounts purchased from us or to cease carrying our products could have a material adverse effect on our financial condition and results of operations.

Coca-Cola Europacific Partners accounted for approximately 15%, 14% and 13% of our net sales for the years ended December 31, 2025, 2024 and 2023, respectively.

Coca-Cola Consolidated, Inc. accounted for approximately 10% of our net sales for each of the years ended December 31, 2025, 2024 and 2023.

We continue to incur expenditures in connection with the development and introduction of new products and flavors.

***Value Drivers of our Business***

We believe that the key value drivers of our business include the following:

- *International Growth* – The introduction, development and sustained profitability of our brands internationally remains a key value driver for our corporate growth. One or more of our products are distributed in approximately 158 countries and territories worldwide.

- *Profitable Growth* – We believe "functional" value-added beverage brands supported by marketing and innovation and targeted to a diverse consumer base, drive profitable growth. We are focused on increasing the profit margins for our Monster Energy® Drinks segment, our Strategic Brands segment and our Alcohol Brands segment, and believe that tailored branding, packaging, pricing and distribution channel strategies help achieve profitable growth. We are implementing these strategies with a view to continuing profitable growth.

- *Cost Management* – The principal focus of cost management will continue to be on mitigating increases and/or reducing input procurement and production costs on a per-case basis, including raw material costs and co-packing fees, as well as reducing freight costs by securing additional co-packing facilities strategically localized. Another key area of focus is to decrease promotional allowances, selling and general and administrative costs, including sponsorships, sampling, promotional and marketing expenses, as a percentage of net sales.

- *Efficient Capital Structure* – Our capital structure is designed to optimize our working capital in order to finance expansion, both domestically and internationally. We believe that with our strong capital position, our ability to raise funds, if necessary, at a relatively low effective cost of borrowings, provides a competitive advantage. The reduction of days outstanding for accounts receivable and inventory days on hand will remain an area of focus.

We believe that, subject to increases in the costs of certain raw materials being contained, these value drivers, when implemented and/or achieved in the United States and internationally, will result in: (1) improving or maintaining our product gross profit margins; (2) reducing our expenses as a percentage of net operating revenues; and (3) enhancing our cost of capital. The ultimate measure of success is and will be reflected in our current and future results of operations.

Net sales, gross profit, operating income, net income and net income per share represent key measurements of the above value drivers. These measurements will continue to be a key management focus in 2026 and beyond (See "Part II, Item 7 – Management's Discussion and Analysis of Financial Condition and Results of Operations – Results of Operations").

As of December 31, 2025, the Company had working capital of $3.91 billion compared to $2.54 billion as of December 31, 2024. The increase in working capital was primarily the result of the increase in cash and cash equivalents and short-term investments. For the year ended December 31, 2025, our net cash provided by operating activities was approximately $2.10 billion as compared to $1.93 billion for the year ended December 31, 2024. Principal uses of cash flows in 2025 were purchases of available-for-sale investments, property and equipment and payments on the Credit Facilities (as defined below). Principal uses of cash flows are expected to be purchases of investments, our common stock, and property and equipment, with these expected to remain our principal recurring use of cash and working capital funds in the foreseeable future (See "Part II, Item 7 – Management's Discussion and Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources").

***Opportunities, Challenges and Risks***

Looking forward, our management has identified certain challenges and risks for the beverage industry and the Company, including our significant commercial relationship with TCCC and TCCC's status as a significant stockholder of the Company, in each case as described above under "Part I, Item 1A – Risk Factors."

In addition, legislation has been proposed and/or adopted at the U.S., state, county and/or municipal level and proposed and/or adopted in certain foreign jurisdictions to restrict the sale of energy and alcohol drinks (including prohibiting the sale of energy and/or alcohol drinks at certain establishments or pursuant to certain governmental programs), limit caffeine and/or alcohol content, require certain product labeling disclosures and/or warnings, impose taxes, limit product sizes or impose age restrictions for the sale of energy and/or alcohol drinks. In addition, articles critical of the caffeine content in energy drinks and their perceived benefits, or alcohol drinks and their misuse or abuse, as well as articles indicating certain health risks of energy and alcohol drinks have been published. The proposal and/or adoption of such legislation and the publication of such articles, or the future proposal and/or adoption of similar legislation or publication of similar articles, may adversely affect our Company.

In addition, uncertainty and/or volatility in our domestic and/or our international economic markets could negatively affect both the stability of our industry and our Company. Furthermore, our growth strategy includes expanding our international business, which exposes us to risks inherent in conducting international operations, including the risks associated with foreign currency exchange rate fluctuations.

Consumer discretionary spending also represents a challenge to the successful marketing and sale of our products.

Increases in consumer and regulatory awareness of the health problems arising from obesity and inactive lifestyles as well as alcohol consumption continue to represent a challenge.

We recognize that obesity and alcohol abuse and misuse are complex and serious public health problems. Our commitment to consumers begins with our broad product line and a wide selection of diet, light and low-calorie beverages within our product lines. We continuously strive to meet changing consumer needs through beverage innovation, choice and variety. (See "Part I, Item 1A – Risk Factors").

Our historical success is attributable, in part, to our introduction of different and innovative energy beverages which have been positively accepted by consumers. Our future success will depend, in part, upon our continued ability to develop and introduce different and innovative beverages that meet consumer preferences, although there can be no assurance of our ability to do so. In order to retain and expand our market share, we must continue to develop and introduce different and innovative beverages and be competitive in the areas of price, quality, method of distribution, brand image and intellectual property protection. The beverage industry is subject to changing consumer preferences that may adversely affect us if we misjudge such preferences.

In addition, other key challenges and risks that could impact our Company's future financial results include, but are not limited to:

- the risks associated with the realization of benefits from our relationship with TCCC;
- profitable expansion and growth of our family of brands in the competitive market place (See "Part I, Item 1 – Business – Competition" and "Part I, Item 1 – Business – Sales and Marketing");
- changes in consumer preferences and demand for our products;
- the emergence of new subcategories within the energy and/or alcohol beverage sectors that we fail (or are late) to successfully react to;
- economic uncertainty in the United States, Europe and other countries in which we operate;
- the risks associated with foreign currency exchange rate fluctuations;
- maintenance of our brand image, product quality and corporate reputation;
- increasing concern over various environmental, human rights and health matters, including obesity, caffeine and/or alcohol consumption and energy and/or alcohol drinks generally, and changes in regulation and consumer preferences in response to those concerns;
- costs of establishing and promoting our brands internationally;
- the risks associated with entering into new sectors in the beverage industry, in particular the alcohol beverage sector, and making acquisitions to implement our growth strategy;
- increases in costs of raw materials used by us;

- restrictions on imports and sources of supply, duties or tariffs, changes in related government regulations and disruptions in the timely import or export of our products and/or ingredients including flavors, flavor ingredients and supplement ingredients, due to port strikes and/or port congestion, delays due to natural disasters, pandemics, related labor issues or other importation impediments;
- protection of our existing intellectual property portfolio of trademarks and copyrights and our continuous pursuit to develop and protect new and innovative trademarks and copyrights for our expanding product lines;
- limitations on available quantities of aluminum cans, other packaging materials and ingredients;
- limitations on co-packing availability and in particular, consolidation in the co-packing industry;
- increases in ocean and domestic fuel and freight rates; and
- the imposition of additional regulations, including regulations restricting the sale of energy or alcohol drinks, limiting caffeine or alcohol content in beverages, requiring product labeling and/or warnings, imposing excise taxes and/or sales taxes, and/or limiting product size and/or age restrictions.

See "Part I, Item 1A – Risk Factors" and "Forward-Looking Statements" for additional information about risks and uncertainties facing our Company.

We believe that the following opportunities exist for us:

- domestic and international growth potential of our products;
- growth potential of the energy drink and alcohol beverage categories, both domestically and internationally;
- growth potential of the affordable energy drink category;
- planned and future new product and product line introductions with the objective of increasing sales and/or contributing to higher profitability;
- the introduction of new package formats designed to generate strong revenue growth;
- package, pricing and channel opportunities to increase profitable growth;
- effective strategic positioning to capitalize on industry growth;
- broadening distribution/expansion opportunities in both domestic and international markets;
- launching our existing and/or new products into new domestic and international markets and channels; and
- continued focus on reducing our cost base.

**Results of Operations**

This section of the Annual Report on Form 10-K generally discusses 2025 and 2024 items and year-to-year comparisons between 2025 and 2024. A detailed discussion of 2023 items and year-to-year comparisons between 2024 and 2023 that are not included in this Annual Report on Form 10-K can be found in "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II, Item 7 of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2024.

The following table sets forth key statistics for the years ended December 31, 2025, 2024 and 2023, respectively.

| (In thousands, except per share amounts) | 2025 | 2024 | 2023 | Percentage Change 25 vs. 24 | Percentage Change 24 vs. 23 |
|---|---|---|---|---|---|
| Net sales[1] | $ 8,294,343 | $ 7,492,709 | $ 7,140,027 | 10.7 % | 4.9 % |
| Cost of sales | 3,662,148 | 3,443,831 | 3,345,821 | 6.3 % | 2.9 % |
| Gross profit*[1] | 4,632,195 | 4,048,878 | 3,794,206 | 14.4 % | 6.7 % |
| Gross profit as a percentage of net sales | 55.8 % | 54.0 % | 53.1 % | | |
| | | | | | |
| Operating expenses | 2,212,841 | 2,118,584 | 1,840,851 | 4.4 % | 15.1 % |
| Operating expenses as a percentage of net sales | 26.7 % | 28.3 % | 25.8 % | | |
| | | | | | |
| Operating income[1] | 2,419,354 | 1,930,294 | 1,953,355 | 25.3 % | (1.2)% |
| Operating income as a percentage of net sales | 29.2 % | 25.8 % | 27.4 % | | |
| | | | | | |
| Interest and other income, net | 63,175 | 59,165 | 115,127 | 6.8 % | (48.6)% |
| | | | | | |
| Income before provision for income taxes[1] | 2,482,529 | 1,989,459 | 2,068,482 | 24.8 % | (3.8)% |
| | | | | | |
| Provision for income taxes | 577,097 | 480,411 | 437,494 | 20.1 % | 9.8 % |
| Income taxes as a percentage of income before taxes | 23.2 % | 24.1 % | 21.2 % | | |
| | | | | | |
| Net income[1] | $ 1,905,432 | $ 1,509,048 | $ 1,630,988 | 26.3 % | (7.5)% |
| Net income as a percentage of net sales | 23.0 % | 20.1 % | 22.8 % | | |
| | | | | | |
| Net income per common share: | | | | | |
| Basic | $ 1.95 | $ 1.50 | $ 1.56 | 30.0 % | (3.8)% |
| Diluted | $ 1.94 | $ 1.49 | $ 1.54 | 29.9 % | (3.4)% |
| | | | | | |
| Energy Drink case sales (in thousands) (in 192-ounce case equivalents) | 958,955 | 846,663 | 769,241 | 13.3 % | 10.1 % |

*[1]Includes $40.0 million, $39.9 million and $40.0 million for the years ended December 31, 2025, 2024 and 2023, respectively, related to the recognition of deferred revenue.*

**Gross profit may not be comparable to that of other entities since some entities include all costs associated with their distribution process in cost of sales, whereas others exclude certain costs and instead include such costs within another line item such as operating expenses. We include out-bound freight and warehouse costs in operating expenses rather than in cost of sales.*

**Net Sales**

Net sales were $8.29 billion for the year ended December 31, 2025, an increase of approximately $801.6 million, or 10.7% higher than net sales of $7.49 billion for the year ended December 31, 2024. Net sales increased primarily due to increased worldwide sales of our Monster Energy® brand energy drinks as a result of increased consumer demand. Net changes in foreign currency exchange rates had an unfavorable impact on net sales of approximately $3.0 million for the year ended December 31, 2025. Net sales on a foreign currency adjusted basis increased 10.7% for the year ended December 31, 2025.

Net sales for the Monster Energy® Drinks segment were $7.67 billion for the year ended December 31, 2025, an increase of approximately $801.3 million, or 11.7% higher than net sales of $6.86 billion for the year ended December 31, 2024. Net sales for the Monster Energy® Drinks segment increased primarily due to increased worldwide sales of our Monster Energy® brand energy drinks as a result of increased consumer demand. Net changes in foreign currency exchange rates had an unfavorable impact on net sales for the Monster Energy® Drinks segment of approximately $2.5 million for the year ended December 31, 2025. Net sales for the Monster Energy® Drinks segment on a foreign currency adjusted basis increased 11.7% for the year ended December 31, 2025.

Net sales for the Strategic Brands segment were $468.7 million for the year ended December 31, 2025, an increase of approximately $36.5 million, or 8.4% higher than net sales of $432.2 million for the year ended December 31, 2024. Net sales for the Strategic Brands segment increased primarily due to increased worldwide sales of our Predator®, Burn® and NOS® brand energy drinks as a result of increased consumer demand. Net changes in foreign currency exchange rates had an unfavorable impact on net sales of approximately $0.5 million for the Strategic Brands segment for the year ended December 31, 2025. Net sales for the Strategic Brands segment on a foreign currency adjusted basis increased 8.5% for the year ended December 31, 2025. Net sales of concentrates within the Strategic Brands segment tend to have more pronounced fluctuations from period to period as compared to net sales of our finished goods within the Monster Energy® Drinks segment primarily as a result of bottler production schedules.

Net sales for the Alcohol Brands segment were $134.7 million for the year ended December 31, 2025, a decrease of approximately $37.6 million, or 21.8% lower than net sales of $172.3 million for the year ended December 31, 2024. The decrease in net sales for the year ended December 31, 2025 was primarily due to decreased sales of the Beast® Tea and The Beast™ product lines.

Net sales for the Other segment were $25.0 million for the year ended December 31, 2025, an increase of approximately $1.5 million, or 6.2% higher than net sales of $23.6 million for the year ended December 31, 2024.

Case sales for our energy drink products, in 192-ounce case equivalents, were 959.0 million cases for the year ended December 31, 2025, an increase of approximately 112.3 million cases or 13.3% higher than case sales of 846.7 million cases for the year ended December 31, 2024. The overall average net sales per case for our energy drink products (excluding net sales of Alcohol Brands and Other segments) decreased to $8.48 for the year ended December 31, 2025, which was 1.6% lower than the average net sales per case of $8.62 for the year ended December 31, 2024. The decrease in overall average net sales per case for our energy drink products for the year ended December 31, 2025 compared to the year ended December 31, 2024 was primarily due to adverse changes in foreign currency exchange rates as well as geographical sales mix.

Case sales for our craft beers, FMBs and hard seltzers in 192-ounce equivalents, were 9.7 million cases for the year ended December 31, 2025, a decrease of approximately 2.8 million cases or 22.6% lower than case sales of 12.5 million cases for the year ended December 31, 2024. Barrel sales for our craft beers, FMBs and hard seltzers in 31 U.S. gallon equivalents, were 0.47 million barrels for the year ended December 31, 2025, a decrease of approximately 0.14 million barrels or 22.6% lower than barrel sales of 0.60 million barrels for the year ended December 31, 2024.

**Gross Profit**

Gross profit was $4.63 billion for the year ended December 31, 2025, an increase of approximately $583.3 million, or 14.4% higher than the gross profit of $4.05 billion for the year ended December 31, 2024. The increase in gross profit dollars was primarily the result of the increase in net sales.

Gross profit as a percentage of net sales increased to 55.8% for the year ended December 31, 2025 from 54.0% for the year ended December 31, 2024. The increase for the year ended December 31, 2025 was primarily the result of the Pricing Actions and supply chain optimization, partially offset by higher promotional allowances and geographical sales mix.

**Operating Expenses**

Total operating expenses were $2.21 billion for the year ended December 31, 2025, an increase of approximately $94.3 million, or 4.4% higher than total operating expenses of $2.12 billion for the year ended December 31, 2024.

Operating expenses for the years ended December 31, 2025 and 2024, included impairment charges of $53.7 million and $138.8 million, respectively, related to the Alcohol Brands segment. The Alcohol Brands segment impairment charges relate primarily to certain finite-lived intangible assets as well as property and equipment for the year ended December 31, 2025. The Alcohol Brands segment impairment charges relate primarily to goodwill and to certain other indefinite-lived intangible assets as well as property and equipment for the year ended December 31, 2024.

The increase in operating expenses for the year ended December 31, 2025 was primarily due to increased payroll expenses of $80.4 million. Operating expenses as a percentage of net sales for the years ended December 31, 2025 and 2024 were 26.7% and 28.3%, respectively.

**Operating Income**

Operating income was $2.42 billion for the year ended December 31, 2025, an increase of approximately $489.1 million, or 25.3% higher than operating income of $1.93 billion for the year ended December 31, 2024. Operating income as a percentage of net sales increased to 29.2% for the year ended December 31, 2025 from 25.8% for the year ended December 31, 2024.

Operating income was $659.3 million and $536.3 million for the years ended December 31, 2025 and 2024, respectively, for our international operations, exclusive of Canada.

Operating income for the Monster Energy® Drinks segment, exclusive of corporate and unallocated expenses, was $2.98 billion for the year ended December 31, 2025, an increase of approximately $514.0 million, or 20.9% higher than operating income of $2.46 billion for the year ended December 31, 2024. The increase in operating income for the Monster Energy® Drinks segment was primarily the result of an increase in net sales.

Operating income for the Strategic Brands segment, exclusive of corporate and unallocated expenses, was $240.8 million for the year ended December 31, 2025, an increase of approximately $7.0 million, or 3.0% higher than operating income of $233.8 million for the year ended December 31, 2024. The increase in operating income for the Strategic Brands segment was primarily the result of an increase in net sales.

Operating loss for the Alcohol Brands segment, exclusive of corporate and unallocated expenses, was $127.0 million for the year ended December 31, 2025, a decrease of approximately $73.4 million, or 36.6% lower than operating loss of $200.3 million for the year ended December 31, 2024. The decrease in operating loss for the Alcohol Brands segment for the year ended December 31, 2025 was primarily the result of a decrease in the Alcohol Brands segment impairment charges. Operating loss for the Alcohol Brands segment, exclusive of the Alcohol Brands segment impairment charges and corporate and unallocated expenses, was $73.3 million and $61.6 million for the years ended December 31, 2025 and 2024, respectively.

Operating income for the Other segment, exclusive of corporate and unallocated expenses, was $3.4 million for the year ended December 31, 2025, a decrease of approximately $1.2 million, or 25.9% lower than operating income of $4.6 million for the year ended December 31, 2024.

**Interest and Other Income, net**

Interest and other income, net, was $63.2 million for the year ended December 31, 2025, as compared to interest and other income, net, of $59.2 million for the year ended December 31, 2024. Interest income was $85.2 million and $115.0 million for the years ended December 31, 2025 and 2024, respectively. Interest expense was $6.6 million and $27.9 million for the years ended December 31, 2025 and 2024, respectively. Foreign currency transaction gains (losses) were $(11.9) million and $(26.4) million for the years ended December 31, 2025 and 2024, respectively.

**Provision for Income Taxes**

Provision for income taxes was $577.1 million for the year ended December 31, 2025, an increase of $96.7 million, or 20.1% higher than the provision for income taxes of $480.4 million for the year ended December 31, 2024. The effective combined federal, state and foreign tax rate was 23.2% and 24.1% for the years ended December 31, 2025 and 2024, respectively. The decrease in the effective tax rate was primarily attributable to an increase in the stock-based compensation deduction for the year ended December 31, 2025.

**Net Income**

Net income was $1.91 billion for the year ended December 31, 2025, an increase of $396.4 million, or 26.3% higher than net income of $1.51 billion for the year ended December 31, 2024.

**Key Business Metrics**

We use certain key metrics and financial measures not prepared in accordance with United States Generally Accepted Accounting Principles ("GAAP") to evaluate and manage our business. For a further discussion of how we use key metrics and certain non-GAAP financial measures, see "Non-GAAP Financial Measures and Other Key Metrics" below.

**Non-GAAP Financial Measures and Other Key Metrics**

**Gross Billings****

Gross billings were $9.83 billion for the year ended December 31, 2025, an increase of approximately $1.09 billion, or 12.5% higher than gross billings of $8.74 billion for the year ended December 31, 2024. Net changes in foreign currency exchange rates had a favorable impact on gross billings of approximately $8.2 million for the year ended December 31, 2025. Gross billings on a foreign currency adjusted basis increased 12.4% for the year ended December 31, 2025.

Gross billings for the Monster Energy® Drinks segment were $9.12 billion for the year ended December 31, 2025, an increase of approximately $1.07 billion, or 13.3% higher than gross billings of $8.04 billion for the year ended December 31, 2024. Gross billings for the Monster Energy® Drinks segment increased primarily due to increased worldwide sales of our Monster Energy® brand energy drinks as a result of increased consumer demand. Net changes in foreign currency exchange rates had a favorable impact on gross billings for the Monster Energy® Drinks segment of approximately $8.9 million for the year ended December 31, 2025. Gross billings for the Monster Energy® Drinks segment on a foreign currency adjusted basis increased 13.2% for the year ended December 31, 2025.

Gross billings for the Strategic Brands segment were $545.4 million for the year ended December 31, 2025, an increase of $54.5 million, or 11.1% higher than gross billings of $490.8 million for the year ended December 31, 2024. Gross billings for the Strategic Brands segment increased primarily due to increased sales of our Predator®, Burn® and NOS® brand energy drinks. Net changes in foreign currency exchange rates had an unfavorable impact on gross billings in the Strategic Brands segment of approximately $0.7 million for the year ended December 31, 2025. Gross billings for the Strategic Brands segment on a foreign currency adjusted basis increased 11.3% for the year ended December 31, 2025.

Gross billings for the Alcohol Brands segment were $139.8 million for the year ended December 31, 2025, a decrease of $37.0 million, or 20.9% lower than gross billings of $176.8 million for the year ended December 31, 2024. The decrease in gross billings for the year ended December 31, 2025 was primarily due to decreased sales of the Beast® Tea and The Beast™ product lines.

Gross billings for the Other segment were $25.2 million for the year ended December 31, 2025, an increase of $1.6 million, or 6.5% higher than gross billings of $23.7 million for the year ended December 31, 2024.

Promotional allowances, commissions and other expenses, as described in the footnote below, were $1.57 billion for the year ended December 31, 2025, an increase of $290.5 million, or 22.6% higher than promotional allowances, commissions and other expenses of $1.28 billion for the year ended December 31, 2024. Promotional allowances as a percentage of gross billings were 16.0% and 14.7% for the years ended December 31, 2025 and 2024, respectively.

***Gross billings represent amounts invoiced to customers net of cash discounts, returns and excise taxes. Gross billings are used internally by management as an indicator of and to monitor operating performance, including sales performance of particular products, salesperson performance, product growth or declines and is useful to investors in evaluating overall Company performance. The use of gross billings allows evaluation of sales performance before the effect of any promotional items, which can mask certain performance issues. We therefore believe that the presentation of gross billings provides a useful measure of our operating performance. The use of gross billings is not a measure that is recognized under GAAP and should not be considered as an alternative to net sales, which is determined in accordance with GAAP, and should not be used alone as an indicator of operating performance in place of net sales. Additionally, gross billings may not be comparable to similarly titled measures used by other companies, as gross billings has been defined by our internal reporting practices. In addition, gross billings may not be realized in the form of cash receipts as promotional payments and allowances may be deducted from payments received from certain customers.*

The following table reconciles the non-GAAP financial measure of gross billings with the most directly comparable GAAP financial measure of net sales:

| (In thousands) | 2025 | 2024 | 2023 | Percentage Change 25 vs. 24 | Percentage Change 24 vs. 23 |
|---|---|---|---|---|---|
| Gross Billings | $ 9,827,659 | $ 8,735,661 | $ 8,229,709 | 12.5 % | 6.1 % |
| Deferred Revenue | 40,027 | 39,935 | 39,955 | 0.2 % | (0.1)% |
| Less: Promotional allowances, commissions and other expenses*** | (1,573,343) | (1,282,887) | (1,129,637) | 22.6 % | 13.6 % |
| Net Sales | $ 8,294,343 | $ 7,492,709 | $ 7,140,027 | 10.7 % | 4.9 % |

****Although the expenditures described in this line item are determined in accordance with GAAP and meet GAAP requirements, the presentation thereof does not conform to GAAP presentation requirements. Additionally, our definition of promotional and other allowances may not be comparable to similar items presented by other companies. Promotional and other allowances for our energy drink products primarily include consideration given to our non-alcohol bottlers/distributors or retail customers including, but not limited to the following: (i) discounts granted off list prices to support price promotions to end-consumers by retailers; (ii) reimbursements given to our bottlers/distributors for agreed portions of their promotional spend with retailers, including slotting, shelf space allowances and other fees for both new and existing products; (iii) our agreed share of fees given to bottlers/distributors and/or directly to retailers for advertising, in-store marketing and promotional activities; (iv) our agreed share of slotting, shelf space allowances and other fees given directly to retailers, club stores and/or wholesalers; (v) incentives given to our bottlers/distributors and/or retailers for achieving or exceeding certain predetermined sales goals; (vi) discounted or free products; (vii) contractual fees given to our bottlers/distributors related to sales made by us direct to certain customers that fall within the bottlers'/distributors' sales territories; and (viii) certain commissions paid based on sales to our bottlers/distributors. The presentation of promotional and other allowances facilitates an evaluation of their impact on the determination of net sales and the spending levels incurred or correlated with such sales. Promotional and other allowances for our energy drink products constitute a material portion of our marketing activities. Our promotional allowance programs for our energy drink products with our numerous bottlers/distributors and/or retailers are executed through separate agreements in the ordinary course of business. These agreements generally provide for one or more of the arrangements described above and are of varying durations, ranging from one week to one year. The primary drivers of our promotional and other allowance activities for our energy drink products for the years ended December 31, 2025 and 2024 were (i) to increase sales volume and trial, (ii) to address market conditions, and (iii) to secure shelf and display space at retail. Promotional and other allowances for our Alcohol Brands segment primarily include price promotions where permitted.**

**Sales**

The table set forth below discloses selected quarterly data regarding sales for the past three years. Data from any one or more quarters is not necessarily indicative of annual results or continuing trends.

Sales of our energy drinks are expressed in unit case volume. A "unit case" means a unit of measurement equal to 192 U.S. fluid ounces of finished beverage (24 eight-ounce servings). Unit case volume means the number of unit cases (or unit case equivalents) of finished products or concentrates, as if converted into finished products, sold by us.

Our quarterly results of operations reflect seasonal trends that are primarily the result of increased demand in the warmer months of the year. Beverage sales tend to be lower during the first and fourth quarters of each calendar year. However, our experience with our energy drink products suggests they are less seasonal than the seasonality expected from traditional beverages. In addition, our continued growth internationally may further reduce the impact of seasonality on our business. Quarterly fluctuations may also be affected by other factors including the introduction of new products, the opening of new markets where temperature fluctuations are more pronounced, the addition of new bottlers/distributors, changes in the sales mix of our products and changes in and/or increased advertising and promotional expenses. (See "Part I, Item 1 – Business – Seasonality").

| | 2025 | 2024 | 2023 |
|---|---|---|---|
| Net Sales (in Thousands) | | | |
| Quarter 1 | $ 1,854,558 | $ 1,899,098 | $ 1,698,930 |
| Quarter 2 | 2,111,593 | 1,900,597 | 1,854,961 |
| Quarter 3 | 2,197,139 | 1,880,973 | 1,856,028 |
| Quarter 4 | 2,131,053 | 1,812,041 | 1,730,108 |
| Total | $ 8,294,343 | $ 7,492,709 | $ 7,140,027 |
| Less: Alcohol Brands and Other segment net sales (in Thousands) | | | |
| Quarter 1 | $ (40,678) | $ (61,603) | $ (50,904) |
| Quarter 2 | (44,379) | (48,567) | (68,384) |
| Quarter 3 | (39,795) | (45,714) | (49,024) |
| Quarter 4 | (34,904) | (39,995) | (40,037) |
| Total | $ (159,756) | $ (195,879) | $ (208,349) |
| Adjusted Net Sales (in Thousands)[1] | | | |
| Quarter 1 | $ 1,813,880 | $ 1,837,495 | $ 1,648,026 |
| Quarter 2 | 2,067,214 | 1,852,030 | 1,786,577 |
| Quarter 3 | 2,157,344 | 1,835,259 | 1,807,004 |
| Quarter 4 | 2,096,149 | 1,772,046 | 1,690,071 |
| Total | $ 8,134,587 | $ 7,296,830 | $ 6,931,678 |
| Energy Drink Case Volume / Sales (in Thousands) | | | |
| Quarter 1 | 213,100 | 211,430 | 182,444 |
| Quarter 2 | 249,336 | 212,194 | 198,406 |
| Quarter 3 | 258,387 | 219,409 | 203,088 |
| Quarter 4 | 238,132 | 203,630 | 185,303 |
| Total | 958,955 | 846,663 | 769,241 |
| Energy Drink Adjusted Average Net Sales Per Case | | | |
| Quarter 1 | $ 8.51 | $ 8.69 | $ 9.03 |
| Quarter 2 | 8.29 | 8.73 | 9.00 |
| Quarter 3 | 8.35 | 8.36 | 8.90 |
| Quarter 4 | 8.80 | 8.70 | 9.12 |
| Total | $ 8.48 | $ 8.62 | $ 9.01 |

[1]*Excludes Alcohol Brands segment and Other segment net sales.*

The following represents energy drink case sales by segment for the years ended December 31:

| (In thousands, except average net sales per case) | 2025 | 2024 | 2023 |
|---|---|---|---|
| Net sales | $ 8,294,343 | $ 7,492,709 | $ 7,140,027 |
| Less: Alcohol Brands segment sales | (134,720) | (172,313) | (184,855) |
| Less: Other segment sales | (25,036) | (23,566) | (23,494) |
| Adjusted net sales[1] | $ 8,134,587 | $ 7,296,830 | $ 6,931,678 |
| | | | |
| Case sales by segment:[1] | | | |
| Monster Energy® Drinks | 755,743 | 671,015 | 632,950 |
| Strategic Brands | 203,212 | 175,648 | 136,291 |
| Total case sales | 958,955 | 846,663 | 769,241 |
| Average net sales per case - Energy Drinks | $ 8.48 | $ 8.62 | $ 9.01 |

[1]*Excludes Alcohol Brands segment and Other segment net sales.*

Net changes in foreign currency exchange rates had an unfavorable impact on both net sales and the overall average net sales per case for the year ended December 31, 2025.

The following represents case sales for our craft beers, FMBs and hard seltzers, in 192-ounce equivalents, for the years ended December 31:

| (In thousands, except average net sales per case) | 2025 | 2024 | 2023 |
|---|---|---|---|
| Alcohol Brands segment net sales | $ 134,720 | $ 172,313 | $ 184,855 |
| Case sales | 9,651 | 12,477 | 13,131 |
| Average net sales per case - Alcohol Brands | $ 13.96 | $ 13.81 | $ 14.08 |

**Inflation**

Inflation did not have a significant impact on our results of operations for the year ended December 31, 2025. Inflation had an impact on our results of operations for the year ended December 31, 2024, primarily due to domestic inflation as well as inflation related local currency price increases in certain international markets. Inflation did not have a significant impact on our results of operations for the year ended December 31, 2023. To mitigate the impact of inflation, we implemented the Pricing Actions.

**Liquidity and Capital Resources**

*Cash and cash equivalents.* As of December 31, 2025, we had $2.09 billion in cash and cash equivalents, $677.1 million in short-term investments, and $487.3 million in long-term investments, including commercial paper, certificates of deposit, municipal securities, U.S. treasuries and corporate bonds. We maintain our investments for cash management purposes and not for purposes of speculation. Our risk management policies emphasize credit quality (primarily based on short-term ratings by nationally recognized statistical rating organizations) in selecting and maintaining our investments. We regularly assess the market risk of our investments and believe our current policies and investment practices adequately limit those risks. However, certain of these investments are subject to general credit, liquidity, market and interest rate risks. These market risks associated with our investment portfolio may have an adverse effect on our future results of operations, liquidity and financial condition.

Of our $2.09 billion of cash and cash equivalents held at December 31, 2025, $1.00 billion was held by our foreign subsidiaries. No short-term or long-term investments were held by our foreign subsidiaries at December 31, 2025.

*Long-term debt.* In May 2024, the Company entered into a credit agreement with JPMorgan Chase Bank, N.A., as administrative agent, and certain other lenders (the “Original Credit Agreement”), which provided for senior unsecured credit facilities in an aggregate principal amount of $1.50 billion (collectively, the “Credit Facilities”). The Credit Facilities previously consisted of a $750.0 million term loan (the “Term Loan”) and up to $750.0 million in multicurrency revolving loan commitments (the “Revolving Credit Facility”). The Term Loan was repaid in April 2025 with no additional borrowings permitted. In addition, pursuant to Amendment No. 1 to the Original Credit Agreement, dated as of October 17, 2025, among the Company, JPMorgan Chase Bank, N.A., as administrative agent, and certain other lenders (the “Amended Credit Agreement”), the Company’s aggregate borrowing capacity under the Revolving Credit Facility has been reduced to $500.0 million. Borrowings under the Revolving Credit Facility bear interest at a variable rate per annum equal to the applicable rate plus margin (as defined in the Amended Credit Agreement). Borrowings may be repaid at any time during the term of the Revolving Credit Facility and may be reborrowed prior to the maturity date, which is set to occur in May 2029. As of December 31, 2025, no borrowings were outstanding under the Credit Facilities, and the Company was in compliance with all covenants under the Amended Credit Agreement. As of February 26, 2026, the Revolving Credit Facility had remaining availability of $500.0 million.

We believe that cash available from operations, including our cash resources and access to credit, will be sufficient for our working capital needs, including purchase commitments for raw materials and inventory, increases in accounts receivable, payments of tax liabilities, expansion and development requirements, purchases of capital assets, purchases of equipment, purchases of real property and purchases of shares of our common stock, through at least the next 12 months. Based on our current plans, capital expenditures (exclusive of common stock repurchases) are likely to be less than $250.0 million through December 31, 2026. However, future business opportunities may cause a change in this estimate.

Purchases of inventories, increases in accounts receivable and other assets, acquisition of property and equipment (including real property, personal property, plant and manufacturing equipment, and coolers), leasehold improvements, advances for or the purchase of equipment for our bottlers, acquisition and maintenance of trademarks, payments of accounts payable, income taxes payable and purchases of our common stock are expected to remain our principal recurring use of cash.

The following summarizes our cash flows for the years ended December 31, 2025, 2024 and 2023 (in thousands):

| Net cash provided by (used in): | 2025 | 2024 | 2023 |
|---|---|---|---|
| Operating activities | $ 2,098,177 | $ 1,928,533 | $ 1,717,753 |
| Investing activities | $ (1,316,778) | $ 733,727 | $ (193,395) |
| Financing activities | $ (324,422) | $ (3,329,029) | $ (542,599) |

*Cash flows provided by operating activities.* Cash provided by operating activities was $2.10 billion for the year ended December 31, 2025, as compared with cash provided by operating activities of $1.93 billion for the year ended December 31, 2024.

For the year ended December 31, 2025, cash provided by operating activities was primarily attributable to net income earned of $1.91 billion and adjustments for certain non-cash expenses, consisting of $129.8 million of depreciation and amortization and non-cash lease expense, $125.7 million of stock-based compensation, $38.4 million impairment of intangibles, and $12.0 million impairment of property and equipment. For the year ended December 31, 2025, cash provided by operating activities also increased due to a $98.3 million increase in accrued promotional allowances, an $81.3 million increase in accrued liabilities, a $78.5 million increase in accounts payable, a $27.8 million increase in income taxes payable, and a $17.8 million increase in accrued compensation. For the year ended December 31, 2025, cash used in operating activities was primarily attributable to a $300.6 million increase in accounts receivable, a $39.3 million increase in prepaid expenses and other assets, a $34.9 million increase in inventories, a $23.0 million decrease in deferred revenue, and a $21.1 million increase in prepaid income taxes.

For the year ended December 31, 2024, cash provided by operating activities was primarily attributable to net income earned of $1.51 billion and adjustments for certain non-cash expenses, consisting of $127.1 million impairment of goodwill and other intangibles, $91.0 million of stock-based compensation, $80.4 million of depreciation and amortization, $13.5 million of non-cash lease expense and $8.2 million impairment of property and equipment. For the year ended December 31, 2024, cash provided by operating activities also increased due to a $211.5 million decrease in inventories, an $18.4 million increase in accrued liabilities, a $13.4 million increase in other liabilities, a $9.7 million increase in accrued promotional allowances, a $9.4 million increase in income taxes payable, a $9.0 million decrease in prepaid expenses and other assets, a $5.9 million increase in accrued compensation and a $3.1 million decrease in prepaid income taxes. For the year ended December 31, 2024, cash used in operating activities was primarily attributable to a $93.9 million increase in accounts receivable, a $61.5 million decrease in accounts payable and a $17.4 million decrease in deferred revenue.

*Cash flows (used in) provided by investing activities.* Net cash used in investing activities was $1.32 billion for the year ended December 31, 2025, as compared to cash provided by investing activities of $733.7 million for the year ended December 31, 2024.

For both the years ended December 31, 2025 and 2024, cash provided by investing activities was primarily attributable to sales of available-for-sale investments. For both the years ended December 31, 2025 and 2024, cash used in investing activities was primarily attributable to purchases of available-for-sale investments. To a lesser extent, for both the years ended December 31, 2025 and 2024, cash used in investing activities also included the acquisition of real property, fixed assets consisting of vans and promotional vehicles, coolers and other equipment to support our marketing and promotional activities, production equipment, furniture and fixtures, office and computer equipment, computer software, equipment used for sales and administrative activities, certain leasehold improvements, improvements to real property as well as the acquisition, defense and maintenance of trademarks. We expect to continue to use a portion of our cash in excess of our requirements for operations to purchase short-term and long-term investments, leasehold improvements, the acquisition of capital equipment (specifically, vans, trucks and promotional vehicles, coolers, other promotional equipment, merchandise displays, warehousing racks as well as items of production equipment required to produce certain of our existing and/or new products), to develop our brand in international markets and for other corporate purposes. From time to time, we may also use cash to purchase additional real property related to our beverage business and/or acquire compatible businesses.

*Cash flows used in financing activities.* Cash used in financing activities was $324.4 million for the year ended December 31, 2025 as compared to cash used in financing activities of $3.33 billion for the year ended December 31, 2024. The cash flows used in financing activities for both the years ended December 31, 2025 and 2024, were attributable to repayments on the Credit Facilities as well as repurchases of our common stock. The cash flows provided by financing activities for the year ended December 31, 2025 was primarily attributable to the issuance of our common stock under our stock-based compensation plans. The cash provided by financing activities for the year ended December 31, 2024 was primarily attributable to borrowings under the Credit Facilities and, to a lesser extent, the issuance of our common stock under our stock-based compensation plans.

The following represents a summary of the Company's contractual commitments and related scheduled maturities as of December 31, 2025:

| | Payments due by period (in thousands) | | | | |
|---|---|---|---|---|---|
| Obligations | Total | Less than 1 year | 1-3 years | 3-5 years | More than 5 years |
| Contractual Obligations[1] | $ 570,233 | $ 318,009 | $ 192,465 | $ 59,322 | $ 437 |
| Finance Leases | 2,048 | 2,019 | 23 | 6 | — |
| Operating Leases | 63,959 | 14,168 | 25,218 | 17,576 | 6,997 |
| Purchase Commitments[2] | 216,598 | 196,882 | 19,716 | — | — |
| | $ 852,838 | $ 531,078 | $ 237,422 | $ 76,904 | $ 7,434 |

[1]*Contractual obligations include our obligations related to sponsorships and other commitments.*

[2]*Purchase commitments include obligations made by us and our subsidiaries to various suppliers for raw materials used in the production of our products. These obligations vary in terms but are generally satisfied within one year.*

In addition, approximately $3.2 million of unrecognized tax benefits have been recorded as liabilities as of December 31, 2025. It is expected that the amount of unrecognized tax benefits will not significantly change within the next 12 months. As of December 31, 2025, we had $0.9 million of accrued interest and penalties related to unrecognized tax benefits.

**Accounting Policies and Pronouncements**

***Critical Accounting Policies and Estimates***

Our consolidated financial statements are prepared in accordance with GAAP. GAAP requires us to make estimates and assumptions that affect the reported amounts in our consolidated financial statements. Critical accounting estimates are those that management believes are the most important to the portrayal of our financial condition and results and require the most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain and that have had, or are reasonably likely to have, a material impact on our financial condition or results of operations. Judgments and uncertainties may result in materially different amounts being reported under different conditions or using different assumptions. See "Part II, Item 8 – Financial Statements and Supplementary Data – Note 1 – Organization and Summary of Significant Accounting Policies" for a summary of our significant accounting policies.

The following summarizes our most significant critical accounting estimates:

*Goodwill* – The Company records goodwill when the consideration paid for an acquisition exceeds the fair value of net tangible and intangible assets acquired, including related tax effects. Goodwill is not amortized; instead, goodwill is tested for impairment on an annual basis, or more frequently if the Company believes indicators of impairment exist. The Company first assesses qualitative factors to determine whether it is more-likely-than-not that the fair value of a reporting unit is less than its carrying value. If the Company reasonably determines that it is more-likely-than-not that the fair value is less than the carrying value, the Company performs its annual, or interim, goodwill impairment test by comparing the fair value of a reporting unit with its carrying amount. Application of the goodwill impairment test requires significant judgment, including the identification of reporting units, assignment of assets and liabilities to reporting units, assignment of goodwill to reporting units, and determination of the fair value of each reporting unit. The fair value of each reporting unit is estimated through the use of a discounted cash flow methodology. This analysis requires significant assumptions, including discount rate, projected future revenues, projected future operating margins and terminal growth rates. The estimates used to calculate the fair value of a reporting unit change from year to year based on operating results, market conditions and other factors. Changes in these estimates and assumptions could materially affect the determination of fair value and goodwill impairment for each reporting unit. The Company will recognize an impairment for the amount by which the carrying amount exceeds a reporting unit's fair value. For the years ended December 31, 2025 and 2023, there were no goodwill impairments recorded. For the year ended December 31, 2024, goodwill impairment charges of $86.3 million were recorded related to the Alcohol Brands reporting unit. Subsequent to the impairment charges recorded, there was no remaining goodwill for the Alcohol Brands reporting unit. As of December 31, 2025, the accumulated goodwill impairment balance was $86.3 million related entirely to the Alcohol Brands reporting unit.

*Other Intangibles* – In accordance with FASB ASC 350, intangible assets with indefinite lives are not amortized but instead are measured for impairment at least annually, or when events indicate that an impairment exists. Recoverability of indefinite-lived intangible assets is determined on a relief from royalty methodology, which is based on the implied royalty paid, at an appropriate discount rate, to license the use of an asset rather than owning the asset. The present value of the after-tax cost savings (i.e. royalty relief) indicates the estimated fair value of the asset. Any excess of the carrying value over the estimated fair value is recognized as an impairment loss equal to that excess. This analysis requires significant assumptions, including discount rate, projected future revenues and terminal growth rates. A significant change in any or a combination of the assumptions used to estimate fair value of our indefinite-lived intangible assets could have a negative impact on the estimated fair values. For the year ended December 31, 2025, no impairment charges were recorded to indefinite-lived intangible assets. For the years ended December 31, 2024 and 2023, impairment charges of $40.8 million and $38.7 million were recorded to indefinite-lived intangible assets primarily related to tradenames in our Alcohol Brands segment.

*Revenue Recognition* – Promotional and other allowances (variable consideration) recorded as a reduction to net sales for our energy drink products primarily include consideration given to the Company's non-alcohol bottlers/distributors or customers including, but not limited to, the following:

- discounts granted off list prices to support price promotions to end-consumers by retailers;
- reimbursements given to the Company's bottlers/distributors for agreed portions of their promotional spend with retailers, including slotting, shelf space allowances and other fees for both new and existing products;
- the Company's agreed share of fees given to bottlers/distributors and/or directly to retailers for advertising, in-store marketing and promotional activities;

- the Company’s agreed share of slotting, shelf space allowances and other fees given directly to retailers, club stores and/or wholesalers;
- incentives given to the Company’s bottlers/distributors and/or retailers for achieving or exceeding certain predetermined sales goals;
- discounted and/or free products or cash rebates;
- contractual fees given to the Company’s bottlers/distributors related to sales made directly by the Company to certain customers that fall within the bottlers’/distributors’ sales territories; and
- commissions paid to TCCC based on our sales to wholly-owned subsidiaries of TCCC and/or to TCCC bottlers/distributors accounted for under the equity method by TCCC.

The Company’s promotional allowance programs for its energy drink products are executed through separate agreements in the ordinary course of business. These agreements generally provide for one or more of the arrangements described above and are of varying durations, typically ranging from one week to one year. The Company’s promotional and other allowances for its energy drink products are calculated based on various programs with bottlers/distributors and retail customers, and accruals are established at the time of initial product sale for the Company’s anticipated liabilities. These accruals are based on agreed upon terms as well as the Company’s historical experience with similar programs and require management’s judgment with respect to estimating consumer participation and/or bottler/distributor and retail customer performance levels. Differences between such estimated expenses and actual expenses for promotional and other allowance costs have historically been insignificant and are recognized in earnings in the period such differences are determined. Promotional and other allowances for our Alcohol Brands segment primarily include price promotions where permitted.

***Recent Accounting Pronouncements***

See “Part II, Item 8 – Financial Statements and Supplementary Data – Note 1 – Organization and Summary of Significant Accounting Policies – Recent Accounting Pronouncements” for a full description of recent accounting pronouncements including the respective expected dates of adoption and expected effects on the Company’s consolidated financial position, results of operations or liquidity.

**Forward-Looking Statements**

Certain statements made in this report may constitute 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 (the “Exchange Act”)) regarding the expectations of management with respect to revenues, profitability, adequacy of funds from operations and our existing credit facility, among other things. All statements containing a projection of revenues, income (loss), earnings (loss) per share, capital expenditures, dividends, capital structure or other financial items, a statement of management’s plans and objectives for future operations, or a statement of future economic performance contained in management’s discussion and analysis of financial condition and results of operations, including statements related to new products, volume growth and statements encompassing general optimism about future operating results and non-historical information, are forward-looking statements within the meaning of the Exchange Act. Without limiting the foregoing, the words “believes,” “thinks,” “anticipates,” “plans,” “expects,” “estimates” and similar expressions are intended to identify forward-looking statements.

Management cautions that these statements are qualified by their terms and/or important factors, many of which are outside our control and involve a number of risks, uncertainties and other factors, that could cause actual results and events to differ materially from the statements made including, but not limited to, the following:

- our ability to sustain and/or surpass the current level of sales of our products, to adapt to changing consumer preferences, and to effectively respond to competitive products and pricing pressures;
- our ability to implement our growth strategy, including expanding our business in existing and new sectors and achieving profitability within our Alcohol Brands segment;
- our ability to adapt to the changing retail landscape with the rapid growth in e-commerce retailers and e-commerce websites;
- our ability to absorb, reduce or pass on to our bottlers/distributors increases in costs and expenses, including the Midwest Premium, and freight costs;
- the impact of the current U.S. presidential administration’s policies on our energy drinks due to concerns about sugar-sweetened beverages, particular ingredients, such as food dyes, and the “generally recognized as safe” (GRAS) process;
- the impact of proposed or adopted domestic and/or foreign legislation to limit or restrict the sale of energy drinks (including the prohibition of the sale of energy drinks to certain demographics, at certain establishments, in certain container sizes or pursuant to certain governmental programs, such as the Supplemental Nutrition Assistance Program (SNAP));
- the impact of changes in U.S. trade policies, including the imposition of additional tariffs;
- the impact of adverse changes in our costs, supply chain, inflation or consumer demand for our products;
- the imposition of new and/or increased excise sales and/or other taxes on our products;
- our extensive commercial arrangements with The Coca-Cola Company (TCCC) and, as a result, our future performance’s substantial dependence on the success of our relationship with TCCC;
- the effects of unilateral decisions by bottlers/distributors and/or retailers on our business, including their distribution and placement of our products, their consolidation, their discontinuation, or restriction of the range of, all or any of our products that they carry, their limitations on the sale or sizes of our products and/or their allocation of less resources to the sale of our products;
- changes in the price and/or availability of raw materials and other supply chain issues, such as the availability of products, suitable production facilities and/or co-packing arrangements;
- possible recalls of our products and/or the consequences and costs of defective production;
- disruption to our manufacturing facilities and operations related to climate, labor, production difficulties, capacity limitations, regulations or other causes;
- disruption to and/or lack of effectiveness of our information technology systems, including internal and external cybersecurity threats and breaches;
- adverse publicity surrounding obesity, alcohol consumption and other health concerns related to our products, product safety and quality;
- liabilities resulting from legal or regulatory proceedings, government investigations, and/or injunctions;
- the inherent operational risks, including the abuse or misuse of our products, presented by the alcoholic beverage industry and/or related claims that may not be adequately covered by insurance or may lead to litigation;
- the current uncertainty and volatility in the national and global economy and changes in demand due to such economic conditions, including a slowdown in consumer spending generally; and
- the impact of military and geopolitical conflicts, including supply chain disruptions, volatility in commodity prices, increased economic uncertainty and escalating geopolitical tensions.

The foregoing list of important factors and other risks detailed from time to time in our reports filed with the SEC is not exhaustive. See “Part I, Item 1A – Risk Factors” for a more complete discussion of these risks and uncertainties and for other risks and uncertainties. Those factors and the other risk factors described therein are not necessarily all of the important factors that could cause actual results or developments to differ materially from those expressed in any of our forward-looking statements. Other unknown or unpredictable factors also could harm our results. Consequently, our actual results could be materially different from the results described or anticipated by our forward-looking statements due to the inherent uncertainty of estimates, forecasts and projections and may be better or worse than anticipated. Given these uncertainties, you should not rely on forward-looking statements. Forward-looking statements represent our estimates and assumptions only as of the date that they were made. We expressly disclaim any duty to provide updates to forward-looking statements, and the estimates and assumptions associated with them, after the date of this report, in order to reflect changes in circumstances or expectations or the occurrence of unanticipated events except to the extent required by applicable securities laws.

## ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

In the normal course of business our financial position is routinely subject to a variety of risks. The principal market risks (i.e., the risk of loss arising from adverse changes in market rates and prices) to which we are exposed are fluctuations in commodity and other input prices affecting the costs of our raw materials (including, but not limited to, increases in the costs of aluminum cans, as well as sugar, sucralose and other sweeteners, glucose, sucrose, juice concentrates, milk, cream, coffee, tea, hops, malt and yeast, all of which are used in some or many of our products), fluctuations in energy and fuel prices, tariffs, as well as limitations in the availability of aluminum cans and certain other raw materials and packaging materials. We generally do not use hedging agreements or alternative instruments to manage the risks associated with securing sufficient ingredients or raw materials. We are also subject to market risks with respect to the cost of commodities and other inputs because our ability to recover increased costs through higher pricing is limited by the competitive environment in which we operate.

We do not use derivative financial instruments to protect ourselves from fluctuations in interest rates and, except for aluminum, generally do not hedge against fluctuations in commodity prices.

Our net sales to customers outside of the United States were approximately 41% and 40% of consolidated net sales for the years ended December 31, 2025 and 2024, respectively. Our growth strategy includes expanding our international business. As a result, we are subject to risks from changes in foreign currency exchange rates. During the year ended December 31, 2025, we entered into forward currency exchange contracts with financial institutions to create an economic hedge to specifically manage a portion of the foreign exchange risk exposure associated with certain consolidated subsidiaries' non-functional currency denominated assets and liabilities. All foreign currency exchange contracts entered into by us as of December 31, 2025 have terms of three months or less. We do not enter into forward currency exchange contracts for speculation or trading purposes.

We generally do not designate our foreign currency exchange contracts as hedge transactions under FASB ASC 815. Therefore, gains and losses on our foreign currency exchange contracts are recognized in interest and other income, net, in the consolidated statements of income, and are largely offset by the changes in the fair value of the underlying economically hedged item. We do not consider the potential loss resulting from a hypothetical 10% adverse change in quoted foreign currency exchange rates as of December 31, 2025 to be significant.

## ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The information required to be furnished in response to this Item 8 follows the signature page and Index to Exhibits hereto at pages 69 through 109.

## ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

## ITEM 9A. CONTROLS AND PROCEDURES

*Evaluation of Disclosure Controls and Procedures* – Under the supervision and with the participation of the Company's management, including our Chief Executive Officer and Chief Financial Officer, we have evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13(a)-15(e) and 15(d)-15(e) of the Exchange Act) as of the end of the period covered by this report. Based upon this evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures are effective to ensure that information we are required to disclose in reports that we file or submit under the Exchange Act is (1) recorded, processed, summarized and reported within the time periods specified in rules and forms of the SEC and (2) accumulated and communicated to our management, including our principal executive and principal financial officers as appropriate to allow timely decisions regarding required disclosures.

*Management's Report on Internal Control Over Financial Reporting* – Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Exchange Act Rules 13a-15(f) and 15d-15(f). Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, our management conducted an evaluation of the effectiveness of our internal control over financial reporting as of December 31, 2025, based on the framework in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on our management's evaluation under the framework in *Internal Control – Integrated Framework (2013)*, our management concluded that our internal control over financial reporting was effective as of December 31, 2025.

Our internal control over financial reporting as of December 31, 2025 has been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in their attestation.

*Changes in Internal Control Over Financial Reporting* – There were no changes in the Company's internal controls over financial reporting during the quarter ended December 31, 2025, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Monster Beverage Corporation

**Opinion on Internal Control Over Financial Reporting**

We have audited Monster Beverage Corporation and subsidiaries' internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Monster Beverage Corporation and subsidiaries (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2025 and 2024, the related consolidated statements of income, comprehensive income, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2025, and the related notes and financial statement schedule listed in the Index at Item 15(a) and our report dated February 26, 2026 expressed an unqualified opinion thereon.

**Basis for Opinion**

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

**Definition and Limitations of Internal Control Over Financial Reporting**

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Irvine, California
February 26, 2026

## ITEM 9B. OTHER INFORMATION

*Trading Arrangements*

During the three-months ended December 31, 2025, none of the Company's directors or officers adopted, modified or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement (each as defined in Item 408 of Regulation S-K under the Securities Exchange Act of 1934, as amended).

*Monster Beverage Corporation Executive Severance Plan*

On February 25, 2026, the Compensation Committee of the Board of Directors of the Company (the "Compensation Committee") approved and adopted the Monster Beverage Corporation Executive Severance Plan (the "Severance Plan"), effective immediately. The Severance Plan provides for severance pay and benefits to Eligible Employees whose employment with any member of the Company Group is terminated either (i) by any member of the Company Group without "Cause" (which does not include termination due to death or Disability) or (ii) due to an Eligible Employee's resignation for "Good Reason" (with each of the reasons set forth in clauses (i) and (ii) being a "Qualifying Termination").

Upon a Qualifying Termination, an Eligible Employee will be entitled to receive: (i) all accrued and unpaid Base Salary through the Date of Termination; (ii) reimbursement for all incurred but unreimbursed expenses for which the Eligible Employee is entitled to; and (iii) benefits to which an Eligible Employee may be entitled pursuant to the terms of any Company-sponsored plan or policy (collectively, the "Accrued Amounts").

In addition to the Accrued Amounts, if a Qualifying Termination occurs outside of a Change in Control Period and the Eligible Employee has been continuously employed by a Company Group member for at least three hundred and sixty-five days prior to such Qualifying Termination, such Eligible Employee shall be entitled to receive: (i) a cash severance payment in an amount equal to twelve months of such Eligible Employee's Base Salary, payable in substantially equal installments over twelve months, beginning on the sixtieth day following termination; (ii) a pro-rated Annual Bonus, paid when bonuses are paid to similarly situated employees (but no later than March 15 of the following year); and (iii) continued payment by the Company of the employer portion of health, dental, and vision insurance premiums for up to twelve months.

If a Qualifying Termination occurs during a Change in Control Period, an Eligible Employee shall instead be entitled to receive the following in addition to the Accrued Amounts (without being subject to a minimum employment period): (i) a cash severance payment in an amount equal to the sum of (a) eighteen months of such Eligible Employee's Base Salary and (b) one and one half times such Eligible Employee's Annual Bonus, payable in a lump sum within sixty days following termination; (ii) a pro-rated Annual Bonus, paid in a lump sum within sixty days of termination; and (iii) continued payment by the Company of the employer portion of health, dental, and vision insurance premiums for up to eighteen months.

Regardless of whether a Qualifying Termination occurs during or outside of a Change in Control Period, the Eligible Employee must also execute (and not revoke) a general release within sixty days of termination and abide by the terms of any restrictive covenant obligations to which the Eligible Employee is subject in respect of the Company Group.

The foregoing description of the Severance Plan does not purport to be complete and is qualified in its entirety by the full text of the Severance Plan, which is filed as Exhibit 10.27 to this Annual Report on Form 10-K and is incorporated herein by reference. Each capitalized but undefined term in the above paragraphs shall have the meaning ascribed to it in the Severance Plan.

*Employment Agreements*

Emelie Tirre

On February 25, 2026, the Compensation Committee approved an amended and restated employment agreement between Monster Energy Company ("MEC") and Emilie Tirre, effective as of the same date (the "Tirre Employment Agreement"). As compared to the original employment agreement between MEC and Ms. Tirre, dated as of June 13, 2024, the Tirre Employment Agreement appoints Ms. Tirre, who previously served as Chief Commercial Officer of MEC, as Chief Strategy Officer of MEC, extends her employment period to February 25, 2028, and provides for an increase in Ms. Tirre's annual base salary to $945,000, which amount will be reviewed annually and is subject to adjustment by the Compensation Committee. The Tirre Employment Agreement also conforms certain provisions of Ms. Tirre's employment agreement to those of the Severance Plan, as detailed above. The foregoing description of the Tirre Employment Agreement is qualified in its entirety by reference to the complete text of such agreement, which is attached as Exhibit 10.8 to this Annual Report on Form 10-K and is incorporated by reference herein.

Biographical information regarding Ms. Tirre is set forth in the Company's Definitive Proxy Statement on Schedule 14A filed with the Securities and Exchange Commission on April 25, 2025 (the "Proxy Statement"), and such information is incorporated by reference herein. No arrangement or understanding exists between Ms. Tirre and any other person pursuant to which Ms. Tirre was selected to serve as Chief Strategy Officer of MEC. There have been no related party transactions between the Company or any of its subsidiaries and Ms. Tirre reportable under Item 404(a) of Regulation S-K. Ms. Tirre does not have a family relationship with any of the Company's directors or executive officers.

Rob Gehring

On February 25, 2026, the Compensation Committee approved an amended and restated employment agreement between MEC and Rob Gehring, effective as of the same date (the "Gehring Employment Agreement"). The Gehring Employment Agreement appoints Mr. Gehring, who previously served as Chief Growth Officer of MEC, as Chief Executive Officer, Americas of MEC. The Gehring Employment Agreement provides for an annual base salary of $875,000, which amount will be reviewed annually and is subject to adjustment by MEC. The Gehring Employment Agreement also conforms certain provisions of Mr. Gehring's employment agreement to those of the Severance Plan, as detailed above. The foregoing description of the Gehring Employment Agreement is qualified in its entirety by reference to the complete text of such agreement, which is attached as Exhibit 10.9 to this Annual Report on Form 10-K and is incorporated by reference herein.

Mr. Gehring, 59, served as Chief Growth Officer from August 2024 until February 25, 2026 and was primarily responsible for overseeing MEC's business operations in North America. Prior to Mr. Gehring's employment with MEC, he served as Chief Operating Officer, and subsequently President & Chief Executive Officer, of Swire Coca-Cola, USA from 2018 to August 2024. Prior to Swire Coca-Cola, USA, Mr. Gehring acted as Global Chief Sales Officer for The Hershey Company and as President of the Walmart and Sam's Club Global team for Coca-Cola North America. Mr. Gehring has over thirty years' experience in the consumer product goods business.

No arrangement or understanding exists between Mr. Gehring and any other person pursuant to which Mr. Gehring was selected to serve as Chief Executive Officer, Americas. There have been no related party transactions between the Company or any of its subsidiaries and Mr. Gehring reportable under Item 404(a) of Regulation S-K. Mr. Gehring does not have a family relationship with any of the Company's directors or executive officers.

**ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS**

Not applicable.

## PART III

### ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information required by this item regarding our directors is included under the caption "Proposal One – Election of Directors" in our Proxy Statement for our 2026 Annual Meeting of Stockholders to be filed with the SEC within 120 days after the end of the fiscal year ended December 31, 2025 (the "2026 Proxy Statement") and is incorporated herein by reference.

Information concerning compliance with Section 16(a) of the Exchange Act is included under the caption "Delinquent Section 16(a) Reports" in our 2026 Proxy Statement and is incorporated herein by reference.

Information concerning the Audit Committee and the Audit Committee Financial Expert is reported under the caption "Audit Committee; Report of the Audit Committee; Duties and Responsibilities" in our 2026 Proxy Statement and is incorporated herein by reference.

**Code of Business Conduct and Ethics**

We have adopted a Code of Business Conduct and Ethics that applies to all our directors, officers (including our principal executive officers, principal financial officer, principal accounting officer and controllers) and employees. The Code of Business Conduct and Ethics and any amendment thereto, as well as any waivers that are required to be disclosed by the rules of the SEC or NASDAQ, may be obtained at http://investors.monsterbevcorp.com/corporate-governance or at no cost to you by writing or telephoning us at the following address or telephone number:

Monster Beverage Corporation
1 Monster Way
Corona, CA 92879
(951) 739-6200
(800) 426-7367

### ITEM 11. EXECUTIVE COMPENSATION

Information concerning the compensation of our directors and executive officers and Compensation Committee Interlocks and Insider Participation is reported under the captions "Compensation Discussion and Analysis," and "Compensation Committee," respectively, in our 2026 Proxy Statement and is incorporated herein by reference.

## ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The disclosure set forth in Item 5, “Market for the Registrant’s Common Equity, Related Stockholder Matters and Issuer Repurchases of Equity Securities”, of this report is incorporated herein.

Information concerning the beneficial ownership of the Company’s Common Stock of (a) those persons known to the Company to be the beneficial owners of more than 5% of the Company’s common stock; (b) each of the Company’s directors and nominees for director; and (c) the Company’s executive officers and all of the Company’s current directors and executive officers as a group is reported under the caption “Principal Stockholders and Security Ownership of Management” in our 2026 Proxy Statement and is incorporated herein by reference.

Information concerning shares of the Company’s Common Stock authorized for issuance under the Company’s equity compensation plans is reported under the caption “Employee Equity Compensation Plan Information” in our 2026 Proxy Statement and is incorporated herein by reference.

## ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

Information concerning certain relationships and related transactions is reported under the caption “Certain Relationships and Related Transactions and Director Independence” in our 2026 Proxy Statement and is incorporated herein by reference.

## ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

Information concerning our accountant fees and our Audit Committee’s pre-approval of audit and permissible non-audit services of independent auditors is reported under the captions “Principal Accounting Firm Fees” and “Pre-Approval of Audit and Non-Audit Services,” respectively, in our 2026 Proxy Statement and is incorporated herein by reference.

## PART IV

### ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) The following documents are filed as a part of this Form 10-K:



Exhibits:

The Exhibits listed in the Index of Exhibits, which appears immediately preceding the signature page and is incorporated herein by reference, as filed as part of this Form 10-K.

### ITEM 16. FORM 10-K SUMMARY

None.

Table of Contents

**INDEX TO EXHIBITS**

The following designated exhibits, as indicated below, are either filed or furnished, as applicable herewith or have heretofore been filed or furnished with the Securities and Exchange Commission under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended.

| | |
|---|---|
| 2.1 | Transaction Agreement, dated as of August 14, 2014, by and among Monster Beverage Corporation, New Laser Corporation, New Laser Merger Corp, The Coca-Cola Company and European Refreshments (incorporated by reference to Exhibit 2.1 to our Form 8-K dated August 18, 2014). |
| 2.1.1 | Amendment to Transaction Agreement, dated as of March 16, 2018, by and among Monster Beverage Corporation, New Laser Corporation, New Laser Merger Corp., The Coca-Cola Company and European Refreshments (incorporated by reference to Exhibit 2.1 to our Form 8-K dated March 20, 2018). |
| 2.2 | Asset Transfer Agreement, dated as of August 14, 2014, by and among Monster Beverage Corporation, New Laser Corporation and The Coca-Cola Company (incorporated by reference to Exhibit 2.2 to our Form 8-K dated August 18, 2014). |
| 3.1 | Second Amended and Restated Certificate of Incorporation of the Company (incorporated by reference to Exhibit 3.1 to our Form 8-K dated June 27, 2023). |
| 3.2 | Fourth Amended and Restated By-laws of the Company (incorporated by reference to Exhibit 3.2 to our Form 8-K dated November 7, 2024). |
| 4.1 | Description of Common Stock (incorporated by reference to Exhibit 4.1 to our Form 10-K dated February 28, 2020). |
| 10.1 | Amended and Restated Distribution Coordination Agreement, dated as of June 12, 2015, between Monster Energy Company and The Coca-Cola Company (incorporated by reference to Exhibit 10.1 to our Form 10-Q dated August 10, 2015). |
| 10.2 | Amended and Restated International Distribution Coordination Agreement, dated as of June 12, 2015, between Monster Energy Ltd. and Monster Energy Company and The Coca-Cola Company (incorporated by reference to Exhibit 10.2 to our Form 10-Q dated August 10, 2015). |
| 10.3 | Credit Agreement dated as of May 22, 2024 among Monster Beverage Corporation, Monster Energy Company, Monster Energy US LLC, JP Morgan Chase Bank, N.A., as administrative agent and the lenders party thereto (incorporated by reference to Exhibit 10.1 to our Form 8-K dated May 23, 2024). |
| 10.3.1 | Amendment No. 1 to the Credit Agreement, dated as of October 17, 2025, among Monster Beverage Corporation, JPMorgan Chase Bank, N.A., as administrative agent, and the lenders party thereto (incorporated by reference to Exhibit 10.1 to our Form 10-Q dated November 7, 2025). |
| 10.4 | Form of Indemnification Agreement (to be provided by Monster Beverage Corporation to its directors and officers) (incorporated by reference to Exhibit 10.1 to our Form 8-K dated June 11, 2019). |
| 10.5+ | Employment Agreement between Monster Beverage Corporation and Rodney C. Sacks (incorporated by reference to Exhibit 10.1 to our Form 8-K dated March 19, 2014). |
| 10.6+ | Rodney C. Sacks Transition Letter, dated March 10, 2025 (incorporated by reference to Exhibit 10.1 to our Form 8-K dated March 10, 2025). |
| 10.7+ | Employment Agreement between Monster Beverage Corporation and Hilton H. Schlosberg (incorporated by reference to Exhibit 10.2 to our Form 8-K dated March 19, 2014). |
| 10.8*+ | Amended and Restated Employment Agreement between Monster Energy Company and Emelie Tirre. |
| 10.9*+ | Amended and Restated Employment Agreement between Monster Energy Company and Rob Gehring. |
| 10.10+ | Monster Beverage Corporation 2011 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.1 to our Form 8-K dated May 24, 2011). |
| 10.11+ | Form of Stock Option Agreement for grants under the Monster Beverage Corporation 2011 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.10 to our Form 10-K dated March 1, 2018). |
| 10.12+ | Form of Stock Option Agreement of Co-Chief Executive Officers for grants under the Monster Beverage Corporation 2011 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.11 to our Form 10-K dated March 1, 2018). |
| 10.13+ | Form of Restricted Stock Agreement (incorporated by reference to Exhibit 10.1 to our Form 10-Q dated August 9, 2011). |
| 10.14+ | Form of Restricted Stock Unit Agreement for grants under the Monster Beverage Corporation 2011 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.13 to our Form 10-K dated March 1, 2021). |
| 10.15+ | Amended and Restated Monster Beverage Corporation Deferred Compensation Plan (incorporated by reference to Exhibit 10.14 to our Form 10-K dated March 1, 2018). |

| | |
|---|---|
| 10.16+ | Monster Beverage Corporation Deferred Compensation Plan for Non-Employee Directors (incorporated by reference to Exhibit 4.2 to our Form S-8 dated June 21, 2017). |
| 10.17+ | Monster Beverage Corporation 2017 Compensation Plan for Non-Employee Directors as Amended and Restated on February 23, 2022 (incorporated by reference to Exhibit 10.1 to our Form 10-Q dated May 6, 2022). |
| 10.18+ | Form of Restricted Stock Unit Agreement pursuant to the Monster Beverage Corporation 2017 Compensation Plan for Non-Employee Directors (incorporated by reference to Exhibit 10.4 to our Form 10-K dated March 1, 2021). |
| 10.19+ | Monster Beverage Corporation 2020 Omnibus Incentive Plan (incorporated by reference to Appendix A to our Definitive Proxy Statement on Schedule 14A, filed April 21, 2020). |
| 10.20+ | Form of Stock Option Award Agreement for grants under the Monster Beverage Corporation 2020 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.1 to our Form 10-Q dated May 7, 2021). |
| 10.21+ | Form of Annual Incentive Award Agreement for grants under the Monster Beverage Corporation 2020 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.2 to our Form 10-Q dated May 7, 2021). |
| 10.22+ | Form of Performance Share Unit Award Agreement for grants under the Monster Beverage Corporation 2020 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.3 to our Form 10-Q dated May 7, 2021). |
| 10.23+ | Form of Restricted Stock Unit Award Agreement for grants under the Monster Beverage Corporation 2020 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.4 to our Form 10-Q dated May 7, 2021). |
| 10.24+ | Form of 2025 Stock Option Award Agreement for grants under the Monster Beverage Corporation 2020 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.2 to our Form 10-Q dated May 9, 2025). |
| 10.25+ | Form of 2025 Restricted Stock Unit Award Agreement for grants under the Monster Beverage Corporation 2020 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.3 to our Form 10-Q dated May 9, 2025). |
| 10.26+ | Form of 2025 Performance Share Unit Award Agreement for grants under the Monster Beverage Corporation 2020 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.4 to our Form 10-Q dated May 9, 2025). |
| 10.27*+ | Monster Beverage Corporation Executive Severance Plan, effective as of February 25, 2025. |
| 19.1 | Monster Beverage Corporation Insider Trading Policy, effective as of June 22, 2023 (incorporated by reference to Exhibit 19.1 to our Form 10-K dated February 28, 2025). |
| 21.1* | Subsidiaries |
| 23.1* | Consent of Ernst & Young LLP, independent registered public accounting firm |
| 31.1* | Certification by Chief Executive Officer pursuant to Rule 13A-14(a) or 15D-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 |
| 31.2* | Certification by Chief Financial Officer pursuant to Rule 13A-14(a) or 15D-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 |
| 32.1* | Certification by Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 |
| 32.2* | Certification by Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 |
| 97.1+ | Monster Beverage Corporation Clawback Policy, effective as of December 1, 2023 (incorporated by reference to Exhibit 97 to our Form 10-K dated February 29, 2024). |
| 101* | The following materials from Monster Beverage Corporation's Annual Report on Form 10-K for the fiscal year ended December 31, 2025 are furnished herewith, formatted in iXBRL (Inline eXtensible Business Reporting Language): (i) Consolidated Balance Sheets as of December 31, 2025 and 2024, (ii) Consolidated Statements of Income for the years ended December 31, 2025, 2024 and 2023, (iii) Consolidated Statements of Comprehensive Income for the years ended December 31, 2025, 2024 and 2023, (iv) Consolidated Statements of Stockholders' Equity for the years ended December 31, 2025, 2024 and 2023, (v) Consolidated Statements of Cash Flows for the years ended December 31, 2025, 2024 and 2023, and (vi) Notes to Consolidated Financial Statements. |
| 104* | The cover page from Monster Beverage Corporation's Annual Report on Form 10-K for the fiscal year ended December 31, 2025, formatted in iXBRL (Inline eXtensible Business Reporting Language) and contained in Exhibit 101. |

* Filed herewith.
\+ Management contract or compensatory plans or arrangements.

## SIGNATURES

Pursuant to the requirements of Sections 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**MONSTER BEVERAGE CORPORATION**

| | | |
|---|---|---|
| /s/ HILTON H. SCHLOSBERG | Hilton H. Schlosberg<br>Vice Chairman of the Board of Directors and Chief Executive Officer | Date: February 26, 2026 |
| /s/ THOMAS J. KELLY | Thomas J. Kelly<br>Chief Financial Officer | Date: February 26, 2026 |

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

| Signature | Title | Date |
|---|---|---|
| /s/ RODNEY C. SACKS<br>Rodney C. Sacks | Chairman of the Board of Directors | February 26, 2026 |
| /s/ HILTON H. SCHLOSBERG<br>Hilton H. Schlosberg | Vice Chairman of the Board of Directors and Chief Executive Officer (principal executive officer) | February 26, 2026 |
| /s/ THOMAS J. KELLY<br>Thomas J. Kelly | Chief Financial Officer (principal financial officer, principal accounting officer) | February 26, 2026 |
| /s/ ANA DEMEL<br>Ana Demel | Director | February 26, 2026 |
| /s/ JAMES L. DINKINS<br>James L. Dinkins | Director | February 26, 2026 |
| /s/ WILLIAM W. DOUGLAS III<br>William W. Douglas III | Director | February 26, 2026 |
| /s/ MARK J. HALL<br>Mark J. Hall | Director | February 26, 2026 |
| /s/ TIFFANY M. HALL<br>Tiffany M. Hall | Director | February 26, 2026 |
| /s/ JEANNE P. JACKSON<br>Jeanne P. Jackson | Director | February 26, 2026 |
| /s/ STEVEN G. PIZULA<br>Steven G. Pizula | Director | February 26, 2026 |
| /s/ MARK S. VIDERGAUZ<br>Mark S. Vidergauz | Director | February 26, 2026 |

**INDEX TO CONSOLIDATED FINANCIAL STATEMENTS AND FINANCIAL STATEMENT SCHEDULE**

## Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Monster Beverage Corporation

**Opinion on the Financial Statements**

We have audited the accompanying consolidated balance sheets of Monster Beverage Corporation and subsidiaries (the Company) as of December 31, 2025 and 2024, the related consolidated statements of income, comprehensive income, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2025, and the related notes and financial statement schedule listed in the Index at Item 15(a) (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated February 26, 2026 expressed an unqualified opinion thereon.

**Basis for Opinion**

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

**Critical Audit Matter**

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosure to which it relates.

| | ***Accrued Promotional Allowances*** |
|---|---|
| *Description of the Matter* | The Company recorded $384.1 million in accrued promotional allowances as of December 31, 2025. As described in Notes 1 and 2 of the consolidated financial statements, the Company's promotional allowances are calculated based on various programs and agreements with its bottlers/distributors and retail customers, and accruals are established at the time of the initial product sale. These accruals are based on agreed-upon terms as well as the Company's historical experience with similar programs. Promotional allowances for the Company's energy drink products primarily include consideration given to its non-alcohol bottlers/distributors or retail customers. The promotional expenditures are recorded as a reduction to net sales in the period the underlying sale occurs.<br><br>Auditing the United States accrued promotional allowances process was challenging due to the amount of data utilized to compute the accrual as a result of the number of bottlers/distributors and retail customers. |
| *How We Addressed the Matter in Our Audit* | We obtained an understanding, evaluated the design, and tested the operating effectiveness of management's controls over the United States promotional allowances process. We also tested controls over management's review of the amount of the recorded promotional allowances and tested management's controls to validate the completeness and accuracy of data used in management's estimate.<br><br>Our substantive audit procedures included, among others, testing the data underlying the United States promotional allowances process and testing the completeness and accuracy of the accrued promotional allowances. We evaluated the completeness of the accrual by selecting accrued promotional allowances recorded, sending confirmation requests to the bottlers/distributors and retail customers and testing a sample of payments made subsequent to year end. We performed analytical procedures considering historical relationships between the promotional allowances recorded to sales. We additionally performed detail testing over the current year promotional expenditures and performed testing over management's lookback analysis comparing the previous year-end accrued promotional allowances amounts to actual payments. Lastly, we performed inquiries of the Company's sales and marketing personnel in order to corroborate our understanding of new and existing promotional programs that could impact the amounts recorded. |

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2023.

Irvine, California
February 26, 2026

**MONSTER BEVERAGE CORPORATION AND SUBSIDIARIES**
**CONSOLIDATED BALANCE SHEETS**
**AS OF DECEMBER 31, 2025 AND 2024 (In Thousands, Except Par Value)**

| | December 31, 2025 | December 31, 2024 |
|---|---|---|
| **ASSETS** | | |
| CURRENT ASSETS: | | |
| Cash and cash equivalents | $ 2,088,117 | $ 1,533,287 |
| Short-term investments | 677,084 | — |
| Accounts receivable, net | 1,618,072 | 1,221,646 |
| Inventories | 799,623 | 737,107 |
| Prepaid expenses and other current assets | 103,551 | 107,262 |
| Prepaid income taxes | 74,637 | 42,202 |
| Total current assets | 5,361,084 | 3,641,504 |
| | | |
| INVESTMENTS | 487,329 | — |
| PROPERTY AND EQUIPMENT, net | 1,081,544 | 1,047,024 |
| DEFERRED INCOME TAXES, net | 188,646 | 184,260 |
| GOODWILL | 1,331,643 | 1,331,643 |
| OTHER INTANGIBLE ASSETS, net | 1,379,268 | 1,414,252 |
| OTHER ASSETS | 159,431 | 100,406 |
| **Total Assets** | $ 9,988,945 | $ 7,719,089 |
| | | |
| **LIABILITIES AND STOCKHOLDERS' EQUITY** | | |
| CURRENT LIABILITIES: | | |
| Accounts payable | $ 565,974 | $ 466,775 |
| Accrued liabilities | 306,085 | 220,764 |
| Accrued promotional allowances | 384,070 | 267,711 |
| Deferred revenue | 45,323 | 45,809 |
| Accrued compensation | 114,023 | 92,454 |
| Income taxes payable | 32,305 | 4,006 |
| Total current liabilities | 1,447,780 | 1,097,519 |
| | | |
| DEFERRED REVENUE | 159,991 | 179,008 |
| | | |
| OTHER LIABILITIES | 127,066 | 110,893 |
| | | |
| LONG-TERM DEBT | — | 373,951 |
| | | |
| COMMITMENTS AND CONTINGENCIES (Note 10) | | |
| | | |
| STOCKHOLDERS' EQUITY: | | |
| Common stock - $0.005 par value; 5,000,000 shares authorized; 1,132,906 shares issued and 978,113 shares outstanding as of December 31, 2025; 1,126,329 shares issued and 973,079 shares outstanding as of December 31, 2024 | 5,665 | 5,632 |
| Additional paid-in capital | 5,430,847 | 5,144,922 |
| Retained earnings | 9,354,216 | 7,448,784 |
| Accumulated other comprehensive loss | (60,841) | (269,487) |
| Common stock in treasury, at cost; 154,793 shares and 153,250 shares as of December 31, 2025 and December 31, 2024, respectively | (6,475,779) | (6,372,133) |
| Total stockholders' equity | 8,254,108 | 5,957,718 |
| **Total Liabilities and Stockholders' Equity** | $ 9,988,945 | $ 7,719,089 |

See accompanying notes to consolidated financial statements.

**MONSTER BEVERAGE CORPORATION AND SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF INCOME**
**FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023**
**(In Thousands, Except Per Share Amounts)**

| | 2025 | 2024 | 2023 |
|---|---|---|---|
| NET SALES | $ 8,294,343 | $ 7,492,709 | $ 7,140,027 |
| COST OF SALES | 3,662,148 | 3,443,831 | 3,345,821 |
| GROSS PROFIT | 4,632,195 | 4,048,878 | 3,794,206 |
| OPERATING EXPENSES | 2,212,841 | 2,118,584 | 1,840,851 |
| OPERATING INCOME | 2,419,354 | 1,930,294 | 1,953,355 |
| INTEREST AND OTHER INCOME, NET | 63,175 | 59,165 | 115,127 |
| INCOME BEFORE PROVISION FOR INCOME TAXES | 2,482,529 | 1,989,459 | 2,068,482 |
| PROVISION FOR INCOME TAXES | 577,097 | 480,411 | 437,494 |
| NET INCOME | $ 1,905,432 | $ 1,509,048 | $ 1,630,988 |
| NET INCOME PER COMMON SHARE: | | | |
| Basic | $ 1.95 | $ 1.50 | $ 1.56 |
| Diluted | $ 1.94 | $ 1.49 | $ 1.54 |
| WEIGHTED AVERAGE NUMBER OF SHARES OF COMMON STOCK AND COMMON STOCK EQUIVALENTS: | | | |
| Basic | 975,887 | 1,004,566 | 1,044,887 |
| Diluted | 984,451 | 1,013,107 | 1,057,981 |

See accompanying notes to consolidated financial statements.

**MONSTER BEVERAGE CORPORATION AND SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**
**FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023 (In Thousands)**

| | 2025 | 2024 | 2023 |
|---|---|---|---|
| Net income, as reported | $ 1,905,432 | $ 1,509,048 | $ 1,630,988 |
| Other comprehensive income (loss), net of tax: | | | |
| Change in foreign currency translation adjustment | 161,871 | (140,941) | 24,241 |
| Change in net unrealized gain (loss) on available-for-sale investments | 1,263 | 758 | 5,085 |
| Change in net gain (loss) on commodity derivatives | 45,512 | (3,967) | 4,410 |
| Other comprehensive income (loss) | 208,646 | (144,150) | 33,736 |
| Comprehensive income | $ 2,114,078 | $ 1,364,898 | $ 1,664,724 |

See accompanying notes to consolidated financial statements.

## MONSTER BEVERAGE CORPORATION AND SUBSIDIARIES
## CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
## FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023 (In Thousands)

| | Common Stock | | Additional Paid-in Capital | Retained Earnings | Accumulated Other Comprehensive (Loss) Income | Treasury Stock | | Total Stockholders' Equity |
|---|---|---|---|---|---|---|---|---|
| | Shares | Amount | | | | Shares | Amount | |
| **Balance, January 1, 2023** | 1,283,688 | $ 6,418 | $ 4,776,804 | $ 9,001,173 | $ (159,073) | (239,088) | $ (6,600,281) | $ 7,025,041 |
| Stock-based compensation | — | — | 67,664 | — | — | — | — | 67,664 |
| Stock options/awards | 8,904 | 45 | 130,222 | — | — | — | — | 130,267 |
| Unrealized gain (loss), net on available-for-sale securities | — | — | — | — | 5,085 | — | — | 5,085 |
| Retirement of treasury stock | (170,000) | (850) | 425 | (4,692,425) | — | 170,000 | 4,692,850 | — |
| Repurchase of common stock | — | — | — | — | — | (11,933) | (658,952) | (658,952) |
| Foreign currency translation | — | — | — | — | 24,241 | — | — | 24,241 |
| Net gain (loss) on commodity derivatives | — | — | — | — | 4,410 | — | — | 4,410 |
| Net income | — | — | — | 1,630,988 | — | — | — | 1,630,988 |
| **Balance, December 31, 2023** | 1,122,592 | $ 5,613 | $ 4,975,115 | $ 5,939,736 | $ (125,337) | (81,021) | $ (2,566,383) | $ 8,228,744 |
| Stock-based compensation | — | — | 90,853 | — | — | — | — | 90,853 |
| Stock options/awards | 3,737 | 19 | 78,954 | — | — | — | — | 78,973 |
| Unrealized gain (loss), net on available-for-sale securities | — | — | — | — | 758 | — | — | 758 |
| Repurchase of common stock | — | — | — | — | — | (72,229) | (3,805,750) | (3,805,750) |
| Foreign currency translation | — | — | — | — | (140,941) | — | — | (140,941) |
| Net gain (loss) on commodity derivatives | — | — | — | — | (3,967) | — | — | (3,967) |
| Net income | — | — | — | 1,509,048 | — | — | — | 1,509,048 |
| **Balance, December 31, 2024** | 1,126,329 | $ 5,632 | $ 5,144,922 | $ 7,448,784 | $ (269,487) | (153,250) | $ (6,372,133) | $ 5,957,718 |
| Stock-based compensation | — | — | 121,390 | — | — | — | — | 121,390 |
| Stock options/awards | 6,577 | 33 | 164,535 | — | — | — | — | 164,568 |
| Unrealized gain (loss), net on available-for-sale securities | — | — | — | — | 1,263 | — | — | 1,263 |
| Repurchase of common stock | — | — | — | — | — | (1,543) | (103,646) | (103,646) |
| Foreign currency translation | — | — | — | — | 161,871 | — | — | 161,871 |
| Net gain (loss) on commodity derivatives | — | — | — | — | 45,512 | — | — | 45,512 |
| Net income | — | — | — | 1,905,432 | — | — | — | 1,905,432 |
| **Balance, December 31, 2025** | 1,132,906 | $ 5,665 | $ 5,430,847 | $ 9,354,216 | $ (60,841) | (154,793) | $ (6,475,779) | $ 8,254,108 |

See accompanying notes to consolidated financial statements.

**MONSTER BEVERAGE CORPORATION AND SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF CASH FLOWS**
**FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023 (In Thousands)**

| | 2025 | 2024 | 2023 |
|---|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | |
| Net income | $ 1,905,432 | $ 1,509,048 | $ 1,630,988 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | |
| Depreciation and amortization | 114,441 | 80,434 | 68,898 |
| Non-cash lease expense | 15,398 | 13,521 | 9,043 |
| Loss on disposal of property and equipment | 2,781 | 3,328 | 166 |
| Gain on Bang Transaction | — | — | (45,382) |
| Impairment of goodwill and other intangibles | 38,411 | 127,098 | 38,700 |
| Impairment of property and equipment | 12,029 | 8,184 | 4,336 |
| Stock-based compensation | 125,687 | 90,985 | 68,836 |
| Deferred income taxes | 4,210 | (11,705) | 2,040 |
| Effect on cash of changes in operating assets and liabilities net of acquisition: | | | |
| Accounts receivable | (300,600) | (93,915) | (163,158) |
| Inventories | (34,918) | 211,503 | 7,898 |
| Prepaid expenses and other assets | (39,307) | 8,959 | (10,215) |
| Prepaid income taxes | (21,094) | 3,062 | (18,833) |
| Accounts payable | 78,460 | (61,491) | 112,786 |
| Accrued liabilities | 81,341 | 18,371 | (10,393) |
| Accrued promotional allowances | 98,266 | 9,736 | 8,418 |
| Accrued compensation | 17,801 | 5,947 | 13,398 |
| Income taxes payable | 27,779 | 9,438 | 1,748 |
| Other liabilities | (4,935) | 13,390 | 22,951 |
| Deferred revenue | (23,005) | (17,360) | (24,472) |
| Net cash provided by operating activities | 2,098,177 | 1,928,533 | 1,717,753 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | |
| Sales of available-for-sale investments | 105,794 | 1,377,915 | 2,029,737 |
| Purchases of available-for-sale investments | (1,268,944) | (342,121) | (1,620,718) |
| Acquisition of Bang Energy | — | — | (363,385) |
| Purchases of property and equipment | (132,275) | (264,074) | (221,428) |
| Proceeds from sale of property and equipment | 4,299 | 2,732 | 2,520 |
| Additions to intangibles | (25,254) | (42,360) | (13,296) |
| Decrease (increase) in other assets | (398) | 1,635 | (6,825) |
| Net cash (used in) provided by investing activities | (1,316,778) | 733,727 | (193,395) |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | | |
| Payments on short-term debt | (10,344) | (8,223) | (13,914) |
| Borrowings on credit facilities | — | 750,000 | — |
| Payments on credit facilities | (375,000) | (375,000) | — |
| Payments for debt issuance costs | — | (2,904) | — |
| Issuance of common stock | 164,568 | 78,973 | 130,267 |
| Purchases of common stock held in treasury | (103,646) | (3,771,875) | (658,952) |
| Net cash used in financing activities | (324,422) | (3,329,029) | (542,599) |
| Effect of exchange rate changes on cash and cash equivalents | 97,853 | (97,619) | 8,775 |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 554,830 | (764,388) | 990,534 |
| CASH AND CASH EQUIVALENTS, beginning of year | 1,533,287 | 2,297,675 | 1,307,141 |
| CASH AND CASH EQUIVALENTS, end of year | $ 2,088,117 | $ 1,533,287 | $ 2,297,675 |
| SUPPLEMENTAL INFORMATION: | | | |
| Cash paid during the year for: | | | |
| Interest | $ 5,337 | $ 25,270 | $ 363 |

See accompanying notes to consolidated financial statements.

**MONSTER BEVERAGE CORPORATION AND SUBSIDIARIES**
**CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)**
**FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023**

SUPPLEMENTAL DISCLOSURE OF NON-CASH ITEMS:

Included in accrued liabilities as of December 31, 2025, 2024 and 2023 were additions to other intangible assets of $2.3 million, $5.0 million and $15.4 million, respectively.

Included in accounts payable as of December 31, 2025, 2024 and 2023 were property and equipment purchases of $1.8 million, $6.3 million and $16.9 million, respectively.

Included in accounts receivable as of December 31, 2023 were sales of available-for-sale short-term investments of $3.0 million.

See accompanying notes to consolidated financial statements.

**MONSTER BEVERAGE CORPORATION AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**(Tabular Dollars in Thousands, Except Per Share Amounts)**

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*Organization* – Monster Beverage Corporation (the “Company”) was incorporated in the state of Delaware. The Company is a holding company and has no operating business except through its consolidated subsidiaries.

*Nature of Operations* – The Company develops, markets, sells and distributes energy drink beverages and concentrates for energy drink beverages, primarily under the following brand names: Monster Energy®, Monster Energy Ultra®, Rehab Monster®, Monster Energy® Nitro, Java Monster®, Punch Monster®, Juice Monster®, Reign Total Body Fuel®, Reign Storm®, Bang Energy®, NOS®, Full Throttle®, Burn®, Mother®, Nalu®, Ultra Energy®, Play® and Power Play® (stylized), Relentless®, BPM®, BU®, Samurai®, Live+®, Predator® and Fury®.

The Company also develops, markets, sells and distributes craft beers, flavored malt beverages (“FMBs”) and hard seltzers under a number of brands, including Jai Alai® IPA, Florida Man® IPA, Dale’s Pale Ale®, Wild Basin® Hard Seltzers, Dallas Blonde®, Deep Ellum™ IPA, Perrin Brewing Company® Black Ale, Hop Rising® Double IPA, Wasatch® Apricot Hefeweizen, The Beast™, Beast® Tea, Blind Lemon®, Blinder Lemon™ and other brands.

*Basis of Presentation* – The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) and include the accounts of the Company and its consolidated subsidiaries.

*Principles of Consolidation* – The Company consolidates all entities that it controls by ownership of a majority voting interest. All intercompany balances and transactions have been eliminated in consolidation.

*Business Combinations* – Business acquisitions are accounted for in accordance with Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 805 “Business Combinations”. FASB ASC 805 requires the reporting entity to identify the acquirer, determine the acquisition date, recognize and measure the identifiable tangible and intangible assets acquired, the liabilities assumed and any non-controlling interest in the acquired entity, and recognize and measure goodwill or a gain from the purchase. The acquiree’s results are included in the Company’s consolidated financial statements from the date of acquisition. Assets acquired and liabilities assumed are recorded at their fair values and the excess of the purchase price over the amounts assigned is recorded as goodwill. Adjustments to fair value assessments are recorded to goodwill over the measurement period (not longer than twelve months). The acquisition method also requires that acquisition-related transaction and post-acquisition restructuring costs be charged to expense and requires the Company to recognize and measure certain assets and liabilities including those arising from contingencies and contingent consideration in a business combination.

*Cash and Cash Equivalents* – The Company considers all highly liquid investments with an original maturity of three months or less from date of purchase to be cash equivalents. Throughout the year, the Company has had amounts on deposit at financial institutions that exceed the federally insured limits. The Company has not experienced any loss as a result of these deposits and does not expect to incur any losses in the future.

*Investments* – The Company’s investments in debt securities are classified as either held-to-maturity, available-for-sale or trading, in accordance with FASB ASC 320. Held-to-maturity securities are those securities that the Company has the positive intent and ability to hold until maturity. Trading securities are those securities that the Company intends to sell in the near term. All other securities not included in the held-to-maturity or trading category are classified as available-for-sale. Held-to-maturity securities are recorded at amortized cost which approximates fair market value. Trading securities are carried at fair value with unrealized gains and losses charged to earnings. Available-for-sale securities are carried at fair value with unrealized gains and losses recorded within accumulated other comprehensive income (loss) as a separate component of stockholders’ equity. FASB ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. FASB ASC 820 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs, where available. Under FASB ASC 326-30-35, a security is considered to be impaired if the fair value of the security is less than its amortized cost basis. Where the decline in fair value below the amortized cost basis has resulted from a credit loss, the Company will record an impairment relating to credit losses through an allowance for credit losses. The allowance is limited by the amount that the fair value is less than the amortized cost basis. Impairment that has not been recorded through an allowance for credit losses is recorded through other comprehensive income (loss), net of applicable taxes. The Company evaluates whether the decline in fair value of its investments has resulted from credit loss or other factors at each quarter-end. This evaluation consists of a review by management and includes market pricing information and maturity dates for the securities held, market and economic trends in the industry and information on the issuer's financial condition and, if applicable, information on the guarantors' financial condition. Factors considered in determining whether an impairment has resulted from credit loss or other factors include the length of time and extent to which the investment's fair value has been less than its cost basis, the financial condition and near-term prospects of the issuer and guarantors, including any specific events which may influence the operations of the issuer and the Company's intent and ability to retain the investment for a reasonable period of time sufficient to allow for any anticipated recovery of fair value.

*Accounts Receivable* – The Company evaluates the collectability of its trade accounts receivable based on a number of factors. In circumstances where the Company becomes aware of a specific customer's inability to meet its financial obligations to the Company, a specific reserve for bad debts is estimated and recorded, which reduces the recognized receivable to the estimated amount the Company believes will ultimately be collected. In addition to specific customer identification of potential bad debts, bad debt charges are recorded based on the Company's recent loss history and an overall assessment of past due trade accounts receivable outstanding. In accordance with FASB ASC 210-20-45, in its consolidated balance sheets, the Company has presented accounts receivable, net of promotional allowances, only for those customers that it allows net settlement. All other accounts receivable and related promotional allowances are shown on a gross basis.

*Inventories* – Inventories are valued at the lower of first-in, first-out, cost or market value (net realizable value).

*Property and Equipment* – Property and equipment are stated at cost. Depreciation of furniture and fixtures, office and computer equipment, equipment, real property and vehicles is based on their estimated useful lives (generally five to thirty years) and is calculated using the straight-line method. Amortization of leasehold improvements is based on the lesser of their estimated useful lives or the terms of the related leases and is calculated using the straight-line method. Normal repairs and maintenance costs are expensed as incurred. Expenditures that materially increase values or extend useful lives are capitalized. The related costs and accumulated depreciation of disposed assets are eliminated and any resulting gain or loss on disposition is included in net income.

*Goodwill* – The Company records goodwill when the consideration paid for an acquisition exceeds the fair value of net tangible and intangible assets acquired, including related tax effects. Goodwill is not amortized; instead, goodwill is tested for impairment on an annual basis, or more frequently if the Company believes indicators of impairment exist. The Company first assesses qualitative factors to determine whether it is more-likely-than-not that the fair value of a reporting unit is less than its carrying value. If the Company reasonably determines that it is more-likely-than-not that the fair value is less than the carrying value, the Company performs its annual, or interim, goodwill impairment test by comparing the fair value of a reporting unit with its carrying amount. The Company will recognize an impairment for the amount by which the carrying amount exceeds a reporting unit's fair value. For the years ended December 31, 2025 and 2023 there were no goodwill impairments recorded. For the year ended December 31, 2024, goodwill impairment charges of $86.3 million were recorded related to the Alcohol Brands reporting unit with no goodwill balance remaining in the Alcohol Brands reporting unit following the impairment charges. As of December 31, 2025, the accumulated goodwill impairment balance was $86.3 million related entirely to the Alcohol Brands reporting unit.

*Other Intangibles* – Other Intangibles are comprised primarily of trademarks that represent the Company's exclusive ownership of the Monster Energy®, ®, Monster Energy Ultra®, Unleash the Beast!®, Rehab Monster®, Java Monster®, Punch Monster®, Juice Monster®, Monster Energy® Nitro, Reign Total Body Fuel®, Reign Storm®, Predator®, Fury®, NOS®, Full Throttle®, Burn®, Mother®, Nalu®, Ultra Energy®, Play® and Power Play® (stylized), Relentless®, BPM®, BU®, Samurai®, Bang Energy®, Oskar Blues Brewery®, Cigar City®, Deep Ellum Brewing Co®, Perrin Brewing Company®, Squatters®, Wasatch®, Jai Alai®, Dale's Pale Ale®, Dallas Blonde®, Wild Basin®, Dale's®, Mama's Little Yella Pils®, Hop Rising®, The Beast™, The Beast Unleashed®, Beast® Tea, Blind Lemon® and Blinder Lemon™ trademarks, all used in connection with the manufacture, sale and distribution of beverages. The Company also owns a number of other trademarks, flavors and formulas in the United States, as well as in a number of countries around the world. In accordance with FASB ASC 350, intangible assets with indefinite lives are not amortized but instead are measured for impairment at least annually, or when events indicate that an impairment exists. The Company calculates impairment as the excess of the carrying value of its indefinite-lived assets over their estimated fair value. If the carrying value exceeds the estimate of fair value a write-down is recorded. The Company amortizes intangible assets with finite useful lives over their respective useful lives. External legal costs incurred in the defense of the Company's trademarks are capitalized when the future economic benefit of the intangible asset will be increased, and a successful defense is probable. In the event of a successful defense, the settlements received are netted against the external legal costs that were capitalized. The external legal costs incurred and settlements received may not occur in the same period. For the year ended December 31, 2025, no impairment charges were recorded to indefinite-lived intangibles. For the years ended December 31, 2024 and 2023, impairment charges of $40.8 million and $38.7 million, respectively, were recorded to indefinite-lived intangibles.

The Company presently has more than 21,600 registered trademarks and pending applications in various countries worldwide, and the Company applies for new trademarks on an ongoing basis. The Company regards its trademarks, service marks, copyrights, domain names, trade dress and other intellectual property as very important to its business. The Company considers Monster®, Monster Energy®, ®, Monster Energy Ultra®, Unleash the Beast!®, Rehab Monster®, Java Monster®, Punch Monster®, Juice Monster®, Monster Energy® Nitro, Reign Total Body Fuel®, Reign Storm®, BU®, Nalu®, NOS®, Full Throttle®, Burn®, Mother®, Ultra Energy®, Play® and Power Play® (stylized), Relentless®, Predator®, Fury®, Live+®, BPM®, Samurai®, Bang Energy®, Oskar Blues Brewery®, Cigar City®, Deep Ellum Brewing Co®, Perrin Brewing Company®, Squatters®, Wasatch®, Jai Alai®, Dale's Pale Ale®, Dallas Blonde®, Wild Basin®, Dale's®, Hop Rising®, The Beast™, The Beast Unleashed®, Beast® Tea, Blind Lemon® and Blinder Lemon™ to be its core trademarks. The Company also owns the intellectual property of its most important flavors for certain of its Monster Energy® Brand energy drinks in perpetuity.

*Long-Lived Assets* – Management regularly reviews property and equipment and other long-lived assets, including finite-lived intangible assets, for possible impairment. This review occurs annually, or more frequently if events or changes in circumstances indicate the carrying amount of the asset may not be recoverable. If there is indication of impairment, management then prepares an estimate of future cash flows (undiscounted and without interest charges) expected to result from the use of the asset and its eventual disposition. If these cash flows are less than the carrying amount of the asset, an impairment loss is recognized to write down the asset to its estimated fair value. The fair value is estimated using the present value of the future cash flows discounted at a rate commensurate with management's estimates of the business risks. Preparation of estimated expected future cash flows is inherently subjective and is based on management's best estimate of assumptions concerning expected future conditions. For the years ended December 31, 2025, 2024 and 2023, impairment charges of $53.7 million, $8.2 million and $4.3 million, respectively, were recognized on long-lived assets, consisting of property and equipment and finite-lived intangible assets related to the Company's alcohol products. Long-lived assets held for sale are recorded at the lower of their carrying amount or fair value less cost to sell.

*Foreign Currency Translation and Transactions* – The accounts of the Company's foreign subsidiaries are translated in accordance with FASB ASC 830. Foreign currency transaction gains and losses are recognized in other income (expense), net, at the time they occur. Net foreign currency exchange gains or losses resulting from the translation of assets and liabilities of foreign subsidiaries whose functional currency is not the U.S. dollar are recorded as a part of accumulated other comprehensive income (loss) in stockholders' equity. Unrealized foreign currency exchange gains and losses on certain intercompany transactions that are of a long-term investment nature (i.e., settlement is not planned or anticipated in the foreseeable future) are also recorded in accumulated other comprehensive income (loss) in stockholders' equity. During the years ended December 31, 2025, 2024 and 2023, the Company entered into forward currency exchange contracts with financial institutions to create an economic hedge to specifically manage a portion of the foreign exchange risk exposure associated with certain consolidated subsidiaries non-functional currency denominated assets and liabilities. All foreign currency exchange contracts outstanding as of December 31, 2025 have terms of three months or less. The Company does not enter into forward currency exchange contracts for speculation or trading purposes.

The Company generally does not designate its foreign currency exchange contracts as hedge transactions under FASB ASC 815. Therefore, gains and losses on the Company's foreign currency exchange contracts are recognized in interest and other income, net, in the consolidated statements of income, and are largely offset by the changes in the fair value of the underlying economically hedged item. For the years ended December 31, 2025, 2024 and 2023, aggregate foreign currency transaction gains (losses), including the gains or losses on forward currency exchange contracts, amounted to $(11.9) million, $(26.4) million and $(60.2) million, respectively, and have been recorded in interest and other income, net, in the accompanying consolidated statements of income.

*Revenue Recognition* – See Note 2.

*Cost of Sales* – Cost of sales consists of the costs of flavors, concentrates, supplement ingredients and/or beverage bases, the costs of raw materials utilized in the manufacture of beverages, co-packing fees, repacking fees, in-bound freight charges, as well as internal transfer costs, warehouse expenses incurred prior to the manufacture of the Company's finished products and certain quality control costs. In addition, the Company includes in costs of sales certain costs such as depreciation, amortization and payroll costs that relate to the direct manufacture by the Company of certain flavors and concentrates. Raw materials account for the largest portion of cost of sales. Raw materials include cans, bottles, other containers, flavors, ingredients and packaging materials.

*Operating Expenses* – Operating expenses include selling expenses such as distribution expenses to transport products to customers and warehousing expenses after manufacture, as well as expenses for advertising, sampling and in-store demonstration costs, costs for merchandise displays, point-of-sale materials and premium items, sponsorship expenses, other marketing expenses and design expenses. Operating expenses also include such costs as payroll costs, travel costs, professional service fees including legal fees, termination payments made to certain of the Company's prior distributors, impairment charges on goodwill and other intangible assets, depreciation and other general and administrative costs.

*Freight-Out Costs* – For the years ended December 31, 2025, 2024 and 2023, freight-out costs amounted to $237.0 million, $224.2 million and $223.6 million, respectively, and have been recorded in operating expenses in the accompanying consolidated statements of income.

*Advertising and Promotional Expenses* – The Company accounts for advertising production costs by expensing such production costs the first time the related advertising takes place. A significant amount of the Company's promotional expenses result from payments under sponsorship and endorsement contracts. Accounting for sponsorship and endorsement payments is based upon specific contract provisions. Generally, sponsorship and endorsement payments are expensed on a straight-line basis over the term of the contract after giving recognition to the periodic performance compliance provisions of the contracts. Advertising and promotional expenses, including, but not limited to, production costs amounted to $599.9 million, $584.1 million and $528.9 million for the years ended December 31, 2025, 2024 and 2023, respectively. Advertising and promotional expenses that are not subject to FASB ASC 606 are included in operating expenses in the accompanying consolidated statements of income.

*Income Taxes* – The Company utilizes the liability method of accounting for income taxes as set forth in FASB ASC 740. Under the liability method, deferred taxes are determined based on the temporary differences between the financial statement and tax basis of assets and liabilities using tax rates expected to be in effect during the years in which the basis differences reverse. A valuation allowance is recorded when it is more likely than not that some of the deferred tax assets will not be realized. In determining the need for valuation allowances the Company considers projected future taxable income and the availability of tax planning strategies. If in the future the Company determines that it would not be able to realize its recorded deferred tax assets, an increase in the valuation allowance would be recorded, decreasing earnings in the period in which such determination is made.

The Company assesses its income tax positions and records tax benefits for all years subject to examination based upon the Company's evaluation of the facts, circumstances and information available at the reporting date. For those tax positions where there is a greater than 50% likelihood that a tax benefit will be sustained, the Company has recorded the largest amount of tax benefit that may potentially be realized upon ultimate settlement with a taxing authority that has full knowledge of all relevant information. For those income tax positions where there is less than 50% likelihood that a tax benefit will be sustained, no tax benefit has been recognized in the financial statements.

**MONSTER BEVERAGE CORPORATION AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**(Tabular Dollars in Thousands, Except Per Share Amounts)**

*Stock-Based Compensation* – The Company accounts for stock-based compensation under the provisions of FASB ASC 718. The Company records compensation expense for employee stock options based on the estimated fair value of the options on the date of grant using the Black-Scholes-Merton option pricing formula. The Company records compensation expense for non-employee stock options based on the estimated fair value of the options as of the earlier of (1) the date at which a commitment for performance by the non-employee to earn the stock option is reached or (2) the date at which the non-employee's performance is complete, using the Black-Scholes-Merton option pricing formula. Stock-based compensation cost for restricted stock units and performance share units is measured based on the closing fair market value of the Company's common stock at the date of grant. In the event that the Company has the option and intent to settle a restricted stock unit or performance share unit in cash, the award is classified as a liability and revalued at each balance sheet date. See Note 13.

*Net Income Per Common Share* – In accordance with FASB ASC 260, net income per common share, on a basic and diluted basis, is presented for all periods. Basic net income per share is computed by dividing net income by the weighted average number of common shares outstanding during each period. Diluted net income per share is computed by dividing net income by the weighted average number of common and dilutive common equivalent shares outstanding. The calculation of common equivalent shares assumes the exercise of dilutive stock options, net of assumed treasury share repurchases at average market prices, as applicable.

*Concentration of Risk* – Certain of the Company's products utilize components (raw materials and/or co-packing services) from a limited number of sources. A disruption in the supply of such components could significantly affect the Company's revenues from those products, as alternative sources of such components may not be available at commercially reasonable rates or within a reasonably short time period. The Company continues to endeavor to secure the availability of alternative sources for such components and minimize the risk of any disruption in production.

The Coca-Cola Company ("TCCC"), through certain wholly-owned subsidiaries (the "TCCC Subsidiaries"), accounted for approximately 3%, 3% and 2% of the Company's net sales for the years ended December 31, 2025, 2024 and 2023, respectively.

Coca-Cola Europacific Partners accounted for approximately 15%, 14% and 13% of the Company's net sales for the years ended December 31, 2025, 2024 and 2023, respectively.

Coca-Cola Consolidated, Inc. accounted for approximately 10% of the Company's net sales for each of the years ended December 31, 2025, 2024 and 2023.

*Credit Risk* – The Company sells its products nationally and internationally, primarily to bottlers and full service beverage distributors ("bottlers/distributors"), retail grocery and specialty chains, wholesalers, club stores, mass merchandisers, convenience and gas chains, drug stores, foodservice customers, value stores, e-commerce retailers and the military. The Company performs ongoing credit evaluations of its customers and generally does not require collateral. The Company maintains reserves for estimated credit losses, and historically, such losses have been within management's expectations.

*Fair Value of Financial Instruments* – The carrying value of the Company's financial instruments, including cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, approximate fair value due to the relatively short maturity of the respective instruments.

*Use of Estimates* – The preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

*Recent Accounting Pronouncements* – In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. The amendments in this update primarily require more detailed disclosures related to the rate reconciliation and income taxes paid. The amendments in ASU 2023-09 are effective for fiscal years beginning after December 15,

2024. The Company adopted ASU 2023-09 on a prospective basis during the year ended December 31, 2025, which did not have a material impact on the Company's financial position, results of operations and liquidity.

In November 2024, the FASB issued ASU 2024-03, *Disaggregation of Income Statement Expenses*. The amendments in this update require the Company to disaggregate key expense categories such as purchases of inventory, employee compensation, depreciation and intangible asset amortization, within its financial statements. The amendments in ASU 2024-03 are effective for fiscal years beginning after December 15, 2026. Early adoption is permitted. The Company is evaluating the impact ASU 2024-03 will have on its consolidated financial statements.

In September 2025, the FASB issued ASU 2025-06, *Targeted Improvements to the Accounting for Internal-Use Software*. The amendments in this update require internal-use software development cost capitalization to begin when both of the following occur: management has authorized and committed to funding the software project, and it is probable that the project will be completed and that the software will be used to perform its intended function. The amendments also eliminate the accounting considerations of software development stages. The amendments in ASU 2025-06 are effective for fiscal years beginning after December 15, 2027. Early adoption is permitted. The Company is evaluating the impact ASU 2025-06 will have on its consolidated financial statements.

## 2. REVENUE RECOGNITION

Revenues are accounted for in accordance with FASB ASC 606 "Revenue from Contracts with Customers". The Company has four operating and reportable segments: (i) Monster Energy® Drinks segment ("Monster Energy® Drinks"), which is primarily comprised of the Company's Monster Energy® drinks, Reign Total Body Fuel® high performance energy drinks, Reign Storm® total wellness energy drinks and Bang Energy® drinks, (ii) Strategic Brands segment ("Strategic Brands"), which is primarily comprised of the various energy drink brands acquired from The Coca-Cola Company ("TCCC") in 2015 as well as the Company's affordable energy brands, Predator® and Fury®, (iii) Alcohol Brands segment ("Alcohol Brands"), which is comprised of various craft beers, FMBs and hard seltzers and (iv) Other segment ("Other"), which is comprised of certain products sold by American Fruits and Flavors, LLC, a wholly-owned subsidiary of the Company, to independent third-party customers (the "AFF Third-Party Products").

The Company's Monster Energy® Drinks segment primarily generates net operating revenues by selling ready-to-drink packaged drinks primarily to bottlers/distributors. In some cases, the Company sells ready-to-drink packaged drinks directly to retail grocery and specialty chains, wholesalers, club stores, mass merchandisers, convenience and gas chains, drug stores, foodservice customers, value stores, e-commerce retailers and the military.

The Company's Strategic Brands segment primarily generates net operating revenues by selling "concentrates" and/or "beverage bases" to authorized bottling and canning operations. Such bottlers generally combine the concentrates and/or beverage bases with sweeteners, water and other ingredients to produce ready-to-drink packaged energy drinks. The ready-to-drink packaged energy drinks are then sold by such bottlers to other bottlers/distributors and to retail grocery and specialty chains, wholesalers, club stores, mass merchandisers, convenience and gas chains, foodservice customers, drug stores, value stores, e-commerce retailers and the military. To a lesser extent, the Strategic Brands segment generates net operating revenues by selling certain ready-to-drink packaged energy drinks to bottlers/distributors.

The Company's Alcohol Brands segment primarily generates operating revenues by selling kegged and ready-to-drink canned beers, FMBs and hard seltzers primarily to beer distributors in the United States.

The majority of the Company's revenue is recognized when it satisfies a single performance obligation by transferring control of its products to a customer. Control is generally transferred when the Company's products are either shipped or delivered based on the terms contained within the underlying contracts or agreements. Certain of the Company's bottlers/distributors may also perform a separate function as a co-packer on the Company's behalf. In such cases, control of the Company's products passes to such bottlers/distributors when they notify the Company that they have taken possession or transferred the relevant portion of the Company's finished goods. The Company's general payment terms are short-term in duration. The Company does not have significant financing components or payment terms. The Company did not have any material unsatisfied performance obligations as of December 31, 2025 and 2024.

The Company excludes from revenues all taxes assessed by a governmental authority that are imposed on the sale of its products and collected from customers.

Distribution expenses to transport the Company's products, where applicable, and warehousing expense after manufacture are accounted for within operating expenses.

Promotional and other allowances (variable consideration) recorded as a reduction to net sales for the Company's energy drink products, primarily include consideration given to the Company's non-alcohol bottlers/distributors or customers including, but not limited to, the following:

- discounts granted off list prices to support price promotions to end-consumers by retailers;
- reimbursements given to the Company's bottlers/distributors for agreed portions of their promotional spend with retailers, including slotting, shelf space allowances and other fees for both new and existing products;
- the Company's agreed share of fees given to bottlers/distributors and/or directly to retailers for advertising, in-store marketing and promotional activities;
- the Company's agreed share of slotting, shelf space allowances and other fees given directly to retailers, club stores and/or wholesalers;
- incentives given to the Company's bottlers/distributors and/or retailers for achieving or exceeding certain predetermined sales goals;
- discounted and/ or free products or cash rebates;
- contractual fees given to the Company's bottlers/distributors related to sales made directly by the Company to certain customers that fall within the bottlers'/distributors' sales territories; and
- commissions to TCCC based on the Company's sales to wholly-owned subsidiaries of TCCC (the "TCCC Subsidiaries") and/or to TCCC bottlers/distributors accounted for under the equity method by TCCC (the "TCCC Related Parties").

The Company's promotional allowance programs for its energy drink products are executed through separate agreements in the ordinary course of business. These agreements generally provide for one or more of the arrangements described above and are of varying durations, typically ranging from one week to one year. The Company's promotional and other allowances for its energy drink products are calculated based on various programs with bottlers/distributors and retail customers, and accruals are established at the time of initial product sale for the Company's anticipated liabilities. These accruals are based on agreed upon terms as well as the Company's historical experience with similar programs and require management's judgment with respect to estimating consumer participation and/or bottler/distributor and retail customer performance levels. Differences between such estimated expenses and actual expenses for promotional and other allowance costs have historically been insignificant and are recognized in earnings in the period such differences are determined. Promotional and other allowances for our Alcohol Brands segment primarily include price promotions where permitted.

Amounts received pursuant to new and/or amended distribution agreements entered into with certain bottlers/distributors relating to the costs associated with terminating the Company's prior distributors, are accounted for as deferred revenue and recognized as revenue ratably over the anticipated life of the respective distribution agreements, generally over 20 years.

The Company also enters into license agreements that generate revenues associated with third-party sales of non-beverage products bearing the Company's trademarks including, but not limited to, clothing, hats, t-shirts, jackets, helmets and automotive wheels.

Management believes that adequate provision has been made for cash discounts, returns and spoilage based on the Company's historical experience.

**MONSTER BEVERAGE CORPORATION AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**(Tabular Dollars in Thousands, Except Per Share Amounts)**

*Disaggregation of Revenue*

The following table disaggregates the Company's revenue by geographical markets and reportable segments:

| | Year Ended December 31, 2025 | | | | |
|---|---|---|---|---|---|
| Net Sales | U.S. and Canada | EMEA[1] | Asia Pacific (including Oceania) | Latin America and Caribbean | Total |
| Monster Energy® Drinks | $ 4,704,483 | $ 1,702,767 | $ 581,290 | $ 677,331 | $ 7,665,871 |
| Strategic Brands | 208,452 | 196,801 | 42,823 | 20,640 | 468,716 |
| Alcohol Brands | 134,720 | — | — | — | 134,720 |
| Other | 25,036 | — | — | — | 25,036 |
| Total Net Sales | $ 5,072,691 | $ 1,899,568 | $ 624,113 | $ 697,971 | $ 8,294,343 |

| | Year Ended December 31, 2024 | | | | |
|---|---|---|---|---|---|
| Net Sales | U.S. and Canada | EMEA[1] | Asia Pacific (including Oceania) | Latin America and Caribbean | Total |
| Monster Energy® Drinks | $ 4,320,026 | $ 1,399,461 | $ 500,145 | $ 644,965 | $ 6,864,597 |
| Strategic Brands | 205,948 | 163,905 | 40,891 | 21,489 | 432,233 |
| Alcohol Brands | 172,313 | — | — | — | 172,313 |
| Other | 23,566 | — | — | — | 23,566 |
| Total Net Sales | $ 4,721,853 | $ 1,563,366 | $ 541,036 | $ 666,454 | $ 7,492,709 |

| | Year Ended December 31, 2023 | | | | |
|---|---|---|---|---|---|
| Net Sales | U.S. and Canada | EMEA[1] | Asia Pacific (including Oceania) | Latin America and Caribbean | Total |
| Monster Energy® Drinks | $ 4,202,537 | $ 1,257,471 | $ 484,459 | $ 610,622 | $ 6,555,089 |
| Strategic Brands | 199,183 | 133,188 | 29,990 | 14,228 | 376,589 |
| Alcohol Brands | 184,855 | — | — | — | 184,855 |
| Other | 23,494 | — | — | — | 23,494 |
| Total Net Sales | $ 4,610,069 | $ 1,390,659 | $ 514,449 | $ 624,850 | $ 7,140,027 |

[1]*Europe, Middle East and Africa ("EMEA")*

*Contract Liabilities*

Amounts received from certain bottlers/distributors at inception of their distribution contracts or at the inception of certain sales/marketing programs are accounted for as deferred revenue. As of December 31, 2025 and 2024, the Company had $205.3 million and $224.8 million of deferred revenue, respectively, which is included in current and long-term deferred revenue in the Company's accompanying consolidated balance sheet. During the years ended December 31, 2025, 2024 and 2023, $40.0 million, $39.9 million and $40.0 million, respectively, of deferred revenue, was recognized in net sales. See Note 8.

**MONSTER BEVERAGE CORPORATION AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**(Tabular Dollars in Thousands, Except Per Share Amounts)**

3. INVESTMENTS

The following table summarizes the Company’s investments at December 31, 2025. The Company held no short-term or long-term investments at December 31, 2024.

| December 31, 2025 | Amortized Cost | Gross Unrealized Holding Gains | Gross Unrealized Holding Losses | Fair Value | Continuous Unrealized Loss Position less than 12 Months | Continuous Unrealized Loss Position greater than 12 Months |
|---|---|---|---|---|---|---|
| **Available-for-sale** | | | | | | |
| Short-term: | | | | | | |
| Commercial paper | $ 90,418 | $ 1 | $ — | $ 90,419 | $ — | $ — |
| Certificates of deposit | 12,728 | — | — | 12,728 | — | — |
| Municipal securities | 674 | 1 | — | 675 | — | — |
| U.S. treasuries | 489,007 | 492 | — | 489,499 | — | — |
| Corporate bonds | 83,639 | 124 | — | 83,763 | — | — |
| Long-term: | | | | | | |
| Municipal securities | 1,206 | 1 | — | 1,207 | — | — |
| U.S. treasuries | 259,613 | 353 | — | 259,966 | — | — |
| Corporate bonds | 225,867 | 289 | — | 226,156 | — | — |
| Total | $ 1,163,152 | $ 1,261 | $ — | $ 1,164,413 | $ — | $ — |

During the years ended December 31, 2025, 2024 and 2023, realized gains or losses recognized on the sale of investments were not significant.

The Company’s investments at December 31, 2025 carried investment grade credit ratings.

The following table summarizes the underlying contractual maturities of the Company’s investments at December 31, 2025. The Company held no short-term or long-term investments at December 31, 2024.

| | December 31, 2025 | |
|---|---|---|
| | Amortized Cost | Fair Value |
| Less than 1 year: | | |
| Commercial paper | $ 90,418 | $ 90,419 |
| Certificates of deposit | 12,728 | 12,728 |
| Municipal securities | 674 | 675 |
| U.S. treasuries | 489,007 | 489,499 |
| Corporate bonds | 83,639 | 83,763 |
| Due 1 - 10 years: | | |
| Municipal securities | 1,206 | 1,207 |
| U.S. treasuries | 259,613 | 259,966 |
| Corporate bonds | 225,867 | 226,156 |
| Total | $ 1,163,152 | $ 1,164,413 |

(Tabular Dollars in Thousands, Except Per Share Amounts)

4. FAIR VALUE OF CERTAIN FINANCIAL ASSETS AND LIABILITIES

ASC 820, "Fair Value Measurement", provides a framework for measuring fair value and requires disclosures regarding fair value measurements. ASC 820 defines fair value as the price that would be received on the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC 820 also establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs, where available. The three levels of inputs required by the standard that the Company uses to measure fair value are summarized below.

- **Level 1:** Quoted prices in active markets for identical assets or liabilities.
- **Level 2:** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the related assets or liabilities.
- **Level 3:** Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

ASC 820 requires the use of observable market inputs (quoted market prices) when measuring fair value and requires a Level 1 quoted price to be used to measure fair value whenever possible.

The following tables present the fair value of the Company's financial assets and liabilities that are recorded at fair value on a recurring basis, segregated among the appropriate levels within the fair value hierarchy at:

| December 31, 2025 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Cash | $ 1,244,954 | $ — | $ — | $ 1,244,954 |
| Money market funds | 787,293 | — | — | 787,293 |
| Commercial paper | — | 90,419 | — | 90,419 |
| Certificates of deposit | — | 68,597 | — | 68,597 |
| Municipal securities | — | 1,882 | — | 1,882 |
| U.S. treasuries | — | 749,465 | — | 749,465 |
| Corporate bonds | — | 309,919 | — | 309,919 |
| Foreign currency derivatives | — | (1,474) | — | (1,474) |
| Commodity derivatives | — | 35,188 | — | 35,188 |
| Total | $ 2,032,247 | $ 1,253,996 | $ — | $ 3,286,243 |
| | | | | |
| Amounts included in: | | | | |
| Cash and cash equivalents | $ 2,032,247 | $ 55,870 | $ — | $ 2,088,117 |
| Short-term investments | — | 677,084 | — | 677,084 |
| Accounts receivable, net | — | 33,667 | — | 33,667 |
| Other assets | — | 3,530 | — | 3,530 |
| Investments | — | 487,329 | — | 487,329 |
| Accrued liabilities | — | (3,484) | — | (3,484) |
| Total | $ 2,032,247 | $ 1,253,996 | $ — | $ 3,286,243 |

(Tabular Dollars in Thousands, Except Per Share Amounts)

| December 31, 2024 | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Cash | $ 1,103,647 | $ — | $ — | $ 1,103,647 |
| Money market funds | 396,306 | — | — | 396,306 |
| Certificates of deposit | — | 33,334 | — | 33,334 |
| Foreign currency derivatives | — | 799 | — | 799 |
| Commodity derivatives | — | (785) | — | (785) |
| Total | $ 1,499,953 | $ 33,348 | $ — | $ 1,533,301 |
| | | | | |
| Amounts included in: | | | | |
| Cash and cash equivalents | $ 1,499,953 | $ 33,334 | $ — | $ 1,533,287 |
| Accounts receivable, net | — | 5,991 | — | 5,991 |
| Other assets | — | 6 | — | 6 |
| Accrued liabilities | — | (5,952) | — | (5,952) |
| Other liabilities | — | (31) | — | (31) |
| Total | $ 1,499,953 | $ 33,348 | $ — | $ 1,533,301 |

The Company's valuation of its Level 1 investments is based on quoted market prices in active markets for identical securities. The Company's valuation of its Level 2 investments is based on other observable inputs, specifically a market approach which utilizes valuation models, pricing systems, mathematical tools and other relevant information for the same or similar securities. The Company's valuation of its Level 2 foreign currency exchange contracts is based on quoted market prices of the same or similar instruments, adjusted for counterparty risk. There were no transfers between Level 1 and Level 2 measurements during the years ended December 31, 2025 and 2024, and there were no changes in the Company's valuation techniques.

Assets recognized or disclosed at fair value in the consolidated financial statements on a nonrecurring basis may include items such as property and equipment, goodwill and other intangible assets. These assets are measured at fair value whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Nonrecurring fair value measurements were not material for the year ended December 31, 2025.

## 5. INVENTORIES

Inventories consist of the following at December 31:

| | 2025 | 2024 |
|---|---|---|
| Raw materials | $ 322,604 | $ 232,698 |
| Work in process | 1,114 | 1,200 |
| Finished goods | 475,905 | 503,209 |
| | $ 799,623 | $ 737,107 |

(Tabular Dollars in Thousands, Except Per Share Amounts)

6. PROPERTY AND EQUIPMENT, Net

Property and equipment consist of the following at December 31:

| | 2025 | 2024 |
|---|---|---|
| Land | $ 188,889 | $ 178,056 |
| Leasehold improvements | 33,456 | 31,132 |
| Furniture and fixtures | 13,263 | 11,416 |
| Office and computer equipment | 25,191 | 28,029 |
| Equipment | 611,269 | 561,408 |
| Buildings | 410,189 | 280,663 |
| Vehicles | 83,066 | 72,564 |
| Assets under construction | 55,252 | 178,980 |
| | 1,420,575 | 1,342,248 |
| Less: accumulated depreciation and amortization | (339,031) | (295,224) |
| | $ 1,081,544 | $ 1,047,024 |

Total depreciation and amortization expense recorded was $95.1 million, $72.9 million and $63.0 million for the years ended December 31, 2025, 2024 and 2023, respectively. Assets under construction are not depreciated until in service date.

7. GOODWILL AND OTHER INTANGIBLE ASSETS

The following is a roll-forward of goodwill for the years ended December 31, 2025 and 2024 by reportable segment:

| | Monster Energy® Drinks | Strategic Brands | Alcohol Brands* | Other | Total |
|---|---|---|---|---|---|
| Balance at December 31, 2024 | $ 693,644 | $ 637,999 | $ — | $ — | $ 1,331,643 |
| Acquisitions | — | — | — | — | — |
| Balance at December 31, 2025 | $ 693,644 | $ 637,999 | $ — | $ — | $ 1,331,643 |

| | Monster Energy® Drinks | Strategic Brands | Alcohol Brands* | Other | Total |
|---|---|---|---|---|---|
| Balance at December 31, 2023 | $ 693,644 | $ 637,999 | $ 86,298 | $ — | $ 1,417,941 |
| Acquisitions | — | — | — | — | — |
| Impairments* | — | — | (86,298) | — | (86,298) |
| Balance at December 31, 2024 | $ 693,644 | $ 637,999 | $ — | $ — | $ 1,331,643 |

**Accumulated goodwill impairment balance at December 31, 2025 and 2024 was $86.3 million related entirely to Alcohol Brands. There were no impairments prior to the year ended December 31, 2024.*

**(Tabular Dollars in Thousands, Except Per Share Amounts)**

Intangible assets consist of the following at:

| | December 31, 2025 | December 31, 2024 |
|---|---|---|
| Amortizing intangibles | $ 137,664 | $ 183,800 |
| Accumulated amortization | (86,999) | (86,703) |
| | 50,665 | 97,097 |
| Non-amortizing intangibles | 1,328,603 | 1,317,155 |
| | $ 1,379,268 | $ 1,414,252 |

No impairment charges were recorded to goodwill and other indefinite-lived intangible assets for the year ended December 31, 2025. For the year ended December 31, 2024, as a result of operating and financial performance not meeting projections due in part to challenges in the category, as well as a decrease in projected ongoing operating and financial performance related to the Alcohol Brands reporting unit, the Company determined that the conditions indicated that indefinite-lived intangible assets within the Alcohol Brands reporting unit were more-likely-than-not impaired and performed an impairment test to compare the fair value of these indefinite-lived intangible assets, consisting of goodwill, trademarks and permits, with their respective carrying values and with the carrying value of the Alcohol Brands reporting unit. As a result of this analysis, the Company recorded impairment charges of $86.3 million related to goodwill of the Alcohol Brands reporting unit for the year ended December 31, 2024. Further, for the years ended December 31, 2024 and 2023, impairment charges of $40.8 million and $38.7 million were recorded to other indefinite-lived intangible assets related primarily to the Alcohol Brands segment. Impairment charges are included in operating expenses in the consolidated statements of income.

Amortizing intangibles primarily consist of computer software, tradenames and customer relationships. All amortizing intangibles have been assigned an estimated finite useful life, and such intangibles are amortized on a straight-line basis over the number of years that approximate their respective useful lives, generally three to ten years. Total amortization expense recorded was $19.3 million, $7.5 million and $5.9 million for the years ended December 31, 2025, 2024 and 2023, respectively. For the year ended December 31, 2025, impairment charges of $38.4 million were recorded to certain finite-lived intangible assets related to the Alcohol Brands segment. No impairment charges were recorded to finite-lived intangible assets for the years ended December 31, 2024 and 2023. Impairment charges are included in operating expenses in the consolidated statements of income.

The following is the future estimated amortization expense related to amortizing intangibles as of December 31, 2025:

| Year Ending December 31: | |
|---|---|
| 2026 | $ 10,568 |
| 2027 | 9,104 |
| 2028 | 6,706 |
| 2029 | 4,590 |
| 2030 | 4,590 |
| 2031 and thereafter | 15,107 |
| | $ 50,665 |

At December 31, 2025, non-amortizing other intangible assets primarily consist of indefinite-lived tradenames, flavors and formulas.

**(Tabular Dollars in Thousands, Except Per Share Amounts)**

## 8. DISTRIBUTION AGREEMENTS

In accordance with ASC 420 "Exit or Disposal Cost Obligations", the Company expenses distributor termination costs in the period in which the written notification of termination occurs. Termination costs recognized were not significant for the years ended December 31, 2025, 2024 and 2023.

In the normal course of business, amounts received pursuant to new and/or amended distribution agreements entered into with certain bottlers/distributors, relating to the costs associated with terminating agreements with the Company's prior distributors, are accounted for as deferred revenue and are recognized as revenue ratably over the anticipated life of the respective distribution agreement, generally 20 years. Revenue recognized was $21.4 million, $21.5 million and $21.5 million for the years ended December 31, 2025, 2024 and 2023, respectively.

## 9. DEBT

The Company repaid the outstanding balance on long-term debt in April 2025. As of December 31, 2024, the Company's long-term debt consisted of the following:

| | December 31, 2024 |
|---|---|
| Term loan | $ 375,000 |
| Revolving credit facility | — |
| Total debt | 375,000 |
| Less: unamortized debt issuance costs | (1,049) |
| Total debt, net of unamortized debt issuance costs | 373,951 |
| Less: current portion of long-term debt | — |
| Long-term debt | $ 373,951 |

In May 2024, the Company entered into a credit agreement with JPMorgan Chase Bank, N.A., as administrative agent, and certain other lenders (the "Original Credit Agreement"), which provided for senior unsecured credit facilities in an aggregate principal amount of $1.50 billion (collectively, the "Credit Facilities"). The Credit Facilities previously consisted of a $750.0 million term loan (the "Term Loan") and up to $750.0 million in multicurrency revolving loan commitments (the "Revolving Credit Facility"). The Term Loan was repaid in April 2025 with no additional borrowings permitted. In addition, pursuant to Amendment No. 1 to the Original Credit Agreement, dated as of October 17, 2025, among the Company, JPMorgan Chase Bank, N.A., as administrative agent, and certain other lenders (the "Amended Credit Agreement"), the Company's aggregate borrowing capacity under the Revolving Credit Facility has been reduced to $500.0 million. Borrowings under the Revolving Credit Facility bear interest at a variable rate per annum equal to the applicable rate plus margin (as defined in the Amended Credit Agreement). Borrowings may be repaid at any time during the term of the Revolving Credit Facility and may be reborrowed prior to the maturity date, which is set to occur in May 2029. As of December 31, 2025, no borrowings were outstanding under the Credit Facilities, and the Company was in compliance with all covenants under the Amended Credit Agreement.

Additionally, the Company has a line of credit of up to $15.0 million with HSBC Bank (China) Company Limited, Shanghai Branch. As of December 31, 2025, no amount was outstanding on this line of credit.

(Tabular Dollars in Thousands, Except Per Share Amounts)

10. COMMITMENTS AND CONTINGENCIES

*Contractual Obligations* – The Company had the following contractual obligations related primarily to sponsorships and other marketing activities as of December 31, 2025:

| | |
|---|---|
| Year Ending December 31: | |
| 2026 | $ 318,009 |
| 2027 | 116,925 |
| 2028 | 75,540 |
| 2029 | 48,902 |
| 2030 | 10,420 |
| 2031 and thereafter | 437 |
| | $ 570,233 |

*Purchase Commitments* – The Company had purchase commitments aggregating approximately $216.6 million at December 31, 2025, which represented commitments made by the Company and its subsidiaries to various suppliers of raw materials for the production of its products. These obligations vary in terms but are generally satisfied within one year.

The Company purchases various raw material items, including, but not limited to, flavors, ingredients, supplement ingredients, containers, milk, glucose, sucralose and cream, from a limited number of suppliers. An interruption in supply from any of such resources could result in the Company's inability to produce certain products for limited or possibly extended periods of time. The aggregate value of purchases from suppliers of such limited resources described above for the years ended December 31, 2025, 2024 and 2023 was $661.6 million, $577.0 million and $590.5 million, respectively.

*Guarantees* – The Company from time to time enters into certain types of contracts that contingently require the Company to indemnify parties against third-party claims. These contracts primarily relate to: (i) certain agreements with the Company's officers, directors and employees under which the Company may be required to indemnify such persons for liabilities arising out of their employment relationship, (ii) certain distribution or purchase agreements under which the Company may have to indemnify the Company's customers from any claim, liability or loss arising out of any actual or alleged injury or damages suffered in connection with the consumption or purchase of the Company's products or the use of Company trademarks, and (iii) certain real estate leases, under which the Company may be required to indemnify property owners for liabilities and other claims arising from the Company's use of the applicable premises. The terms of such obligations vary and typically, a maximum obligation is not explicitly stated. Generally, the Company believes that its insurance coverage is adequate to cover any resulting liabilities or claims.

*Litigation* – From time to time in the normal course of business, the Company is named in litigation, including mediation, arbitration, administrative proceedings, labor and employment matters, personal injury matters, consumer class actions, intellectual property matters, data privacy matters, and claims, including from prior distributors. Although it is not possible to predict the ultimate outcome of such litigation, based on the facts known to the Company, management believes that such litigation in aggregate will likely not have a material adverse effect on the Company's financial position or results of operations.

The Company evaluates, on a quarterly basis, developments in legal proceedings and other matters that could cause an increase or decrease in the amount of the liability that is accrued, if any, and any related insurance reimbursements. As of December 31, 2025 and 2024, $36.2 million and $16.8 million, respectively, of loss contingencies were included in the Company's accompanying consolidated balance sheets.

(Tabular Dollars in Thousands, Except Per Share Amounts)

11. ACCUMULATED OTHER COMPREHENSIVE LOSS

The components of accumulated other comprehensive loss, after tax, are as follows at December 31:

| | 2025 | 2024 |
|---|---|---|
| Accumulated net unrealized gain (loss) on available-for-sale securities | $ 1,263 | $ — |
| Accumulated foreign currency translation gain (loss) | (108,059) | (269,930) |
| Accumulated net gain (loss) on commodity derivatives | 45,955 | 443 |
| Total accumulated other comprehensive loss | $ (60,841) | $ (269,487) |

12. TREASURY STOCK

On August 19, 2024, the Company's Board of Directors authorized a share repurchase program for the purchase of up to an additional $500.0 million of the Company's outstanding common stock (the "August 2024 Repurchase Plan"). During the year ended December 31, 2025, no shares were repurchased under the August 2024 Repurchase Plan. As of February 26, 2026, $500.0 million remained available for repurchase under the August 2024 Repurchase Plan.

The aggregate amount of the Company's outstanding common stock that remains available for repurchase under all previously authorized repurchase plans is $500.0 million as of February 26, 2026.

During the year ended December 31, 2025, 1.5 million shares of common stock were purchased from employees in lieu of cash payments for options exercised or withholding taxes due for a total amount of $103.6 million. While such purchases are considered common stock repurchases, they are not counted as purchases against the Company's authorized share repurchase programs. Such shares are included in common stock in treasury in the accompanying consolidated balance sheet at December 31, 2025.

13. STOCK-BASED COMPENSATION

The Company has two stock-based compensation plans under which shares were available for grant as of December 31, 2025: (i) the Monster Beverage Corporation 2020 Omnibus Incentive Plan (the "2020 Omnibus Incentive Plan"), which includes the Monster Beverage Corporation Deferred Compensation Plan as a sub plan thereunder, and (ii) the Monster Beverage Corporation 2017 Compensation Plan for Non-Employee Directors as Amended and Restated on February 23, 2022 (the "2017 Directors Plan"), which includes the Monster Beverage Corporation Deferred Compensation Plan for Non-Employee Directors as a sub plan thereunder. The 2020 Omnibus Incentive Plan was approved by the Board of Directors on April 14, 2020 and approved by the stockholders of the Company at the annual meeting of the Company's stockholders held on June 3, 2020 (the "Effective Date"). The 2020 Omnibus Incentive Plan replaced the Monster Beverage Corporation 2011 Omnibus Incentive Plan (the "2011 Omnibus Incentive Plan").

The 2020 Omnibus Incentive Plan provides for the granting of stock options, stock appreciation rights, restricted stock, restricted stock units, performance awards, and other share-based awards up to an aggregate of 92,338,734 shares of the Company's common stock, comprised of 64,000,000 new shares of common stock reserved under the 2020 Omnibus Incentive Plan, which were authorized on the Effective Date, and 28,338,734 shares of common stock that were available for grant under the 2011 Omnibus Incentive Plan as of December 31, 2019 and prior to the Effective Date. Shares authorized under the 2020 Omnibus Incentive Plan are reduced by one (1) share for options or stock appreciation rights granted under the 2020 Omnibus Incentive Plan and for any grants after December 31, 2019 under the 2011 Omnibus Incentive Plan, and by 2.6 shares for each share granted or issued with respect to a Full Value Award under either the 2020 Omnibus Incentive Plan or for any shares granted after December 31, 2019 under the 2011 Omnibus Incentive Plan. A "Full Value Award" is an award other than an incentive stock option, a non-qualified stock option, or a stock appreciation right, which is settled by the issuance of shares. Options granted under the 2020 Omnibus Incentive Plan may be incentive stock options under Section 422 of the Internal Revenue Code, as amended (the "Code"), or non-qualified stock options.

Shares previously granted under the 2011 Omnibus Incentive Plan after December 31, 2019 and prior to the Effective Date of the 2020 Omnibus Incentive Plan reduced the number of shares available for grant under the 2020 Omnibus Incentive Plan. As of December 31, 2025, 23,062,505 shares of the Company's common stock have been granted, net of cancellations, and 62,964,030 shares (as adjusted for Full Value Awards) of the Company's common stock remain available for grant under the 2020 Omnibus Incentive Plan.

The Compensation Committee of the Board of Directors (the "Compensation Committee") has sole and exclusive authority to grant stock awards to all employees who are not new hires and to all new hires who are subject to Section 16 of the Exchange Act ("Section 16"). Each of the Compensation Committee and the Executive Committee of the Board of Directors (the "Executive Committee") independently has the authority to grant stock awards to (i) new hires and (ii) employees receiving a promotion, in each case, who are not Section 16 employees. Awards granted by the Executive Committee are not subject to approval or ratification by the Board of Directors or the Compensation Committee. Options granted under the 2020 Omnibus Incentive Plan generally vest over a three- to five-year period from the grant date and are generally exercisable up to 10 years after the grant date. Restricted stock units granted under the 2020 Omnibus Incentive Plan generally vest over a three- or five-year period from the grant date. Performance share units will generally vest based on an award recipient's continuous employment through a cumulative three-year performance period and the achievement of financial performance goals specified for the applicable award during such performance period.

In 2016, the Company adopted the Deferred Compensation Plan (as a sub plan to the 2011 Omnibus Incentive Plan), pursuant to which eligible employees may elect to defer cash and/or equity based compensation and to receive the deferred amounts, together with an investment return (positive or negative), either at a pre-determined time in the future or upon termination of employment with the Company or its subsidiaries or affiliates that are participating employers under the Deferred Compensation Plan, as provided under the Deferred Compensation Plan and in relevant deferral elections. Deferrals under the Deferred Compensation Plan are unfunded and unsecured. As of December 31, 2025 deferrals under the Deferred Compensation Plan are solely comprised of cash compensation and equity compensation and are not material in the aggregate.

In 2017, the Company adopted the 2017 Directors Plan, a successor plan to the 2009 Monster Beverage Corporation Stock Incentive Plan for Non-Employee Directors. The 2017 Directors Plan permits the granting of stock options, stock appreciation rights, restricted shares or restricted stock units, deferred awards, dividend equivalents, and other share-based awards up to an aggregate of 2,500,000 shares of common stock of the Company to non-employee directors of the Company.

Each calendar year, a non-employee director will receive an annual retainer and annual equity award, as provided for in the 2017 Directors Plan, which may be modified from time to time. In February 2022, the Board of Directors amended and restated the 2017 Directors Plan to provide for increases to the annual cash retainer and annual equity retainer that non-employee directors are entitled to receive. Currently, non-employee directors receive an annual equity retainer of approximately $175,000 in the form of restricted stock units at each annual meeting of the Company's stockholders or promptly thereafter. A non-employee director's annual award of restricted stock units will generally vest on the earliest to occur of: (a) the last business day immediately preceding the annual meeting of the Company's stockholders in the calendar year following the calendar year in which the grant date occurs, (b) a Change of Control (as defined in the 2017 Directors Plan), (c) the non-employee director's death, or (d) the date of the non-employee director's separation from service due to disability, so long as the non-employee director remains a non-employee director through such date. The Board of Directors may in its discretion award non-employee directors stock options, stock appreciation rights, restricted stock and other share-based awards in lieu of or in addition to restricted stock units. The Board of Directors may amend or terminate the 2017 Directors Plan at any time, subject to certain limitations set forth in the 2017 Directors Plan. As of December 31, 2025, 316,259 shares of the Company's common stock had been granted under the 2017 Directors Plan, and 2,183,741 shares of the Company's common stock remain available for grant.

In 2017, the Company adopted the Deferred Compensation Plan for Non-Employee Directors (as a sub plan to the 2017 Directors Plan), pursuant to which the Board of Directors may permit non-employee directors to elect, at such times and in accordance with rules and procedures (or sub-plan) adopted by the Board of Directors (which are intended to comply with Section 409A of the Code, as applicable), to receive all or any portion of such non-employee director's compensation, whether payable in cash or in equity, on a deferred basis. Deferrals under the Deferred Compensation Plan for Non-Employee Directors are unfunded and unsecured. As of December 31, 2025, deferrals under the Deferred Compensation Plan for Non-Employee Directors are solely comprised of cash compensation and equity compensation and are not material in the aggregate. The 2017 Directors Plan was adopted to effectuate any such deferrals. The 2017 Directors Plan is administered by the Board of Directors. Each award granted under the 2017 Directors Plan will be evidenced by a written agreement and will contain the terms and conditions that the Board of Directors deems appropriate.

**(Tabular Dollars in Thousands, Except Per Share Amounts)**

In February 2022, as part of the Board of Directors' amendment and restatement of the 2017 Directors Plan, such amendment and restatement also introduced the requirement for each non-employee director to satisfy the share ownership guidelines set forth below, as may be modified by the Board of Directors from time to time. The current share ownership guidelines provide that non-employee directors of the Company must:

- Hold shares of Company common stock having a total value of five times the annual retainer payable to a non-employee director (excluding any portion of the annual retainer attributable to a non-employee director's service as a member of a subcommittee, as a chair of a subcommittee or as the lead independent director, as applicable). For this purpose, deferred shares or deferred restricted stock units will be deemed held, to the extent vested.
- The minimum stock ownership level must be achieved by each non-employee director by the fifth anniversary of such non-employee director's initial appointment to the Board of Directors.
- Once achieved, ownership of the guideline amount should be maintained for so long as the non-employee director retains his or her seat on the Board of Directors.
- There may be rare instances where these guidelines would place a hardship on a non-employee director. In these cases or in similar circumstances, the Board of Directors will make the final decision as to developing an alternative stock ownership guideline for a non-employee director that reflects the intention of these guidelines and his or her personal circumstances.

The Company recorded $125.7 million, $91.0 million and $68.8 million of compensation expense relating to outstanding options, restricted stock units, performance share units and other share-based awards during the years ended December 31, 2025, 2024 and 2023, respectively.

The tax benefit for tax deductions from non-qualified stock option exercises, disqualifying dispositions of incentive stock options and vesting of restricted stock units and performance share units for the years ended December 31, 2025, 2024 and 2023 was $37.1 million, $12.9 million and $62.2 million, respectively.

*Stock Options*

Under the Company's stock-based compensation plans, all stock options granted through December 31, 2025 were granted at prices based on the fair value of the Company's common stock on the date of grant. The Company records compensation expense for (i) employee stock options based on the estimated fair value of the options on the date of grant and (ii) for non-employee stock options based on the estimated fair value of the options as of the earlier of (1) the date at which a commitment for performance by the non-employee to earn the stock option is reached or (2) the date at which the non-employee's performance is complete, in each case using the Black-Scholes-Merton option pricing formula with the assumptions included in the table below. The Company uses historical data to determine the exercise behavior, volatility and forfeiture rate of the options.

The following weighted-average assumptions were used to estimate the fair value of options granted during:

| | 2025 | 2024 | 2023 |
|---|---|---|---|
| Dividend yield | 0.0 % | 0.0 % | 0.0 % |
| Expected volatility | 26.7 % | 27.4 % | 27.6 % |
| Risk-free interest rate | 4.19 % | 4.18 % | 3.75 % |
| Expected term | 6.2 Years | 6.4 Years | 6.3 Years |

*Expected Volatility*: The Company uses historical volatility as it provides a reasonable estimate of the expected volatility. Historical volatility is based on the most recent volatility of the stock price over a period of time equivalent to the expected term of the option.

*Risk-Free Interest Rate*: The risk-free interest rate is based on the U.S. treasury zero-coupon yield curve in effect at the time of grant for the expected term of the option.

*Expected Term*: The Company's expected term represents the weighted-average period that the Company's stock options are expected to be outstanding. The expected term is based on the expected time to post-vesting exercise of options by employees. The Company uses historical exercise patterns of previously granted options to derive employee behavioral patterns used to forecast expected exercise patterns.

The following table summarizes the Company's activities with respect to its stock option plans as follows:

| Options | Number of Shares (in thousands) | Weighted Average Exercise Price Per Share | Weighted Average Remaining Contractual Term (in years) | Aggregate Intrinsic Value |
|---|---|---|---|---|
| Outstanding at January 1, 2025 | 27,088 | $ 38.98 | 5.8 | $ 400,207 |
| Granted 01/01/25 - 03/31/25 | 1,299 | $ 55.09 | | |
| Granted 04/01/25 - 06/30/25 | 21 | $ 60.28 | | |
| Granted 07/01/25 - 09/30/25 | — | $ — | | |
| Granted 10/01/25 - 12/31/25 | 23 | $ 66.51 | | |
| Exercised | (5,942) | $ 27.69 | | |
| Cancelled or forfeited | (328) | $ 52.58 | | |
| Outstanding at December 31, 2025 | 22,161 | $ 42.80 | 5.8 | $ 750,594 |
| Vested and expected to vest in the future at December 31, 2025 | 21,554 | $ 42.49 | 5.8 | $ 736,616 |
| Exercisable at December 31, 2025 | 11,219 | $ 34.42 | 4.0 | $ 474,047 |

The following table summarizes information about stock options outstanding and exercisable at December 31, 2025:

| | Options Outstanding | | | Options Exercisable | |
|---|---|---|---|---|---|
| Range of Exercise Prices ($) | Number Outstanding (in thousands) | Weighted Average Remaining Contractual Term (Years) | Weighted Average Exercise Price ($) | Number Exercisable (in thousands) | Weighted Average Exercise Price ($) |
| $ 20.91 - $ 29.37 | 3,854 | 1.7 | $ 26.52 | 3,854 | $ 26.52 |
| $ 29.84 - $ 31.20 | 3,111 | 3.6 | $ 30.40 | 3,111 | $ 30.40 |
| $ 31.73 - $ 33.71 | 40 | 4.1 | $ 32.80 | 40 | $ 32.80 |
| $ 36.62 - $ 36.62 | 3,497 | 6.2 | $ 36.62 | 1,561 | $ 36.62 |
| $ 38.96 - $ 48.30 | 2,823 | 6.7 | $ 45.85 | 1,358 | $ 44.91 |
| $ 48.90 - $ 48.90 | 20 | 5.7 | $ 48.90 | 14 | $ 48.90 |
| $ 50.82 - $ 50.82 | 3,360 | 7.2 | $ 50.82 | 827 | $ 50.82 |
| $ 51.38 - $ 59.52 | 1,470 | 9.1 | $ 54.90 | 30 | $ 53.86 |
| $ 60.30 - $ 60.30 | 3,960 | 8.2 | $ 60.30 | 424 | $ 60.30 |
| $ 63.83 - $ 66.51 | 26 | 9.8 | $ 66.13 | — | $ — |
| | 22,161 | 5.8 | $ 42.80 | 11,219 | $ 34.42 |

The weighted-average grant-date fair value of options granted during the years ended December 31, 2025, 2024 and 2023 was $19.90 per share, $21.40 per share and $18.28 per share, respectively. The total intrinsic value of options exercised during the years ended December 31, 2025, 2024 and 2023 was $214.7 million, $83.1 million and $333.5 million, respectively.

Cash received from option exercises under all plans for the years ended December 31, 2025, 2024 and 2023 was $164.6 million, $79.0 million and $130.3 million, respectively.

At December 31, 2025, there was $116.0 million of total unrecognized compensation expense related to non-vested options granted to employees under the Company's share-based payment plans. That cost is expected to be recognized over a weighted-average period of 2.4 years.

*Restricted Stock Units and Performance Share Units*

The cost of stock-based compensation for restricted stock units and performance share units is measured based on the closing fair market value of the Company's common stock at the date of grant. In the event that the Company has the option and intent to settle a restricted stock unit or performance share unit in cash, the award is classified as a liability and revalued at each balance sheet date.

The following table summarizes the Company's activities with respect to non-vested restricted stock units and performance share units as follows:

| | Number of Shares (in thousands) | Weighted-Average Grant-Date Fair Value |
|---|---|---|
| Non-vested at January 1, 2025 | 1,682 | $ 46.16 |
| Granted 01/01/25 - 03/31/25[1] | 1,017 | $ 55.08 |
| Granted 04/01/25 - 06/30/25 | 33 | $ 62.68 |
| Granted 07/01/25 - 09/30/25 | 1 | $ 61.59 |
| Granted 10/01/25 - 12/31/25 | 7 | $ 66.72 |
| Vested | (635) | $ 39.42 |
| Forfeited/cancelled | (65) | $ 42.83 |
| Non-vested at December 31, 2025 | 2,040 | $ 53.15 |

*[1]The grant activity for performance share units is recorded based on the target performance level earning 100% of target performance share units. The actual number of performance share units earned could range from 0% to 200% of target depending on the achievement of pre-established performance goals.*

The weighted-average grant-date fair value of restricted stock units and/or performance share units granted during the years ended December 31, 2025, 2024 and 2023 was $55.40, $58.77 and $51.24 per share, respectively. As of December 31, 2025, 1.7 million of restricted stock units and performance share units are expected to vest.

At December 31, 2025, total unrecognized compensation expense relating to non-vested restricted stock units and performance share units was $55.8 million, which is expected to be recognized over a weighted-average period of 2.2 years.

*Other Share-Based Awards*

The Company has granted other share-based awards to certain employees that are payable in cash. These awards are classified as liabilities and are valued based on the fair value of the award at the grant date and are remeasured at each reporting date until settlement, with compensation expense being recognized in proportion to the completed requisite service period up until date of settlement. At December 31, 2025, other share-based awards outstanding included grants that vest over three years payable in the first quarters of 2026, 2027 and 2028.

At December 31, 2025, there was $2.9 million of unrecognized compensation expense related to nonvested other share-based awards granted to employees under the Company's stock-based compensation plans. That cost is expected to be recognized over a weighted-average period of 1.7 years.

**(Tabular Dollars in Thousands, Except Per Share Amounts)**

*Employee and Non-Employee Share-Based Compensation Expense*

The table below shows the amounts recognized in the consolidated financial statements for the years ended December 31, 2025, 2024 and 2023 for share-based compensation related to employees and non-employees.

Employee and non-employee share-based compensation expense of $125.7 million for the year ended December 31, 2025 is comprised of $12.7 million relating to incentive stock options, $4.6 million relating to other share-based awards and $108.4 million relating to non-qualified stock options, restricted stock units and performance share units.

Employee and non-employee share-based compensation expense of $91.0 million for the year ended December 31, 2024 is comprised of $12.5 million relating to incentive stock options, $0.1 million relating to other share-based awards and $78.4 million relating to non-qualified stock options, restricted stock units and performance share units.

Employee and non-employee share-based compensation expense of $68.8 million for the year ended December 31, 2023 is comprised of $10.3 million relating to incentive stock options, $1.2 million relating to other share-based awards and $57.3 million relating to non-qualified stock options, restricted stock units and performance share units.

| | 2025 | 2024 | 2023 |
|---|---|---|---|
| Operating expenses | $ 125,687 | $ 90,985 | $ 68,836 |
| Total employee and non-employee share-based compensation expense included in income, before income tax | 125,687 | 90,985 | 68,836 |
| Less: Amount of income tax benefit recognized in earnings | (39,745) | (16,006) | (64,401) |
| Amount charged against net income | $ 85,942 | $ 74,979 | $ 4,435 |

14. INCOME TAXES

The Company evaluated the various provisions of the Tax Reform Act, including, the global intangible low-taxed income ("GILTI") and the foreign derived intangible income provisions. The Company will treat any U.S. tax on foreign earnings under GILTI as a current period expense when incurred.

Consolidated retained earnings at December 31, 2025 included undistributed after-tax earnings from certain non-U.S. subsidiaries that were not indefinitely reinvested. At December 31, 2025, the Company had a deferred tax liability of $10.0 million for the estimated taxes associated with the repatriation of these earnings. Undistributed earnings of approximately $22.5 million in foreign subsidiaries were indefinitely reinvested in foreign operations. Quantification of the deferred tax liability, if any, associated with indefinitely reinvested earnings was not practicable.

The domestic and foreign components of the Company's income before provision for income taxes are as follows:

| | Year Ended December 31, | | |
|---|---|---|---|
| | 2025 | 2024 | 2023 |
| Domestic* | $ 2,302,984 | $ 1,540,619 | $ 1,809,418 |
| Foreign* | 179,545 | 448,840 | 259,064 |
| Income before provision for income taxes | $ 2,482,529 | $ 1,989,459 | $ 2,068,482 |

**After intercompany royalties, management fees and interest charges from the Company's domestic to foreign entities of $110.3 million, $108.4 million and $101.4 million for the years ended December 31, 2025, 2024 and 2023, respectively.*

**MONSTER BEVERAGE CORPORATION AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**(Tabular Dollars in Thousands, Except Per Share Amounts)**

Components of the provision for income taxes are as follows:

| | Year Ended December 31, 2025 | 2024 | 2023 |
|---|---|---|---|
| Current: | | | |
| Federal | $ 308,032 | $ 273,825 | $ 259,911 |
| State | 61,927 | 55,087 | 47,079 |
| Foreign | 202,791 | 145,118 | 99,563 |
| | 572,750 | 474,030 | 406,553 |
| Deferred: | | | |
| Federal | 304 | 11,395 | 42,237 |
| State | (1,228) | (900) | 2,376 |
| Foreign | (1,309) | (12,772) | (13,936) |
| | (2,233) | (2,277) | 30,677 |
| Valuation allowance | 6,580 | 8,658 | 264 |
| | $ 577,097 | $ 480,411 | $ 437,494 |

A reconciliation of the U.S. federal statutory income tax rate to the Company's effective tax rate after the adoption of ASU 2023-09 for the year ended December 31, 2025 is as follows:

| | 2025 | |
|---|---|---|
| U.S. federal statutory tax rate | $ 521,331 | 21.0 % |
| State and local income tax, net of federal income tax effect[1] | 49,399 | 2.0 % |
| Foreign tax effect | 36,628 | 1.5 % |
| Effect of cross-border tax laws[2] | (1,390) | (0.1)% |
| Tax Credits | | |
| Foreign tax credits | (21,357) | (0.9)% |
| Energy-related tax credits | (4,335) | (0.2)% |
| Change in valuation allowance | 12,378 | 0.5 % |
| Nontaxable or nondeductible Items | (9,830) | (0.4)% |
| Changes in unrecognized tax benefit | 837 | 0.0 % |
| Other adjustments | (6,564) | (0.2)% |
| Effective tax rate | $ 577,097 | 23.2 % |

*(1) State taxes in California, Illinois, Minnesota, Michigan, New Jersey and New York make up the majority (greater than 50%) of the tax effect in this category.*
*(2) Includes the impact of any tax credits.*

**MONSTER BEVERAGE CORPORATION AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**(Tabular Dollars in Thousands, Except Per Share Amounts)**

A reconciliation of the total provision for income taxes after applying the U.S. federal statutory rate of 21% to income before provision for income taxes to the reported provision for income taxes prior to the adoption of ASU 2023-09 are as follows for the years ended:

| | Year ended December 31, | |
|---|---|---|
| | 2024 | 2023 |
| U.S. federal tax expense at statutory rates | $ 417,786 | $ 434,381 |
| State income taxes, net of federal tax benefit | 38,850 | 39,416 |
| Permanent differences | (21,298) | (27,235) |
| Stock-based compensation | 5,266 | (43,846) |
| Residual tax on undistributed foreign earnings | 3,903 | 8,423 |
| Other | (10,843) | (5,132) |
| Foreign rate differential | 38,089 | 31,223 |
| Valuation allowance | 8,658 | 264 |
| | $ 480,411 | $ 437,494 |

Cash paid for income taxes, net of refunds received, by jurisdiction for the year ended December 31, 2025 is as follows:

| | 2025 |
|---|---|
| Federal | $ 321,000 |
| State | 51,407 |
| Foreign | |
| Brazil | 38,351 |
| Ireland | 28,495 |
| Other | 110,865 |
| | $ 550,118 |

The amount of cash income taxes paid by the Company during the years ended December 31, 2024 and 2023 was $476.2 million and $423.2 million, respectively.

(Tabular Dollars in Thousands, Except Per Share Amounts)

Major components of the Company's deferred tax assets (liabilities) at December 31, 2025 and 2024 are presented in the table below. Certain amounts as of December 31, 2024 have been reclassified to conform to the presentation as of December 31, 2025.

| | 2025 | 2024 |
|---|---|---|
| Deferred tax assets: | | |
| Capitalization of inventory costs | $ 11,326 | $ 13,253 |
| Accrued compensation | 16,722 | 13,941 |
| Deferred revenue | 48,208 | 53,802 |
| Stock-based compensation | 18,704 | 19,649 |
| Net operating loss carryforward | 25,632 | 33,159 |
| Termination payments | 32,920 | 39,489 |
| Operating lease liabilities | 13,078 | 13,201 |
| Intangible assets | 100,129 | 84,455 |
| Accrued liabilities | 21,824 | 16,725 |
| Foreign tax credit carryforward | 12,378 | — |
| Other deferred tax assets | 81,214 | 76,593 |
| Total gross deferred tax assets | $ 382,135 | $ 364,267 |
| Deferred tax liabilities: | | |
| Amortization of intangibles | $ (107,473) | $ (93,511) |
| Operating lease ROU assets | (13,078) | (13,201) |
| Bang transaction gain | (11,672) | (11,740) |
| Depreciation | (56,344) | (57,168) |
| Other deferred tax liabilities | (13,749) | (12,741) |
| Total gross deferred tax liabilities | $ (202,316) | $ (188,361) |
| Valuation allowance | (45,245) | (38,665) |
| Net deferred tax assets | $ 134,574 | $ 137,241 |

During the years ended December 31, 2025, 2024 and 2023, the Company recorded valuation allowances against certain deferred tax assets from cumulative net operating losses incurred by certain foreign subsidiaries of the Company, state income tax related to cumulative net operating losses incurred by certain U.S. subsidiaries, and foreign tax credit carryforwards. The effect of the valuation allowances and the subsequent related impact on the Company's overall tax rate was to increase the Company's provision for income taxes by $6.6 million, $8.6 million and $0.2 million for the years ended December 31, 2025, 2024 and 2023, respectively. At December 31, 2025, the Company had net state operating loss carryforwards of approximately $96.0 million and net foreign operating loss carryforwards of approximately $77.0 million. Of these amounts, $68.4 million of net foreign operating loss carryforwards may be carried forward indefinitely. The remaining $104.6 million of net state and foreign operating loss carryforwards will begin to expire in 2026.

The following is a roll-forward of the Company's total gross unrecognized tax benefits, not including interest and penalties, for the years ended December 31, 2025, 2024 and 2023:

| | Gross Unrecognized Tax Benefits |
|---|---|
| **Balance at December 31, 2022** | $ 3,020 |
| Additions for tax positions related to the current year | — |
| Additions for tax positions related to the prior year | 739 |
| Decreases for tax positions related to prior years | (650) |
| **Balance at December 31, 2023** | $ 3,109 |
| Additions for tax positions related to the current year | — |
| Additions for tax positions related to the prior year | 631 |
| Decreases for tax positions related to prior years | (1,114) |
| **Balance at December 31, 2024** | $ 2,626 |
| Additions for tax positions related to the current year | — |
| Additions for tax positions related to the prior year | 1,440 |
| Decreases for tax positions related to prior years | (836) |
| **Balance at December 31, 2025** | $ 3,230 |

The Company recognizes accrued interest and penalties related to unrecognized tax benefits in the provision for income taxes in the Company's consolidated financial statements. As of December 31, 2025, the Company had accrued approximately $0.9 million in interest and penalties related to unrecognized tax benefits. If the Company were to prevail on all uncertain tax positions, it would not have a significant impact on the Company's effective tax rate.

It is expected that any change in the amount of unrecognized tax benefit change within the next 12 months will not be significant.

The Company is subject to U.S. federal income tax as well as to income tax in multiple state and foreign jurisdictions.

The Company is in various stages of examination with certain states and certain foreign jurisdictions. The Company's 2022 through 2025 U.S. federal income tax returns are subject to examination by the IRS. The Company's state income tax returns are generally subject to examination for the 2021 through 2025 tax years. The United Kingdom and Ireland income tax returns are subject to examination for the 2021 through 2025 tax years.

## 15. EARNINGS PER SHARE

A reconciliation of the weighted-average shares used in the basic and diluted earnings per common share computations for the years ended December 31, 2025, 2024 and 2023 is presented below (in thousands):

| | 2025 | 2024 | 2023 |
|---|---|---|---|
| Weighted-average shares outstanding: | | | |
| Basic | 975,887 | 1,004,566 | 1,044,887 |
| Dilutive securities | 8,564 | 8,541 | 13,094 |
| Diluted | 984,451 | 1,013,107 | 1,057,981 |

For the years ended December 31, 2025, 2024 and 2023, options and awards outstanding totaling 6.5 million shares, 7.8 million shares and 3.3 million shares, respectively, were excluded from the calculations as their effect would have been antidilutive.

16. EMPLOYEE BENEFIT PLAN

Employees of the Company may participate in the Monster Beverage Corporation 401(k) Plan, a defined contribution plan, which qualifies under Section 401(k) of the Internal Revenue Code. Participating employees may contribute into a traditional plan with pretax salary or into a Roth plan with after tax salary up to statutory limits. The Company contributes 50% of the employee contribution, up to 8% of each employee's earnings, which vest over four years (2 years of service = 50%, 3 years of service = 75%, 4 years of service = 100%). Matching contributions were $11.3 million, $10.4 million and $8.5 million for the years ended December 31, 2025, 2024 and 2023, respectively.

17. SEGMENT INFORMATION

The Company has four operating and reportable segments: (i) Monster Energy® Drinks segment, which is primarily comprised of the Company's Monster Energy® drinks, Reign Total Body Fuel® high performance energy drinks, Reign Storm® total wellness energy drinks and Bang Energy® drinks, (ii) Strategic Brands segment, which is primarily comprised of the various energy drink brands acquired from TCCC in 2015 as well as the Company's affordable energy brands, Predator® and Fury®, (iii) Alcohol Brands segment, which is comprised of various craft beers, FMBs and hard seltzers and (iv) Other segment, which is comprised of the AFF Third-Party Products.

The Company's Monster Energy® Drinks segment primarily generates net operating revenues by selling ready-to-drink packaged drinks primarily to bottlers/distributors. In some cases, the Company sells ready-to-drink packaged drinks directly to retail grocery and specialty chains, wholesalers, club stores, mass merchandisers, convenience and gas chains, drug stores, foodservice customers, value stores, e-commerce retailers and the military.

The Company's Strategic Brands segment primarily generates net operating revenues by selling "concentrates" and/or "beverage bases" to authorized bottling and canning operations. Such bottlers generally combine the concentrates and/or beverage bases with sweeteners, water and other ingredients to produce ready-to-drink packaged energy drinks. The ready-to-drink packaged energy drinks are then sold by such bottlers to other bottlers/distributors and to retail grocery and specialty chains, wholesalers, club stores, mass merchandisers, convenience and gas chains, foodservice customers, drug stores, value stores, e-commerce retailers and the military. To a lesser extent, the Strategic Brands segment generates net operating revenues by selling certain ready-to-drink packaged energy drinks to bottlers/distributors.

Generally, the Monster Energy® Drinks segment generates higher per case net operating revenues, but lower per case gross profit margin percentages than the Strategic Brands segment.

The Company's Alcohol Brands segment primarily generates operating revenues by selling kegged and ready-to-drink canned beers, FMBs and hard seltzers primarily to beer distributors in the United States.

Generally, the Alcohol Brands segment has lower gross profit margin percentages than the Monster Energy® Drinks segment.

Corporate and unallocated amounts that do not relate to a reportable segment have been allocated to "Corporate & Unallocated." No asset information, other than goodwill and other intangible assets, has been provided in the Company's reportable segments, as management does not measure or allocate such assets on a segment basis.

The Company's chief operating decision maker is the chief executive officer (the "CEO"). The CEO assesses segments' performance by using each segment's operating income and considers budget-to-actual variances on a periodic basis (at least quarterly) when making decisions about operational planning, including resource allocation. Further, the CEO uses segments' operating income when comparing the results of each segment with one another.

**MONSTER BEVERAGE CORPORATION AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**(Tabular Dollars in Thousands, Except Per Share Amounts)**

The tables below provide information about the Company's reportable segments, including the corporate and unallocated category.

Year Ended December 31, 2025

| | Monster Energy® Drinks | Strategic Brands | Alcohol Brands | Other | Total |
|---|---|---|---|---|---|
| Net sales[1] | $ 7,665,871 | $ 468,716 | $ 134,720 | $ 25,036 | $ 8,294,343 |
| | | | | | |
| Cost of sales | 3,394,604 | 146,913 | 102,303 | 18,328 | — |
| Gross profit | 4,271,267 | 321,803 | 32,417 | 6,708 | 4,632,195 |
| | | | | | |
| Distribution expense | 314,933 | 6,257 | 9,897 | — | — |
| Selling and marketing expense | 714,958 | 61,633 | 26,447 | 421 | — |
| Nonmanufacturing payroll expense | 177,027 | 9,556 | 35,212 | 2,147 | — |
| Intangibles impairment | — | — | 38,411 | — | — |
| Other segment items[2] | 87,845 | 3,600 | 49,410 | 698 | — |
| Segment profit (loss)[1] | 2,976,504 | 240,757 | (126,960) | 3,442 | 3,093,743 |
| | | | | | |
| *Reconciliation of segment profit (loss)* | | | | | |
| Interest and other income, net | | | | | 63,175 |
| Unallocated amounts: | | | | | |
| Corporate payroll expenses | | | | | (445,742) |
| Corporate overhead expenses, excluding payroll | | | | | (228,647) |
| | | | | | |
| Income before provision for income taxes | | | | | $ 2,482,529 |
| | | | | | |
| Depreciation and amortization | $ 78,504 | $ 1,104 | $ 19,467 | $ 1,218 | $ 100,293 |
| Unallocated depreciation and amortization | | | | | 14,148 |
| Total depreciation and amortization | | | | | $ 114,441 |

[1]*For the Monster Energy® Drinks segment, includes $40.0 million related to the recognition of deferred revenue.*

[2]*Other segment items for each reportable segment include:*
*Monster Energy® Drinks - travel and entertainment expense, professional services expense, and certain overhead expenses*
*Strategic Brands - travel and entertainment expense, and certain overhead expenses*
*Alcohol Brands - property and equipment impairment, depreciation and amortization expense, travel and entertainment expense, professional services expense, and certain overhead expenses*
*Other - professional services expense, and certain overhead expenses*

**MONSTER BEVERAGE CORPORATION AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**(Tabular Dollars in Thousands, Except Per Share Amounts)**

Year Ended December 31, 2024

| | Monster Energy® Drinks | Strategic Brands | Alcohol Brands | Other | Total |
|---|---|---|---|---|---|
| Net sales[1] | $ 6,864,597 | $ 432,233 | $ 172,313 | $ 23,566 | $ 7,492,709 |
| | | | | | |
| Cost of sales | 3,170,993 | 125,099 | 131,590 | 16,149 | — |
| Gross profit | 3,693,604 | 307,134 | 40,723 | 7,417 | 4,048,878 |
| | | | | | |
| Distribution expense | 322,464 | 6,030 | 13,621 | 19 | — |
| Selling and marketing expense | 672,582 | 55,629 | 27,652 | 235 | — |
| Nonmanufacturing payroll expense | 164,091 | 8,790 | 36,884 | 2,174 | — |
| Goodwill and intangibles impairment | — | — | 127,098 | — | — |
| Other segment items[2] | 72,011 | 2,933 | 35,784 | 342 | — |
| Segment profit (loss)[1] | 2,462,456 | 233,752 | (200,316) | 4,647 | 2,500,539 |
| | | | | | |
| *Reconciliation of segment profit (loss)* | | | | | |
| Interest and other income, net | | | | | 59,165 |
| Unallocated amounts: | | | | | |
| Corporate payroll expenses | | | | | (377,382) |
| Corporate overhead expenses, excluding payroll | | | | | (192,863) |
| | | | | | |
| Income before provision for income taxes | | | | | $ 1,989,459 |
| | | | | | |
| Depreciation and amortization | $ 53,117 | $ 942 | $ 14,290 | $ 200 | $ 68,549 |
| Unallocated depreciation and amortization | | | | | 11,885 |
| Total depreciation and amortization | | | | | $ 80,434 |

[1]*For the Monster Energy® Drinks segment, includes $39.9 million related to the recognition of deferred revenue.*

[2]*Other segment items for each reportable segment include:*
*Monster Energy® Drinks - travel and entertainment expense, professional services expense, and certain overhead expenses*
*Strategic Brands - travel and entertainment expense, and certain overhead expenses*
*Alcohol Brands - depreciation and amortization expense, travel and entertainment expense, professional services expense, and certain overhead expenses*
*Other - travel and entertainment expense, and certain overhead expenses*

**MONSTER BEVERAGE CORPORATION AND SUBSIDIARIES**
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**(Tabular Dollars in Thousands, Except Per Share Amounts)**

Year Ended December 31, 2023

| | Monster Energy® Drinks | Strategic Brands | Alcohol Brands | Other | Total |
|---|---|---|---|---|---|
| Net sales[1] | $ 6,555,089 | $ 376,589 | $ 184,855 | $ 23,494 | $ 7,140,027 |
| | | | | | |
| Cost of sales | 3,094,906 | 104,980 | 129,607 | 16,328 | — |
| Gross profit | 3,460,183 | 271,609 | 55,248 | 7,166 | 3,794,206 |
| | | | | | |
| Distribution expense | 306,516 | 6,184 | 10,931 | 47 | — |
| Selling and marketing expense | 601,550 | 48,937 | 24,814 | 266 | — |
| Nonmanufacturing payroll expense | 146,236 | 6,446 | 34,192 | 1,996 | — |
| Intangibles impairment | — | 300 | 38,400 | — | — |
| Other segment items[2] | 67,137 | 2,596 | 28,035 | 1,293 | — |
| Segment profit (loss)[1] | 2,338,744 | 207,146 | (81,124) | 3,564 | 2,468,330 |
| | | | | | |
| *Reconciliation of segment profit (loss)* | | | | | |
| Interest and other income, net | | | | | 115,127 |
| Unallocated amounts: | | | | | |
| Corporate payroll expenses | | | | | (331,743) |
| Corporate overhead expenses, excluding payroll | | | | | (183,232) |
| | | | | | |
| Income before provision for income taxes | | | | | $ 2,068,482 |
| | | | | | |
| Depreciation and amortization | $ 37,606 | $ 793 | $ 15,745 | $ 1,264 | $ 55,408 |
| Unallocated depreciation and amortization | | | | | 13,490 |
| Total depreciation and amortization | | | | | $ 68,898 |

[1]*For the Monster Energy® Drinks segment, includes $40.0 million related to the recognition of deferred revenue.*

[2]*Other segment items for each reportable segment include:*
*Monster Energy® Drinks - travel and entertainment expense, professional services expense, and certain overhead expenses*
*Strategic Brands - travel and entertainment expense, and certain overhead expenses*
*Alcohol Brands - depreciation and amortization expense, travel and entertainment expense, professional services expense, and certain overhead expenses*
*Other - depreciation and amortization expense, and certain overhead expenses*

Coca-Cola Europacific Partners accounted for approximately 15%, 14% and 13% of the Company's net sales for the years ended December 31, 2025, 2024 and 2023, respectively.

Coca-Cola Consolidated, Inc. accounted for approximately 10% of the Company's net sales for each of the years ended December 31, 2025, 2024 and 2023.

Net sales to customers outside the United States amounted to $3.44 billion, $2.96 billion and $2.71 billion for the years ended December 31, 2025, 2024 and 2023, respectively. Such sales were approximately 41%, 40% and 38% of net sales for the years ended December 31, 2025, 2024 and 2023, respectively.

**(Tabular Dollars in Thousands, Except Per Share Amounts)**

Goodwill and other intangible assets for the Company's reportable segments as of December 31, 2025 and 2024 were as follows:

| | 2025 | 2024 |
|---|---|---|
| Goodwill and other intangible assets: | | |
| Monster Energy® Drinks | $ 1,716,824 | $ 1,703,256 |
| Strategic Brands | 982,543 | 982,035 |
| Alcohol Brands | 11,544 | 60,604 |
| Other | — | — |
| | $ 2,710,911 | $ 2,745,895 |

18. RELATED PARTY TRANSACTIONS

TCCC controls approximately 20.9% of the voting interests of the Company. The TCCC Subsidiaries, the TCCC Related Parties and certain TCCC independent bottlers, purchase and distribute the Company's products in domestic and certain international markets. The Company also pays TCCC a commission based on certain sales within the TCCC distribution network.

TCCC commissions, based on sales to the TCCC Subsidiaries and the TCCC Related Parties, for the year ended December 31, 2025 were $115.4 million, and are included as a reduction to net sales. TCCC commissions, based on sales to the TCCC Independent Bottlers for the year ended December 31, 2025 were $46.6 million, and are included in operating expenses in the consolidated statements of income.

TCCC commissions, based on sales to the TCCC Subsidiaries and the TCCC Related Parties, for the year ended December 31, 2024 were $91.2 million, and are included as a reduction to net sales. TCCC commissions, based on sales to the TCCC Independent Bottlers for the year ended December 31, 2024 were $37.3 million, and are included in operating expenses in the consolidated statements of income.

TCCC commissions, based on sales to the TCCC Subsidiaries and the TCCC Related Parties, for the year ended December 31, 2023 were $66.8 million, and are included as a reduction to net sales. TCCC commissions, based on sales to the TCCC Independent Bottlers for the year ended December 31, 2023 were $32.0 million, and are included in operating expenses in the consolidated statements of income.

Net sales to the TCCC Subsidiaries for the years ended December 31, 2025, 2024 and 2023 were $251.0 million, $216.4 million and $137.9 million, respectively.

The Company also purchases concentrates from TCCC which are then sold to certain of the Company's bottlers/distributors. Concentrate purchases from TCCC were $25.8 million, $28.0 million and $29.1 million for the years ended December 31, 2025, 2024 and 2023, respectively.

Certain TCCC Subsidiaries also contract manufacture certain of the Company's energy drinks. Such contract manufacturing expenses were $54.2 million, $41.9 million and $35.4 million for the years ended December 31, 2025, 2024 and 2023, respectively.

(Tabular Dollars in Thousands, Except Per Share Amounts)

Accounts receivable, accounts payable, accrued promotional allowances and accrued liabilities related to the TCCC Subsidiaries were as follows at:

| | December 31, 2025 | December 31, 2024 |
|---|---|---|
| Accounts receivable, net | $ 166,618 | $ 112,686 |
| Accounts payable | $ (37,775) | $ (29,095) |
| Accrued promotional allowances | $ (24,898) | $ (16,914) |
| Accrued liabilities | $ (28,458) | $ (22,595) |

One director of the Company through certain trusts, and a family member of one director are principal owners of a company that provides promotional materials to the Company. Expenses incurred with such company in connection with promotional materials purchased during the years ended December 31, 2025, 2024 and 2023 were $5.8 million, $5.9 million and $4.0 million, respectively.

The Company occasionally charters a private aircraft that is indirectly owned by Mr. Rodney C. Sacks, Chairman of the Board of Directors. On certain occasions, Mr. Sacks is accompanied by guests and other Company personnel when using such aircraft for business travel. During the years ended December 31, 2025, 2024 and 2023, the Company incurred costs of $0.06 million, $0.05 million and $0.14 million, respectively.

In December 2018, the Company and a director of the Company entered into a 50-50 partnership that purchased land, and real property thereon, in Kona, Hawaii for the purpose of producing coffee products. In October 2023, the partnership made a special, one-time distribution to each of the partners, reflecting the amount of their initial capital contributions. This partnership meets the definition of a Variable Interest Entity ("VIE") for which the Company has determined that it is the primary beneficiary. Therefore, the Company consolidates the VIE in the accompanying consolidated financial statements. The aggregate carrying values of the VIE's assets and liabilities, after elimination of any intercompany transactions and balances, as well as the results of operations for all periods presented, are not material to the Company's consolidated financial statements.

**MONSTER BEVERAGE CORPORATION AND SUBSIDIARIES**
**SCHEDULE II – VALUATION AND QUALIFYING ACCOUNTS**
**FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023 (Dollars in Thousands)**

| Description | Balance at beginning of period | Charged to cost and expenses | Deductions | Balance at end of period |
|---|---|---|---|---|
| Allowance for doubtful accounts, sales returns and cash discounts: | | | | |
| 2025 | $ 7,124 | $ 19,303 | $ (20,427) | $ 6,000 |
| 2024 | $ 7,638 | $ 20,695 | $ (21,209) | $ 7,124 |
| 2023 | $ 10,460 | $ 20,991 | $ (23,813) | $ 7,638 |
| Allowance on deferred tax assets and unrecognized tax benefits: | | | | |
| 2025 | $ 41,968 | $ 7,417 | $ — | $ 49,385 |
| 2024 | $ 33,692 | $ 8,276 | $ — | $ 41,968 |
| 2023 | $ 33,166 | $ 526 | $ — | $ 33,692 |

**AMENDED & RESTATED EMPLOYMENT AGREEMENT**

THIS AMENDED AND RESTATED EMPLOYMENT AGREEMENT (this "***Agreement***"), dated as of February 25, 2026, is entered into by and between MONSTER ENERGY COMPANY, a Delaware corporation (the "***Company***"), and Emelie Tirre (the "***Executive***").

WHEREAS, the Company and the Executive are parties to that certain Employment Agreement, dated as of June 13, 2024 (the "***Original Employment Agreement***"); and

WHEREAS, the Company and the Executive desire to amend and restate the Original Employment Agreement and replace the Original Employment Agreement with this Agreement.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, and other good and valuable consideration, the Company and the Executive agree as follows:

1. Amendment and Restatement of the Original Employment Agreement. The Original Employment Agreement is hereby amended and restated, effective February 25, 2026, and the Original Employment Agreement is void and shall have no further force or effect as of such date.

2. Employment. The Company shall employ the Executive and the Executive agrees to serve as an executive of the Company in the role of Chief Strategy Officer of the Company, based in the Corona, California area, in such capacities and upon such conditions as are hereinafter set forth.

3. Definitions.

(a) "***Board***" shall mean the Board of Directors of MBC.

(b) "***Cause***" shall mean:

(i) an act or acts of dishonesty or gross misconduct on the Executive's part which result in or are intended to result in material damage to the Company's business or reputation; or

(ii) repeated material violations by the Executive of her obligations under Section 5 of this Agreement which violations are demonstrably willful and deliberate on the Executive's part and which result in material damage to the Company's business or reputation and as to which material violations the Executive Committee or the Board has notified the Executive in writing.

(c) "***Change in Control***" shall have the meaning set forth in the Plan.

(d) "***Change in Control Period***" shall mean the period beginning on the date of a Change in Control and ending twenty-four (24) months following such Change in Control.

(e) "***Compensation Committee***" means the Compensation Committee of the Board.

(f) "***Executive Committee***" means the Executive Committee of the Board.

(g) "***Good Reason***" shall mean:

(i) without the written consent of the Executive, (A) the assignment to the Executive of any duties inconsistent in any substantial respect with the Executive's position, authority or responsibilities as contemplated by Section 5 of this Agreement, or (B) any other substantial adverse change in such position, including titles, authority or responsibilities;

(ii) any failure by the Company to comply with any of the provisions of this Agreement, other than an insubstantial or inadvertent failure remedied by the Company promptly after receipt of notice thereof given by the Executive;

(iii) the Company's requiring the Executive without her consent to be based at any office or location outside of Riverside or Orange Counties, California except for travel reasonably required in the performance of the Executive's responsibilities; or

(iv) any failure by the Company to obtain the assumption and agreement to perform this Agreement by a successor as contemplated by Section 14(b), provided that the successor has had actual written notice of the existence of this Agreement and its terms and an opportunity to assume the Company's responsibilities under this Agreement during a period of 10 business days after receipt of such notice; and

(v) provided further that, within thirty (30) days following the occurrence of any of the events set forth in the foregoing clauses (i), (ii), (iii) and (iv), the Executive shall have delivered a Notice of Termination (as defined in Section 7(e) below) in accordance with Section 7(e), and, if curable, the Company shall not have promptly cured such circumstances following the Company's receipt of such notice (and if curable and so cured by the Company, then the Executive shall not be permitted to resign for Good Reason).

For the avoidance of doubt, in no event shall (x) the mere occurrence of a Change in Control, (y) the disposition of one or more divisions or business units of MBC or the Company or (z) MBC ceasing to be a public company, absent any further impact on the Executive, be deemed to constitute Good Reason.

(h) "***MBC***" shall mean Monster Beverage Corporation, a Delaware corporation.

(i) "***Plan***" shall mean the Monster Beverage Corporation 2020 Omnibus Incentive Plan, as amended from time to time.

4. Employment Period. The "***Employment Period***" shall be the period commencing February 25, 2026, and ending on February 25, 2028, subject to extension or termination as hereinafter provided. On February 25, 2026, and on each February 25 thereafter,

the Employment Period shall be automatically extended by one (1) additional year unless prior to December 25, 2027, or any subsequent December 25, the Company shall deliver to the Executive or the Executive shall deliver to the Company written notice that the Employment Period will not be extended (a "***Non-Renewal Notice***"), in which case the Employment Period and this Agreement will end at the then scheduled expiration date and shall not be further extended except by contrary written agreement of the Company and the Executive. For the avoidance of doubt, the Company and the Executive expressly acknowledge and agree that neither (i) the election by the Executive to not renew, and therefore to terminate, this Agreement pursuant to this Section 4 nor (ii) the termination of the Executive's employment at the end of the Employment Period in connection with any such election by the Executive hereunder shall give rise to any severance or other payment or benefit to the Executive under this Agreement.

5. Position and Duties. During the Employment Period, the Executive agrees to devote her full business time during normal business hours to the business and affairs of the Company and to use her best efforts to perform faithfully and efficiently the responsibilities assigned to her by the Company's Chief Executive Officer, currently Hilton Schlosberg, the Executive Committee and/or the Board, which responsibilities are consistent and commensurate with her title and position with the Company, all to the extent necessary to discharge such responsibilities. Notwithstanding the foregoing, the Executive may (i) serve on the board, committee and commission of one (1) publicly traded or privately held company so long as any such service (A) is for a company that is in an industry other than the consumer food and beverage products industry and (B) does not disrupt the Executive's business duties, (ii) serve on the boards, committees and commissions of charitable organizations and (iii) manage her personal investments; provided that such activities do not materially interfere with the performance of the Executive's duties, breach Section 13 hereof or otherwise cause a conflict of interest.

6. Compensation.

(a) Base Salary. During the Employment Period, the Executive shall receive a base salary (the "***Base Salary***"), payable bi-weekly or in such other installments as may be agreed upon, which as of the date hereof is at a minimum annual rate of $945,000. The Company shall review the Base Salary annually and in light of such review may, in the discretion of the Compensation Committee, increase the Base Salary, and such adjusted Base Salary shall then constitute the "Base Salary" for purposes of this Agreement.

(b) Bonus. In addition to the Base Salary, the Executive may be granted a bonus ("***Bonus***") as part of the Company's annual incentive award program for senior executives commensurate with the Executive's position, payable at such times, and in such amounts, as set forth in the applicable annual incentive award agreement and which may be fixed from time to time by the Compensation Committee.

(c) Incentive and Savings Plans; Retirement and Life Insurance Programs. In addition to the Base Salary and Bonus payable as hereinabove provided, during the Employment Period, the Executive shall be eligible to participate in (i) incentive and savings plans and programs, including the Plan and any such other stock option plans and equity-based compensation plans, and (ii) in all retirement and life insurance plans, in each case, which the Company may from time to time make available to senior executives of the Company or any affiliated company.

(d) Benefit Plans. During the Employment Period, the Executive, her spouse or domestic partner and the members of her immediate family (to the extent permitted by the applicable plan), as the case may be, shall be entitled to participate in or be covered under all medical, dental, disability, group life, accidental death and travel accident insurance plans and programs of the Company and its affiliated companies (at the most favorable level of participation and providing highest levels of benefits available to her) as in effect (i) on the date hereof or (ii) if more favorable to the Executive, as in effect at any time thereafter with respect to the Executive or other executives with comparable responsibilities. To the extent members of the Executive's immediate family or her domestic partner are not entitled to or not included in the coverage under any of the Company's benefit plans, the Company shall obtain coverage for any such family members on an individual basis.

(e) Club Membership. During the Employment Period, the Company shall pay all initial and annual fees and all other reasonable expenses relating to membership in one (1) business or social club to be selected by the Executive in her sole discretion.

(f) Automobile. During the Employment Period, (i) the Company shall pay all costs and expenses up to (and not to exceed) $12,000.00 annually relating to the purchase or lease, use, and maintenance of a luxury automobile and (ii) the Executive shall be entitled to receive prompt reimbursement of all toll road fees and costs of fuel incurred in connection with her use of her automobile, in each case to be dedicated to the sole use of the Executive.

(g) Air Travel. During the Employment Period, the Executive shall be entitled to fly business class on all flights.

(h) Expenses. During the Employment Period, the Executive shall be entitled to receive prompt reimbursement for all reasonable travel, entertainment and other expenses incurred by the Executive in connection with the performance of her duties hereunder in accordance with such policies and procedures as the Company may from time to time establish.

(i) Vacation and Fringe Benefits. During the Employment Period, the Executive shall be entitled to paid vacation consisting of four (4) weeks per year to be taken at such times selected by the Executive and reasonably acceptable to the Company, such vacation to accrue ratably during the Employment Period; such other paid holidays as may be accorded to employees of the Company.

(j) Expense Reimbursement. It is intended that any expense reimbursement made under this Agreement shall be exempt from Section 409A of the Internal Revenue Code of 1986, as amended (the "***Code***"). Notwithstanding the foregoing, if any expense reimbursement shall be determined to be 'deferred compensation' within the meaning of Section 409A of the Code, including without limitation any reimbursement under Sections 6(e), 6(f) and 6(h), then the reimbursement shall be made to the Executive as soon as practicable after submission of the reimbursement request, but no later than December 31 of the year following the year during which such expense was incurred. Any reimbursement amount provided in one year shall not affect the amount eligible for reimbursement in another year and the right to such reimbursement shall not be subject to liquidation or exchange for another benefit.

7. Termination.

(a) Death or Disability. This Agreement shall terminate automatically upon the Executive's death. The Company may terminate this Agreement, after having established the Executive's Disability, by giving to the Executive written notice of its intention to terminate her employment, and her employment with the Company shall terminate effective on the ninetieth (90th) day after receipt of such notice if, within ninety (90) days after such receipt, the Executive shall fail to return to full-time performance of her duties. For purposes of this Agreement, "***Disability***" means disability which would entitle the Executive to receive full long-term disability benefits under the Company's long-term disability plan, or if no such plan shall then be in effect, any physical or mental disability or incapacity which renders the Executive incapable of performing the services required of her in accordance with her obligations under Section 5 hereof for a period of more than one hundred twenty (120) days in the aggregate during any consecutive twelve (12) month period during the Employment Period.

(b) Voluntary Termination. Notwithstanding anything in this Agreement to the contrary, the Executive may, upon not less than ninety (90) days' written notice to the Company, voluntarily terminate employment for any reason, provided that any termination by the Executive pursuant to Section 7(d) on account of Good Reason shall not be treated as a voluntary termination under this Section 7(b).

(c) Cause. The Company may terminate the Executive's employment for Cause.

(d) Good Reason. The Executive may terminate her employment for Good Reason.

(e) Notice of Termination. Any termination by the Company for Cause or by the Executive for Good Reason shall be communicated by Notice of Termination to the other party hereto given in accordance with Section 16(c). For purposes of this Agreement, a "***Notice of Termination***" means a written notice which (i) indicates the specific termination provision in this Agreement relied upon, (ii) sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated, and (iii) if the termination date is other than the date of receipt of such notice, specifies the termination date of this Agreement (which date, in the event of a termination by the Company for Cause shall be not more than fifteen (15) days after the giving of such notice and, in the event of a termination by the Executive for Good Reason shall be a date at least ten (10) days after delivery of such notice and the expiration of the thirty (30) day cure period and not later than sixty (60) days thereafter). The failure by the Company or the Executive to set forth in the Notice of Termination any fact or circumstance which constitutes or contributes to the showing of Cause or Good Reason, respectively, shall not waive any right of the Company or the Executive, hereunder or preclude the Company or the Executive from thereupon or thereafter respectively asserting such fact or circumstance in enforcing its or her respective rights hereunder.

(f) Date of Termination. For the purpose of this Agreement, the term "***Date of Termination***" means (i) in the case of a termination for which a Notice of Termination is required, the date of receipt of such Notice of Termination or, if later, the date specified therein, as the case may be and (ii) in all other cases, the actual date on which the Executive's employment terminates during or at the end of the Employment Period.

8. Obligations of the Company upon Termination. Upon termination of this Agreement, the Company shall have the following obligations:

(a) Death. If the Executive's employment is terminated during the Employment Period by reason of the Executive's death, the Company shall (i) continue to pay, in accordance with the Company's normal payroll policy, to the Executive's legal representative, the Executive's full Base Salary for a period of one (1) year from the Date of Termination, (ii) provide the Executive's family members with the benefits provided under Sections 6(d) and 6(f) of this Agreement for a period of one (1) year from the Date of Termination, (iii) pay to the Executive's legal representatives any compensation (including any previously earned but unpaid annual Bonus as well as any earned and pro-rated Bonus for the year in which the Date of Termination occurs) previously deferred by the Executive and/or not yet paid by the Company, any accrued and unpaid vacation, pay, and all unreimbursed expenses, and (iv) pay to the Executive's legal representatives any other amounts or benefits owing to the Executive's beneficiaries under the then applicable employee benefit plans or policies of the Company, in accordance with the terms thereof (such amounts specified in clauses (iii) and (iv) are hereinafter referred to as "***Accrued Obligations***").

(b) Disability. If the Executive's employment is terminated by reason of the Executive's Disability, the Company shall (i) continue to pay, in accordance with the Company's normal payroll policy, to the Executive or the Executive's legal representatives, as applicable, the Executive's full Base Salary for a period of one (1) year from the Date of Termination, (ii) provide the Executive and the Executive's family members with the benefits provided under Sections 6(d) and 6(f) of this Agreement for a period of one (1) year from the Date of Termination, and (iii) pay or provide to the Executive, the Executive's legal representatives, and/or the Executive's family members, each as applicable, all Accrued Obligations as of such Date of Termination.

(c) Non-Renewal by the Executive. If, during the Employment Period, the Executive's employment shall be terminated due to the Executive giving a Non-Renewal Notice, the Company shall pay the Executive all Base Salary and benefits to which the Executive is entitled pursuant to Section 6 through the Date of Termination and the Accrued Obligations. Unless otherwise directed by the Executive, the Executive shall be paid all such Accrued Obligations in a lump sum in cash within thirty (30) days of the Date of Termination and the Company shall have no further obligations to the Executive under this Agreement.

(d) Termination by the Company for Cause. If, during the Employment Period, the Executive's employment shall be terminated by the Company for Cause, the Company shall pay to the Executive the Accrued Obligations, other than any previously earned but unpaid annual Bonus or any earned or pro-rated Bonus for the year in which such Date of Termination occurs.

(e) Voluntary Termination by the Executive. If, during the Employment Period, the Executive's employment shall be terminated by the Executive (other than on account of Good Reason), the Company shall pay to the Executive the Accrued Obligations.

(f) Termination by the Company other than for Cause or Disability and Termination by the Executive for Good Reason. At any time during the Employment Period, the Executive's employment may be terminated by (i) the Company (A) giving a Non-Renewal Notice or (B) other than for Cause or Disability, which the Company shall be entitled to do at any time, or (ii) the Executive for Good Reason (each as applicable, a "***Qualifying Termination***"), in which case, the Company shall pay or provide to the Executive the following, subject to the Executive's and the Company's execution and non-revocation of a mutually agreed and reasonable and standard severance agreement (which will include, among other things, a mutual release of all claims by the Executive and the Company against the other and the other's affiliates) (the "***Release***") within sixty (60) days following the Date of Termination:

(i) the Accrued Obligations;

(ii) twelve (12) months of the Executive's Base Salary, at the rate in effect on the Date of Termination (the "***Cash Severance Amount***"), payable in substantially equal installments consistent with the Company's payroll practices during the twelve (12) month period commencing on the second regularly scheduled payroll date after the effectiveness of the Release (such period, the "***Severance Period***"); and

(iii) for the period from the Date of Termination through the earlier of (a) the date which is twelve (12) months from the Date of Termination and (b) the date upon which the Executive and the Executive's eligible dependents become covered under similar plans (as applicable, the "***COBRA Coverage Expiration Date***"), the Company shall provide to the Executive, her spouse or domestic partner and members of her immediate family, as the case may be, the benefits described in Section 6(d) on the same terms as described in Section 6(d), provided the Executive validly elects to continue coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("***COBRA***").

(g) Termination by the Company other than for Cause or Disability and Termination by the Executive for Good Reason during a Change in Control Period. If a Qualifying Termination occurs during a Change in Control Period, the Company shall pay or provide to the Executive the entitlements described in Section 8(f) in the same manner contemplated by Section 8(f) except that (i) (a) the Cash Severance Amount and (b) the Severance Period shall each be increased by an additional six (6) months, (ii) the Executive shall receive one and one-half (1.5) times the Executive's annual Bonus (payable in the same manner as the Cash Severance Amount set forth in clause (i)), and (iii) the COBRA Coverage Expiration Date shall be the earlier of (a) the date which is eighteen (18) months from the Date of Termination and (b) the date upon which the Executive and the Executive's eligible dependents become covered under similar plans, in each case subject to the Executive's and the Company's execution and non-revocation of the Release within sixty (60) days following the Date of Termination.

(h) Discharge of the Company's Obligations. Subject to the performance of its obligations under Sections 8(f) and 8(g), the Company shall have no further obligations to the Executive under this Agreement in respect of any termination by the Executive for Good Reason or by the Company (A) by giving a Non-Renewal Notice or (B) other than for Cause or Disability, except to the extent expressly provided under Sections 12 or 14 hereof or under any of the plans referred to in Sections 6(c) or 6(d) hereof.

9. Non-exclusivity of Rights. Except as expressly provided herein, nothing in this Agreement shall prevent or limit the Executive's future participation in any benefit, bonus, incentive or other plan or program provided by the Company or any of its affiliated companies and for which the Executive may qualify, nor shall anything herein limit or otherwise prejudice such rights as the Executive may have under any other agreements the Executive may execute with the Company or any of its affiliated companies. Amounts which are vested benefits or which the Executive is otherwise entitled to receive under any plan or program of the Company or any of its affiliated companies at or subsequent to the Date of Termination shall be payable in accordance with such plan or program.

10. 280G. Notwithstanding any provision of this Agreement to the contrary, if any amount or benefit to be paid or provided under this Agreement or otherwise would be an "Excess Parachute Payment," within the meaning of Section 280G of the Code, but for the application of this sentence, then the payments and benefits to be paid or provided under this Agreement will either be (i) reduced to the minimum extent necessary (but in no event to less than zero) so that no portion of any such payment or benefit, as so reduced, constitutes an Excess Parachute Payment or (ii) delivered in full, whichever of the foregoing amounts, taking into account the applicable federal, state and local income and employment taxes and the excise tax (and any equivalent state of local excise taxes), results in the receipt by the Executive, on an after-tax basis, of the greatest amount of payment or benefits, notwithstanding that all or some portion of such payments or benefits may be subject to the excise tax. The fact that the Executive's right to payments or benefits may be reduced by reason of the limitations contained in this Section 10 will not of itself limit or otherwise affect any other rights of the Executive other than pursuant to this Agreement. In the event that any payment or benefit intended to be provided under this Agreement or otherwise is required to be reduced pursuant to this Section 10, cash severance payable hereunder shall be reduced first, then other cash payments that qualify as Excess Parachute Payments payable to the Executive, then non-cash benefits shall be reduced, as determined by the Company.

11. Full Settlement. Except for the execution and delivery of any required Release or as provided in Section 8(f)(ii) or 8(g), the Company's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any circumstances, including, without limitation, any set-off, counterclaim, recoupment, defense or other right which the Company may have against the Executive or others whether by reason of the subsequent employment of the Executive or otherwise. In no event shall the Executive be obligated to seek other employment by way of mitigation of the amounts payable to the Executive under any of the provisions of this Agreement. In the event that the Executive shall in good faith give a Notice of Termination for Good Reason and it shall thereafter be determined that Good Reason did not take place, the employment of the Executive shall, unless

the Company and the Executive shall otherwise mutually agree, be deemed to have terminated, at the date of giving such purported Notice of Termination, by mutual consent of the Company and the Executive and, except as provided in the last preceding sentence, the Executive shall be entitled to receive only those payments and benefits which she would have been entitled to receive at such date had she terminated her employment voluntarily at such date under this Agreement. In the event that the Company shall give a Notice of Termination for Cause and it shall thereafter be determined that Cause did not take place, exist or occur, the employment of the Executive shall, unless the Company and the Executive shall otherwise mutually agree, be deemed terminated under a Qualifying Termination and the Executive shall be entitled to receive those payments and benefits (with all such payments and benefits due but previously unpaid being made or provided within ten (10) days after such determination) which Executive would have been entitled to receive under Section 8(f) of this Agreement at the applicable Date of Termination.

12. Legal Fees and Expenses. In the event that a claim or payment or benefits under this Agreement is disputed, the Company shall pay all reasonable attorney fees and expenses incurred by the Executive in pursuing such claim, provided that the Executive is successful as to at least a reasonable part of the disputed claim by reason of arbitration (as set forth in Section 16(g)) or settlement.

13. Special Obligations of the Executive. The Executive acknowledges and agrees that all the terms and conditions contained in the Confidential Information, Invention and Original Works Assignment Agreement to which the Executive is a party to with the Company or MBC, together with any other similar agreement, is hereby incorporated by reference herein and shall remain unchanged and in full force and effect. In addition, the Executive acknowledges and agrees to be bound by the following:

(a) Confidential Information. The Executive shall hold in a fiduciary capacity for the benefit of the Company all secret or confidential information, knowledge or data relating to the Company or any of its affiliated companies, and their respective businesses, obtained by the Executive during her employment by the Company or any of its affiliated companies ("***Confidential Information***"). Confidential Information shall not include any information that is in the public domain or becomes known in the public domain through no wrongful or other unauthorized act by the Executive. During and after the Employment Period, the Executive shall not without the prior written consent of the Company, unless compelled pursuant to an order of a court or other body having jurisdiction over such matter, communicate or divulge any such Confidential Information to anyone other than the Company and those designated by it. The Executive is hereby notified in accordance with the Federal Defend Trade Secrets Act that the Executive will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney in confidence solely for the purpose of reporting or investigating a suspected violation of law, or if the disclosure of a trade secret is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. If the Executive files a lawsuit for retaliation against the Company for reporting a suspected violation of law, the Executive may disclose the Company's trade secrets to her attorney in confidence and use the trade secret information in the court proceeding if the Executive files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order.

In no event shall an asserted violation of the provisions of this Section 13(a) constitute a basis for deferring or withholding any amounts otherwise payable to the Executive under this Agreement.

(b) Non-Solicitation. During the Employment Period and the twelve (12) month period following the Executive's termination of employment for any reason, the Executive shall not (i) solicit, recruit or hire, or attempt to solicit, recruit or hire, any full-time or exclusive employees of the Company or persons who have exclusively worked for the Company during the twelve (12) month period immediately preceding such solicitation, recruitment or hiring or attempt thereof or (ii) assist any person in any way to do, or attempt to do, any of the foregoing.

(c) Remedies and Injunctive Relief. The Executive acknowledges that a violation by the Executive of any of the covenants contained in this Section 13 would cause irreparable damage to the Company in an amount that would be material but not readily ascertainable, and that any remedy at law (including the payment of damages) would be inadequate. Accordingly, the Executive agrees that, notwithstanding any provision of this Agreement to the contrary, the Company may be entitled (without the necessity of showing economic loss or other actual damage and without the requirement to post bond) to injunctive relief (including temporary restraining orders, preliminary injunctions and/or permanent injunctions) in any court of competent jurisdiction for any actual or threatened breach of any of the covenants set forth in this Section 13 in addition to any other legal or equitable remedies it may have. The preceding sentence shall not be construed as a waiver of the rights that the Company may have for damages under this Agreement or otherwise, and all of the Company's rights shall be unrestricted, and notwithstanding the fact that any such provision may be determined not to be subject to specific performance, the Company will nevertheless be entitled to seek to recover monetary damages as a result of the Executive's breach of such provision.

(d) Additional Acknowledgments. The Executive acknowledges that the provisions of this Section 13 are in consideration of: (i) employment with the Company and (ii) additional good and valuable consideration as set forth in this Agreement. The Executive acknowledges that the Executive has carefully read this Agreement and consulted with legal counsel of the Executive's choosing regarding its contents, has given careful consideration to the restraints imposed upon the Executive by this Agreement and is in full accord as to their necessity for the reasonable and proper protection of confidential and proprietary information of the Company and its affiliated companies now existing or to be developed in the future.

14. Successors.

(a) This Agreement is personal to the Executive and, without the prior written consent of the Company, shall not be assignable by the Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal representatives.

(b) This Agreement shall inure to the benefit of and be binding upon the Company and its successors. The Company shall require any successor to all or substantially all of the business and/or assets of the Company, whether direct or indirect, by purchase, merger, consolidation, acquisition of stock, or otherwise, by an agreement in form and substance satisfactory to the Executive, expressly to assume and agree to perform this Agreement in the same manner and to the same extent as the Company would be required to perform if no such succession had taken place. For purposes of this Section 14(b), the term "Company" shall include the Company and MBC.

15. Section 409A. This Agreement shall be interpreted and administered in compliance with Section 409A of the Code. Any term used in this Agreement which is defined in Code Section 409A or the regulations promulgated thereunder (the "***Regulations***") shall have the meaning set forth therein unless otherwise specifically defined herein. Any obligations under this Agreement that arise in connection with the Executive's "termination of employment," "termination" or other similar references shall only be triggered if the termination of employment or termination qualifies as a "separation from service" within the meaning of §1.409A-1(h) of the Regulations. Each installment payment hereunder shall be deemed to be a separate payment for purposes of Code Section 409A. Notwithstanding any other provision of this Agreement, (i) if at the time of the termination of the Executive's employment, the Executive is a "specified employee," as defined in Section 409A or the Regulations, and any payments upon such termination under this Agreement hereof will result in additional tax or interest to the Executive under Code Section 409A, the Executive will not be entitled to receive such payments until the date which is six (6) months after the termination of the Executive's employment for any reason, other than as a result of the Executive's death or disability (as such term is defined in Code Section 409A or the Regulations), (ii) in any circumstance in which the definition of "Disability" under this Agreement would otherwise be operative and with respect to which the additional tax under Code Section 409A would apply or be imposed, but where such tax would not apply or be imposed if the meaning of the term "Disability" met the requirements of Section 409A(a)(2)(A)(ii) of the Code, then the term "Disability" herein shall mean, but only for the circumstances so affected and the item of income with respect to which the additional tax under Code Section 409A would otherwise be imposed, a "disability" within the meaning of Treasury Regulations Section 1.409A-3(i)(4) and (iii) to the extent any review and revocation period with respect to a release of claims begins in one calendar year and ends in a second calendar year, no payment (or payments) which may become due and payable pursuant to this Agreement shall begin to be paid by the Company (or its applicable assignee or delegee) until the second calendar year. In addition, if any provision of this Agreement would subject the Executive to any additional tax or interest under Code Section 409A, then the Company shall reform such provision; provided that the Company shall (x) maintain, to the maximum extent practicable, the original intent of the applicable provision without subjecting the Executive to such additional tax or interest and (y) not incur any additional compensation expense as a result of such reformation.

16. Miscellaneous.

(a) Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California, applied without reference to principles of conflict of laws.

(b) Amendments. This Agreement may not be amended or modified otherwise than by a written agreement executed by the parties hereto or their respective successors and legal representatives.

(c) Notices. All notices and other communications hereunder shall be in writing and shall be given by hand-delivery to the other party or by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Executive:

At the address shown on the records of the Company

If to the Company:

Monster Energy Company
1 Monster Way
Corona, California 92879
Attention: Executive Vice President and General Counsel

or to such other address as either party shall have furnished to the other in writing in accordance herewith. Notice and communications shall be effective when actually received by the addressee.

(d) Tax Withholding. The Company may withhold from any amounts payable under this Agreement such federal, state or local taxes as shall be required to be withheld pursuant to any applicable law or regulation.

(e) Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

(f) Captions. The captions of this Agreement are not part of the provisions hereof and shall have no force or effect.

(g) Arbitration. Except with respect to the rights of the Company to apply to a court of law or equity for equitable relief in the event of the breach by the Executive of any of the provisions of Section 13 of this Agreement, or as may be otherwise required by law, any controversy or claim arising out of or relating to the Executive's employment with the Company or any agents of the Company shall be settled by arbitration administered by the JAMS' rules for the resolution of employment disputes in Orange County, California, and judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof. The applicable JAMS' rules may be viewed on line at http://www.jamsadr.com/rules-employment-arbitration. In the spirit of expeditious and efficient resolution of any disputes, the Executive and the Company also agree that any dispute between the parties shall be resolved without the inclusion of any other employees or third parties included as parties to the arbitration proceeding, be it as individuals, as part of a collective action, or as part of a representative class, unless both the Executive and the Company agree to such consolidation after a dispute has arisen. If any part of this paragraph is deemed unenforceable the Executive and the Company further agree that it may be severed without affecting the other terms of this Agreement, including the requirement to arbitrate all disputes.

(h) Entire Agreement. This Agreement, together with the agreements expressly referenced herein, contains the entire agreement between the parties with respect to the subject matter hereof, supersedes the Original Employment Agreement and there are no agreements, understandings, representations or warranties between the parties other than those set forth or referred to herein.

[*Remainder of page intentionally left blank; Signature page follows*]

IN WITNESS WHEREOF, the Executive has hereunto set her hand and the Company has caused this Agreement to be executed in its name on its behalf, all as of the day and year first above written.

MONSTER ENERGY COMPANY

By: /s/ Hilton Schlosberg
Name: Hilton H. Schlosberg
Title: Chief Executive Officer

EXECUTIVE:

/s/ Emelie Tirre
Emelie Tirre

*[Signature Page to Employment Agreement]*

**AMENDED & RESTATED EMPLOYMENT AGREEMENT**

THIS AMENDED AND RESTATED EMPLOYMENT AGREEMENT (this "***Agreement***"), dated as of February 25, 2026, is entered into by and between MONSTER ENERGY COMPANY, a Delaware corporation (the "***Company***"), and Rob Gehring (the "***Executive***").

WHEREAS, the Company and the Executive are parties to that certain Employment Agreement, dated as of May 12, 2024 (the "***Original Employment Agreement***"); and

WHEREAS, the Company and the Executive desire to amend and restate the Original Employment Agreement and replace the Original Employment Agreement with this Agreement.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, and other good and valuable consideration, the Company and the Executive agree as follows:

1. Amendment and Restatement of the Original Employment Agreement. The Original Employment Agreement is hereby amended and restated, effective February 25, 2026, and the Original Employment Agreement is void and shall have no further force or effect as of such date.

2. Employment. The Company shall employ the Executive and the Executive agrees to serve in the role of the Company's Chief Executive Officer, Americas, based in the Corona, California area, in such capacities and upon such conditions as are hereinafter set forth. In such role, the Executive shall report directly to the Company's Chief Executive Officer, currently Hilton Schlosberg (the "***CEO***"), and/or the Board or its Executive Committee.

3. Definitions.

(a) "***Board***" shall mean the Board of Directors of MBC.

(b) "***Cause***" shall mean:

(i) an act or acts of dishonesty or gross misconduct on the Executive's part which result in or are intended to result in material damage to the Company's business or reputation; or

(ii) repeated material violations by the Executive of his obligations under Section 5 of this Agreement which violations are demonstrably willful and deliberate on the Executive's part and which result in material damage to the Company's business or reputation and as to which material violations the Executive Committee or the Board has notified the Executive in writing.

(c) "***Change in Control***" shall have the meaning set forth in the Plan.

(d) "***Change in Control Period***" shall mean the period beginning on the date of a Change in Control and ending twenty-four (24) months following such Change in Control.

(e) "***Compensation Committee***" means the Compensation Committee of the Board.

(f) "***Executive Committee***" means the Executive Committee of the Board.

(g) "***Good Reason***" shall mean:

(i) without the written consent of the Executive, (A) the assignment to the Executive of any duties inconsistent in any substantial respect with the Executive's position, authority or responsibilities as contemplated by Section 5 of this Agreement, or (B) any other substantial adverse change in such position, including titles, authority or responsibilities;

(ii) any failure by the Company to comply with any of the provisions of this Agreement, other than an insubstantial or inadvertent failure remedied by the Company promptly after receipt of notice thereof given by the Executive;

(iii) the Company's requiring the Executive without his consent to be based at any office or location outside of Riverside or Orange Counties, California except for travel reasonably required in the performance of the Executive's responsibilities; or

(iv) any failure by the Company to obtain the assumption and agreement to perform this Agreement by a successor as contemplated by Section 14(b), provided, that, the successor has had actual written notice of the existence of this Agreement and its terms and an opportunity to assume the Company's responsibilities under this Agreement during a period of 10 business days after receipt of such notice; and

(v) provided further, that, within thirty (30) days following the occurrence of any of the events set forth in the foregoing clauses (i), (ii), (iii), and (iv), the Executive shall have delivered a Notice of Termination (as defined in Section 7(e) below) in accordance with Section 7(e), and, if curable, the Company shall not have promptly cured such circumstances following the Company's receipt of such notice (and if curable and so cured by the Company, then the Executive shall not be permitted to resign for Good Reason).

For the avoidance of doubt, in no event shall (x) the mere occurrence of a Change in Control, (y) the disposition of one or more divisions or business units of MBC or the Company or (z) MBC ceasing to be a public company, absent any further impact on the Executive, be deemed to constitute Good Reason.

(h) "***MBC***" shall mean Monster Beverage Corporation, a Delaware corporation.

(i) "***Plan***" shall mean the Monster Beverage Corporation 2020 Omnibus Incentive Plan, as amended from time to time.

4. Employment Period. The "***Employment Period***" shall be the period commencing February 25, 2026 (such date, the "***Commencement Date***"), and ending on the date one (1) day prior to the second anniversary of the Commencement Date, subject to extension or termination as hereinafter provided. On the second anniversary of the Commencement Date, and on each subsequent anniversary of the Commencement Date thereafter, the Employment Period

shall be automatically extended by one (1) additional year unless, not less than sixty (60) days prior to such applicable and next ensuing anniversary date, the Company shall deliver to the Executive or the Executive shall deliver to the Company written notice that the Employment Period will not be extended (a "***Non-Renewal Notice***"), in which case the Employment Period and this Agreement will end at the then scheduled expiration date and shall not be further extended except by contrary written agreement of the Company and the Executive. For the avoidance of doubt, the Company and the Executive expressly acknowledge and agree that neither (i) the election by the Executive to not renew, and therefore to terminate, this Agreement pursuant to this Section 4 nor (ii) the termination of the Executive's employment at the end of the Employment Period in connection with any such election by the Executive hereunder shall give rise to any severance or other payment or benefit to the Executive under this Agreement.

5. Position and Duties. During the Employment Period, the Executive agrees to devote his full business time during normal business hours to the business and affairs of the Company and to use his best efforts to perform faithfully and efficiently the responsibilities assigned to him by the CEO, Executive Committee and/or the Board, which responsibilities are consistent and commensurate with his title and position with the Company, all to the extent necessary to discharge such responsibilities. Notwithstanding the foregoing, the Executive may (i) continue to serve as a founder, advisor and member of the governing board of Delicious AI, LLC, (the "***Delicious AI Activities***") and, beyond Delicious AI, LLC, serve on the board, committee and commission of one (1) additional publicly traded or privately held company so long as any such service (A) is for a company that is in an industry other than the consumer food and beverage products industry (it being agreed that the provision by Delicious AI, LLC of its three dimensional photo recognition and imaging technology for use by organizations engaged in the food and beverage products industry shall not constitute a violation of this sub-clause (A) as long as Delicious AI, LLC does not itself directly engage in the manufacture and distribution to consumers of food and beverage products) and (B) does not disrupt the Executive's business duties, (ii) serve on the boards, committees and commissions of charitable organizations; (iii) subject to the prior approval of the Company's human resources and compliance personnel, perform public speaking, panel discussion, or other similar professional (industry related) presentations and (iv) manage his personal investments; provided, that, such activities do not materially interfere with the performance of the Executive's duties, breach Section 13 hereof or otherwise cause a conflict of interest.

6. Compensation.

(a) Base Salary. During the Employment Period, the Executive shall receive a base salary (the "***Base Salary***"), payable bi-weekly or in such other installments as may be agreed upon, which as of the date hereof is at a minimum annual rate of $875,000. The Company shall review the Base Salary annually and in light of such review may, in the Company's sole discretion increase the Base Salary, and such adjusted Base Salary shall then constitute the "Base Salary" for purposes of this Agreement.

(b) Bonus. In addition to the Base Salary, the Executive may be granted a bonus ("***Bonus***") as part of the Company's annual incentive award program for senior executives commensurate with the Executive's position, payable at such times, and in such amounts, as set forth in the applicable annual incentive award agreement and which may be fixed from time to time by the Compensation Committee.

(c) Incentive and Savings Plans; Retirement and Programs. In addition to the Base Salary and Bonus payable as hereinabove provided, during the Employment Period, the Executive shall be eligible to receive and/or participate in the following plans and program which the Company may from time to time make available to employees of the Company or any affiliated company:

(i) Long-Term Incentive Compensation Plan. On September 3, 2024 (such date, the "***Grant Date***"), the Executive received a one-time equity award, as set forth on Schedule A attached hereto (the "***Initial Grant***"). The Company will also include the Executive in the Company's annual long term incentive (LTI) program for senior executives commensurate with the Executive's position, which shall include stock options, restricted stock units and performance share units, subject to the Executive's continued employment with the Company on the applicable grant date of any such award (the "***Subsequent Grants***"). The terms of any such Subsequent Grants shall be determined in the Company's sole discretion in accordance with the Plan and the underlying Award Agreements and which may be fixed from time to time by the Compensation Committee.

(ii) 401(k) Retirement Plan. The Company currently administers a 401(k) defined contribution plan. During the Employment Period, the Company may make a matching contribution to its 401(k) plan and is currently matching 50% of employee deferrals up to 8% of eligible pay on a per pay period basis. Eligible employees will be automatically enrolled into the 401(k) Plan at a 4% pre-tax contribution rate, effective as of the benefit eligibility date which is the first day of the month following thirty (30) days of employment. The Executive may change his contribution amount or opt out of the 401(k) plan.

(d) Benefit Plans. During the Employment Period, the Executive, his spouse or domestic partner and the members of his immediate family (to the extent permitted by the applicable plan), as the case may be, shall be entitled to participate in and will be fully covered under all medical, dental, disability, group life, accidental death and travel accident insurance plans and programs of the Company and its affiliated companies as in effect on the date hereof or at any time thereafter with respect to the Executive or other executives with comparable responsibilities.

(e) Club Membership. During the Employment Period, the Company shall pay the initiation fee and annual country club membership dues in one (1) business or social club to be selected by the Executive in his sole discretion.

(f) Automobile. During the Employment Period, (i) the Company shall pay all costs and expenses up to (and not to exceed) $1,000.00 monthly (or $12,000.00 annually) relating to the purchase or lease, use, and maintenance of an automobile and (ii) the Executive shall be entitled to receive prompt reimbursement of all toll road fees and costs of fuel incurred in connection with his use of his automobile, in each case to be dedicated to the sole use of the Executive.

(g) Air Travel. During the Employment Period, the Executive shall be entitled to fly business class on all flights.

(h) Relocation. To assist with the Executive's relocation, (i) the Company agrees to provide relocation support in accordance with the Company's relocation reimbursement standards, including the costs associated with short term lodging, short term transportation, and the packing and moving of any household goods and vehicles and (ii) the Company will further assist with home sale expenses incurred in the sale of the Executive's current home in Heber City, Utah, up to a maximum of $100,000.00 (the "***Home Sale Expenses***"). The Executive acknowledges that the Company has no further obligation to pay or reimburse the Executive for any such similar expenses described above under this paragraph. Expenses are subject to reimbursement based on Executive's submission of reasonable receipts or documents substantiating the same and shall be paid to the Executive in accordance with Section 5(j). Home Sale Expenses include, but are not limited to, any costs associated with the buying and selling of the Executive's current and new residential properties such as realtor commissions.

(i) Expenses. During the Employment Period, the Executive shall be entitled to receive reimbursement for business-related expenses as documented by the Executive according to the Internal Revenue Service guidelines and in accordance with the Company's policy on such expenditures. Travel and accommodations while the Executive is on business are to be conducted in accordance with the Company's expense policies in effect from time to time.

(j) Vacation. During the Employment Period, the Executive will receive 6.154 vacation hours per pay period (annualized to one hundred sixty (160) hours (four (4) weeks)). Vacation accrual and terms are subject to the provisions of the Company's vacation policy in effect from time to time.

(k) Expense Reimbursement. It is intended that any expense reimbursement made under this Agreement shall be exempt from Section 409A of the Internal Revenue Code of 1986, as amended (the "***Code***"). Notwithstanding the foregoing, if any expense reimbursement shall be determined to be 'deferred compensation' within the meaning of Section 409A of the Code, including without limitation any reimbursement under Sections 6(e), 6(f), 6(h) and 6(i), then the reimbursement shall be made to the Executive as soon as practicable after submission of the reimbursement request, but no later than December 31 of the year following the year during which such expense was incurred. Any reimbursement amount provided in one year shall not affect the amount eligible for reimbursement in another year and the right to such reimbursement shall not be subject to liquidation or exchange for another benefit.

7. Termination.

(a) Death or Disability. This Agreement shall terminate automatically upon the Executive's death. The Company may terminate this Agreement, after having established the Executive's Disability, by giving to the Executive written notice of its intention to terminate his employment, and his employment with the Company shall terminate effective on the ninetieth (90th) day after receipt of such notice if, within ninety (90) days after such receipt, the Executive shall fail to return to full-time performance of his duties. For purposes of this Agreement, "***Disability***" means disability which would entitle the Executive to receive full long-term disability benefits under the Company's long-term disability plan, or if no such plan shall then be in effect, any physical or mental disability or incapacity which renders the Executive incapable of performing the services required of him in accordance with his obligations under Section 5 hereof for a period of more than one hundred twenty (120) days in the aggregate during any consecutive twelve (12) month period during the Employment Period.

(b) Voluntary Termination. Notwithstanding anything in this Agreement to the contrary, the Executive may, upon not less than ninety (90) days' written notice, voluntarily terminate employment for any reason; provided, that, any termination by the Executive pursuant to Section 7(d) on account of Good Reason shall not be treated as a voluntary termination under this Section 7(b).

(c) Cause. The Company may terminate the Executive's employment for Cause.

(d) Good Reason. The Executive may terminate his employment for Good Reason.

(e) Notice of Termination. Any termination by the Company for Cause or by the Executive for Good Reason shall be communicated by Notice of Termination to the other party hereto given in accordance with Section 16(c). For purposes of this Agreement, a "***Notice of Termination***" means a written notice which (i) indicates the specific termination provision in this Agreement relied upon, (ii) sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated, and (iii) if the termination date is other than the date of receipt of such notice, specifies the termination date of this Agreement (which date, in the event of a termination by the Company for Cause shall be not more than fifteen (15) days after the giving of such notice and, in the event of a termination by the Executive for Good Reason, shall be a date at least ten (10) days after delivery of such notice and the expiration of the thirty (30) day cure period and not later than sixty (60) days thereafter). The failure by the Company or the Executive to set forth in the Notice of Termination any fact or circumstance which constitutes or contributes to the showing of Cause or Good Reason, respectively, shall not waive any right of the Company or the Executive, hereunder or preclude the Company or the Executive from thereupon or thereafter respectively asserting such fact or circumstance in enforcing its or his respective rights hereunder.

(f) Date of Termination. For the purpose of this Agreement, the term "***Date of Termination***" means (i) in the case of a termination for which a Notice of Termination is required, the date of receipt of such Notice of Termination or, if later, the date specified therein, as the case may be and (ii) in all other cases, the actual date on which the Executive's employment terminates during or at the end of the Employment Period.

8. Obligations of the Company upon Termination. Upon termination of this Agreement the Company shall have the following obligations:

(a) Death. If the Executive's employment is terminated during the Employment Period by reason of the Executive's death, the Company shall (i) continue to pay, in accordance with the Company's normal payroll policy, to the Executive's legal representative, the Executive's full Base Salary for a period of one (1) year from the Date of Termination, (ii) provide the Executive's family members with the benefits provided under Sections 6(d) and 6(f) of this Agreement for a period of one (1) year from the Date of Termination, (iii) pay to the Executive's legal representatives any compensation (including any previously earned but unpaid annual Bonus as well as any earned and pro-rated Bonus for the year in which the Date of Termination occurs) previously deferred by the Executive and/or not yet paid by the Company, any accrued and unpaid vacation, pay, and all unreimbursed expenses, and (iv) pay to the Executive's legal representatives any other amounts or benefits owing to the Executive's beneficiaries under the then applicable employee benefit plans or policies of the Company, in accordance with the terms thereof (such amounts specified in clauses (iii) and (iv) are hereinafter referred to as the "***Accrued Obligations***").

(b) Disability. If the Executive's employment is terminated by reason of the Executive's Disability, the Company shall (i) continue to pay, in accordance with the Company's normal payroll policy, to the Executive or the Executive's legal representatives, as applicable, the Executive's full Base Salary for a period of one (1) year from the Date of Termination, (ii) provide the Executive and the Executive's family members with the benefits provided under Sections 6(d) and 6(f) of this Agreement for a period of one (1) year from the Date of Termination, (iii) pay or provide to Executive, Executive's legal representatives, and/or the Executive's family members, each as applicable, all Accrued Obligations as of such Date of Termination.

(c) Termination by the Company for Cause. If, during the Employment Period, the Executive's employment shall be terminated by the Company for Cause, the Company shall pay to the Executive the Accrued Obligations, other than any previously earned but unpaid annual Bonus or any earned or pro-rated Bonus for the year in which such Date of Termination occurs.

(d) Voluntary Termination by the Executive. If, during the Employment Period, the Executive's employment shall be terminated by the Executive (other than on account of Good Reason), the Company shall pay to the Executive the Accrued Obligations.

(e) Termination by the Company other than for Cause or Disability; Termination by the Executive for Good Reason. At any time during the Employment Period, the Executive's employment may be terminated by (i) the Company other than for Cause or Disability, which the Company shall be entitled to do at any time or (ii) the Executive for Good Reason (each as applicable, a "***Qualifying Termination***"), in which case, the Company shall pay or provide to the Executive the following, subject to the Executive's and the Company's execution and non-revocation of a mutually agreed and reasonable and standard severance agreement (which will include, among other things, a mutual release of all claims by the Executive and the Company against the other and the other's affiliates) (the "***Release***") within sixty (60) days following the Date of Termination:

(i) the Accrued Obligations;

(ii) twelve (12) months of the Executive's Base Salary, at the rate in effect on the Date of Termination (the "***Cash Severance Amount***"), payable in substantially equal installments consistent with the Company's payroll practices during the twelve (12) month period commencing on the second regularly scheduled payroll date after the effectiveness of the Release (such period, the "***Severance Period***");

(iii) for the period from the Date of Termination through the earlier of (a) the date which is twelve (12) months from the Date of Termination and (b) the date upon which the Executive and the Executive's eligible dependents become covered under similar plans (as applicable, the "***COBRA Coverage Expiration Date***"), the Company shall provide to the Executive, his spouse or domestic partner and members of his immediate family, as the case may be, the benefits described in Section 6(d) on the same terms as described in Section 6(d), provided, that, the Executive validly elects to continue coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (COBRA); and

(iv) solely with respect to the restricted stock units granted to the Executive under the Initial Grant, such restricted stock units shall be subject to the provisions set forth on Schedule A.

(f) Termination by the Company other than for Cause or Disability and Termination by the Executive for Good Reason during a Change in Control Period. If a Qualifying Termination occurs during a Change in Control Period, the Company shall pay or provide to the Executive the entitlements described in Section 8(e) in the same manner contemplated by Section 8(e) except that (i) (a) the Cash Severance Amount and (b) the Severance Period shall each be increased by an additional six (6) months, (ii) the Executive shall receive one and one-half (1.5) times the Executive's annual Bonus (payable in the same manner as the Cash Severance Amount set forth in clause (i)), and (iii) the COBRA Coverage Expiration Date shall be the earlier of (a) the date which is eighteen (18) months from the Date of Termination and (b) the date upon which the Executive and the Executive's eligible dependents become covered under similar plans, in each case subject to the Executive's and the Company's execution and non-revocation of the Release within sixty (60) days following the Date of Termination.

(g) Termination by the Company giving a Non-Renewal Notice. At any time during the Employment Period, the Executive's employment may be terminated at the end of the Employment Period by the Company giving a Non-Renewal Notice, which the Company shall be entitled to do at any time in accordance with Section 4. In the event the Executive's employment is terminated by the Company giving a Non-Renewal Notice, the Company shall pay or provide to the Executive the entitlements described in Sections 8(e)(i), (ii) and (iii) in the same manner contemplated by Sections 8(e)(i), (ii) and (iii), such that (i) (a) the Cash Severance Amount and (b) the Severance Period shall each be determined for a twelve (12) month period and (ii) the COBRA Coverage Expiration Date shall be the earlier of (a) the date which is twelve (12) months from the Date of Termination and (b) the date upon which the Executive and the Executive's eligible dependents become covered under similar plans, in each case subject to the Executive's and the Company's execution and non-revocation of the Release within sixty (60) days following the Date of Termination.

(h) Discharge of the Company's Obligations. Subject to the performance of its obligations under Sections 8(e), 8(f) and 8(g), the Company shall have no further obligations to the Executive under this Agreement in respect of any termination by the Executive for Good Reason or by the Company (A) other than for Cause or Disability or (B) by giving a Non-Renewal Notice, except to the extent expressly provided under Sections 12 or 14 hereof or under any of the plans referred to in Sections 6(c) or 6(d) hereof.

9. Non-exclusivity of Rights. Except as expressly provided herein, nothing in this Agreement shall prevent or limit the Executive's future participation in any benefit, bonus, incentive or other plan or program provided by the Company or any of its affiliated companies and for which the Executive may qualify, nor shall anything herein limit or otherwise prejudice such rights as the Executive may have under any other agreements the Executive may execute with the Company or any of its affiliated companies. Amounts which are vested benefits or which the Executive is otherwise entitled to receive under any plan or program of the Company or any of its affiliated companies at or subsequent to the Date of Termination shall be payable in accordance with such plan or program.

10. 280G. Notwithstanding any provision of this Agreement to the contrary, if any amount or benefit to be paid or provided under this Agreement or otherwise would be an "Excess Parachute Payment," within the meaning of Section 280G of the Code, but for the application of this sentence, then the payments and benefits to be paid or provided under this Agreement will either be (i) reduced to the minimum extent necessary (but in no event to less than zero) so that no portion of any such payment or benefit, as so reduced, constitutes an Excess Parachute Payment or (ii) delivered in full, whichever of the foregoing amounts, taking into account the applicable federal, state and local income and employment taxes and the excise tax (and any equivalent state of local excise taxes), results in the receipt by the Executive, on an after-tax basis, of the greatest amount of payment or benefits, notwithstanding that all or some portion of such payments or benefits may be subject to the excise tax. The fact that the Executive's right to payments or benefits may be reduced by reason of the limitations contained in this Section 10 will not of itself limit or otherwise affect any other rights of the Executive other than pursuant to this Agreement. In the event that any payment or benefit intended to be provided under this Agreement or otherwise is required to be reduced pursuant to this Section 10, cash severance payable hereunder shall be reduced first, then other cash payments that qualify as Excess Parachute Payments payable to the Executive, then non-cash benefits shall be reduced, as determined by the Company.

11. Full Settlement. Except for the execution and delivery of any required Release or as provided in Section 8(e)(ii) or 8(f), the Company's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any circumstances, including, without limitation, any set-off, counterclaim, recoupment, defense or other right which the Company may have against the Executive or others whether by reason of the subsequent employment of the Executive or otherwise. In no event shall the Executive be obligated to seek other employment by way of mitigation of the amounts payable to the Executive under any of the provisions of this Agreement. In the event that the Executive shall in good faith give a Notice of Termination for Good Reason and it shall thereafter be determined that Good Reason did not take place, the employment of the Executive shall, unless the Company and the Executive shall otherwise mutually agree, be deemed to have terminated, at the date of giving such purported Notice of Termination, by mutual consent of the Company and the Executive and, except as provided in the last preceding sentence, the Executive shall be entitled to receive only those payments and benefits which he would have been entitled to receive at such date had he terminated his employment voluntarily at such date under this Agreement. In the event that the Company shall give a Notice of Termination for Cause and it shall thereafter be determined that Cause did not take place, exist or occur, the employment of the Executive shall, unless the Company and the Executive shall otherwise mutually agree, be deemed terminated under a Qualifying Termination and the Executive shall be entitled to receive those payments and benefits (with all such payments and benefits due but previously unpaid being made or provided within ten (10) days after such determination) which Executive would have been entitled to receive under Section 8(e) of this Agreement at the applicable Date of Termination.

12. Legal Fees and Expenses. In the event that a claim or payment or benefits under this Agreement is disputed, the Company shall pay all reasonable attorney fees and expenses incurred by the Executive in pursuing such claim, provided, that, the Executive is successful as to at least a reasonable part of the disputed claim by reason of arbitration (as set forth in Section 16(g)) or settlement.

13. Other Obligations of the Executive. The Executive acknowledges and agrees that except as otherwise set forth in this Agreement, all remaining terms and conditions of the Executive's employment shall be in accordance with and subject to the Company's Agreement to Arbitrate Disputes, Confidential Information, Invention and Original Works Assignment Agreement, and current Employee Handbook which describes the Executive's responsibilities as well as numerous benefits to which the Executive may be entitled. The Executive is required to acknowledge receipt of the Employee Handbook and sign the Agreement to Arbitrate Disputes, the Confidential Information, Invention and Original Works Assignment Agreement, and other documents related to the Executive's employment before the Executive begins work. The Executive is also required to sign the Company's policies to include but not limited to the Company's Code of Business Conduct and Ethics, Insider Trading Policy, Company Vehicle and Driver Safety Policy and Employee Code of Conduct, as well as acknowledge and acquaint himself with the Company's Injury and Illness Prevention Program. To the extent of any conflict or inconsistency between the terms and conditions of this Agreement and the terms and conditions of the Confidential Information, Invention and Original Works Assignment Agreement (the "**CIIOWAA**"), the terms of this Agreement shall control and govern but only to the extent of such conflict or inconsistency. More particularly and provided Executive is in compliance with the provisions of Sections 5(i)(A) and 5(i)(B) of this Agreement, the parties acknowledge and agree that any information, work product or proceeds created or generated by Executive as part of or in connection with his Delicious AI Activities shall be exclusively retained by the Executive and/or Delicious AI, LLC, and shall not be covered by or subject to this Agreement or the CIIOWAA with none of the Company, MBC or their affiliates having or obtaining any interest therein. In addition, the Executive acknowledges and agrees to be bound by the following:

(a) Confidential Information. In accordance with and subject to the terms and conditions of the CIIOWAA, the Executive shall hold in a fiduciary capacity for the benefit of the Company all secret or confidential information, knowledge or data relating to the Company or any of its affiliated companies, and their respective businesses, obtained by the Executive during his employment by the Company or any of its affiliated companies ("***Confidential Information***"). Confidential Information shall not include any information that is in the public domain or becomes known in the public domain through no wrongful or other unauthorized act by the Executive. During and after the Employment Period, the Executive shall not without the prior written consent of the Company in each instance, unless compelled pursuant to an order of a court or other body having jurisdiction over such matter, communicate or divulge any such Confidential Information to anyone other than the Company and those designated by it. Without limiting the foregoing, the Executive expressly acknowledges and agrees that the Executive is prohibited from disclosing any Confidential Information to Delicious AI, LLC, and using or implicating any Confidential Information in connection with the Delicious AI Activities. The Executive is hereby notified in accordance with the Federal Defend Trade Secrets Act that the Executive will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney in confidence solely for the purpose of reporting or investigating a suspected violation of law, or if the disclosure of a trade secret is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. If the Executive files a lawsuit for retaliation against the Company for reporting a suspected violation of law, the Executive may disclose the Company's trade secrets to his attorney in confidence and use the trade secret information in the court proceeding if the Executive files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order. In no event shall an asserted violation of the provisions of this Section 13(a) constitute a basis for deferring or withholding any amounts otherwise payable to the Executive under this Agreement.

(b) Non-Solicitation. During the Employment Period and the twenty four (24) month period following the Executive's termination of employment for any reason, the Executive shall not (i) solicit, recruit or hire, or attempt to solicit, recruit or hire, any full-time or exclusive employees of the Company or persons who have exclusively worked for the Company during the twenty four (24) month period immediately preceding such solicitation, recruitment or hiring or attempt thereof or (ii) assist any person in any way to do, or attempt to do, any of the foregoing.

(c) Remedies and Injunctive Relief. The Executive acknowledges that a violation by the Executive of any of the covenants contained in this Section 13 would cause irreparable damage to the Company in an amount that would be material but not readily ascertainable, and that any remedy at law (including the payment of damages) would be inadequate. Accordingly, the Executive agrees that, notwithstanding any provision of this Agreement to the contrary, the Company may be entitled (without the necessity of showing economic loss or other actual damage and without the requirement to post bond) to injunctive relief (including temporary restraining orders, preliminary injunctions and/or permanent injunctions) in any court of competent jurisdiction for any actual or threatened breach of any of the covenants set forth in this Section 13 in addition to any other legal or equitable remedies it may have. The preceding sentence shall not be construed as a waiver of the rights that the Company may have for damages under this Agreement or otherwise, and all of the Company's rights shall be unrestricted, and notwithstanding the fact that any such provision may be determined not to be subject to specific performance, the Company will nevertheless be entitled to seek to recover monetary damages as a result of the Executive's breach of such provision.

(d) Additional Acknowledgments. The Executive acknowledges that the provisions of this Section 13 are in consideration of: (i) employment with the Company and (ii) additional good and valuable consideration as set forth in this Agreement. The Executive acknowledges that the Executive has carefully read this Agreement and consulted with legal counsel of the Executive's choosing regarding its contents, has given careful consideration to the restraints imposed upon the Executive by this Agreement and is in full accord as to their necessity for the reasonable and proper protection of confidential and proprietary information of the Company and its affiliated companies now existing or to be developed in the future.

14. Successors.

(a) This Agreement is personal to the Executive and, without the prior written consent of the Company, shall not be assignable by the Executive otherwise than by will or the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal representatives.

(b) This Agreement shall inure to the benefit of and be binding upon the Company and its successors. The Company shall require any successor to all or substantially all of the business and/or assets of the Company, whether direct or indirect, by purchase, merger, consolidation, acquisition of stock, or otherwise, by an agreement in form and substance satisfactory to the Executive, expressly to assume and agree to perform this Agreement in the same manner and to the same extent as the Company would be required to perform if no such succession had taken place. For purposes of this Section 14(b), the term "Company" shall include the Company and MBC.

15. Section 409A. This Agreement shall be interpreted and administered in compliance with Section 409A of the Code. Any term used in this Agreement which is defined in Code Section 409A or the regulations promulgated thereunder (the "***Regulations***") shall have the meaning set forth therein unless otherwise specifically defined herein. Any obligations under this Agreement that arise in connection with the Executive's "termination of employment," "termination" or other similar references shall only be triggered if the termination of employment or termination qualifies as a "separation from service" within the meaning of §1.409A-1(h) of the Regulations. Each installment payment hereunder shall be deemed to be a separate payment for purposes of Code Section 409A. Notwithstanding any other provision of this Agreement, (i) if at the time of the termination of the Executive's employment, the Executive is a "specified employee," as defined in Section 409A or the Regulations, and any payments upon such termination under this Agreement hereof will result in additional tax or interest to the Executive under Code Section 409A, the Executive will not be entitled to receive such payments until the date which is six (6) months after the termination of the Executive's employment for any reason, other than as a result of the Executive's death or disability (as such term is defined in Code Section 409A or the Regulations) and (ii) to the extent any review and revocation period with respect to a release of claims begins in one calendar year and ends in a second calendar year, no payment (or payments) which may become due and payable pursuant to this Agreement shall begin to be paid by the Company (or its applicable assignee or delegee) until the second calendar year. In addition, if any provision of this Agreement would subject the Executive to any additional tax or interest under Code Section 409A, then the Company shall reform such provision; provided, that, the Company shall (x) maintain, to the maximum extent practicable, the original intent of the applicable provision without subjecting the Executive to such additional tax or interest and (y) not incur any additional compensation expense as a result of such reformation.

16. Miscellaneous.

(a) Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California, applied without reference to principles of conflict of laws.

(b) Amendments. This Agreement may not be amended or modified otherwise than by a written agreement executed by the parties hereto or their respective successors and legal representatives.

(c) Notices. All notices and other communications hereunder shall be in writing and shall be given by hand-delivery to the other party or by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Executive:

At the address shown on the records of the Company

If to the Company:

Monster Energy Company
1 Monster Way
Corona, California 92879
Attention: Executive Vice President and General Counsel

or to such other address as either party shall have furnished to the other in writing in accordance herewith. Notice and communications shall be effective when actually received by the addressee.

(d) Tax Withholding. The Company may withhold from any amounts payable under this Agreement such federal, state or local taxes as shall be required to be withheld pursuant to any applicable law or regulation.

(e) Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement.

(f) Captions. The captions of this Agreement are not part of the provisions hereof and shall have no force or effect.

(g) Arbitration. Except with respect to the rights of the Company to apply to a court of law or equity for equitable relief in the event of the breach by the Executive of any of the provisions of Section 13 of this Agreement, or as may be otherwise required by law, any controversy or claim arising out of or relating to the Executive's employment with the Company or any agents of the Company shall be settled by arbitration administered by the JAMS' rules for the resolution of employment disputes in Orange County, California, and judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof. The applicable JAMS' rules may be viewed on line at http://www.jamsadr.com/rules-employment-arbitration. In the spirit of expeditious and efficient resolution of any disputes, the Executive and the Company also agree that any dispute between the parties shall be resolved without the inclusion of any other employees or third parties included as parties to the arbitration proceeding, be it as individuals, as part of a collective action, or as part of a representative class, unless both the Executive and the Company agree to such consolidation after a dispute has arisen. If any part of this paragraph is deemed unenforceable the Executive and the Company further agree that it may be severed without affecting the other terms of this Agreement, including the requirement to arbitrate all disputes.

(h) Entire Agreement. This Agreement, together with the agreements expressly referenced herein, contains the entire agreement between the parties with respect to the subject matter hereof, supersedes the Original Employment Agreement and there are no agreements, understandings, representations or warranties between the parties other than those set forth or referred to herein.

[*Remainder of page intentionally left blank; Signature page follows*]

IN WITNESS WHEREOF, the Executive has hereunto set his hand and the Company has caused this Agreement to be executed in its name on its behalf, all as of the day and year first above written.

MONSTER ENERGY COMPANY

By: /s/ Hilton Schlosberg
Name: Hilton H. Schlosberg
Title: Chief Executive Officer

EXECUTIVE:

/s/ Rob Gehring
Rob Gehring

*[Signature Page to Employment Agreement]*

**EXHIBIT 10.27**

**MONSTER BEVERAGE CORPORATION**

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**EXECUTIVE SEVERANCE PLAN**

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1. **Establishment; Purpose**. Monster Beverage Corporation, a Delaware corporation (the "**Company**"), hereby establishes and adopts the Monster Beverage Corporation Executive Severance Plan (the "**Plan**") to provide severance pay and benefits to eligible officers and management employees who are Eligible Employees (as defined below) and whose employment is terminated on or after February 25, 2026 (the "**Effective Date**"), as provided for herein. The Plan is intended to be maintained primarily for the purpose of providing benefits for a select group of management or highly compensated employees.

2. **Definitions**. For purposes of the Plan, capitalized terms used in this Plan shall have the meanings set forth in this Section 2.

(a) "**Accrued Amounts**" means: (i) all accrued and unpaid Base Salary through the Date of Termination, which shall be paid as soon as practicable following the Date of Termination, but in any event before the earlier to occur of (A) the payment date required by applicable law and (B) March 15 of the year immediately following the year in which the Date of Termination occurs; (ii) reimbursement for all incurred but unreimbursed expenses for which an Eligible Employee is entitled to reimbursement in accordance with the expense reimbursement policies of the Company in effect as of the Date of Termination; and (iii) benefits to which an Eligible Employee may be entitled pursuant to the terms of any plan or policy sponsored by the Company or any of its Affiliates as in effect from time to time.

(b) "**Affiliate**" means any entity that is controlled by, controlling, or under common control with the Company.

(c) "**Annual Bonus**" means, with respect to an Eligible Employee, the bonus paid to such Eligible Employee for the calendar year immediately preceding the Eligible Employee's Date of Termination; provided, however, if the Eligible Employee is eligible to receive a target annual bonus for the fiscal year in which the Date of Termination occurs, the "Annual Bonus" shall instead mean, (i) in the case of a Qualifying Termination outside of the Change in Control Period, the actual annual bonus that the Eligible Employee would have earned in the fiscal year in which the Qualifying Termination occurs based on actual performance results for the full performance period, determined as if the Eligible Employee's employment had not terminated prior to the end of such period, or (ii) in the case of a Qualifying Termination during the Change in Control Period, the annual bonus the Eligible Employee would have earned at target level for the fiscal year in which the Qualifying Termination occurs, in each case, calculated in accordance with the applicable bonus plan or program and the Company's standard practices for similarly situated employees.

(d) "**Base Salary**" means the amount an Eligible Employee is entitled to receive as base salary on an annualized basis, calculated as of the Date of Termination (without giving effect to any reduction forming the basis for a resignation for Good Reason), including any amounts electively deferred under any employee benefit plan maintained by the Company, but excluding all bonuses, equity awards, incentive compensation, and fringe benefits payable by the Company as consideration for an Eligible Employee's services.

(e) "**Board**" means the Board of Directors of the Company.

(f) "**Cause**" means, with respect to an Eligible Employee's termination of employment from the Company Group, the occurrence of any of the following events: (i) any member of the Company Group having "cause" to terminate an Eligible Employee's employment or service, as defined in any employment agreement, offer letter or similar services agreement in effect between the Company or any other member of the Company Group and the Eligible Employee at the time of the Date of Termination, or (ii) in the absence of any such employment agreement, offer letter or similar services agreement (or the absence of any definition of "Cause" contained therein), "Cause" shall mean, as determined by the Committee, the Eligible Employee's (A) act(s) of fraud or dishonesty, (B) knowing and material failure to comply with applicable laws or regulations or satisfactorily perform Eligible Employee's services, (C) insubordination or (D) drug or alcohol abuse.

(g) "**Change in Control**" means the occurrence of any of the following events: (i) sale of all or substantially all of the assets of the Company and its subsidiaries taken as a whole; (ii) any Person or group of Persons is or shall become the "beneficial owner" (as defined in Rule 13(d)-3 and 13(d)-5 under the Exchange Act), directly or indirectly, of more than fifty percent (50%) of the voting stock of the Company then outstanding; or (iii) a merger or consolidation pursuant to which any Person or group of Persons becomes the "beneficial owner" (as defined in clause (ii) above) of more than fifty percent (50%) of the voting stock of the Company or the surviving or resulting entity immediately following the consummation of such transaction. Notwithstanding anything herein to the contrary, in any circumstance in which the definition of "Change in Control" under this Plan would otherwise be operative and with respect to which the additional tax under Section 409A of the Code would apply or be imposed, but where such tax would not apply or be imposed if the meaning of the term "Change in Control" met the requirements of Section 409A(a)(2)(A)(v) of the Code, then the term "Change in Control" herein shall mean, but only for the transaction, event or circumstance so affected and the item of income with respect to which the additional tax under Section 409A of the Code would otherwise be imposed, a transaction, event or circumstance that is both (x) described in the preceding provisions of this definition, and (y) a "change in control event" within the meaning of Treasury Regulations Section 1.409A-3(i)(5).

(h) "**Change in Control Period**" shall mean the period beginning on the date of a Change in Control and ending twenty-four (24) months following such Change in Control.

(i) "**COBRA**" means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended.

(j) "**Code**" means the U.S. Internal Revenue Code of 1986, as amended from time to time. Any reference to any section of the Code shall also be a reference to any successor provision and any guidance and treasury regulation promulgated thereunder.

(k) "**Committee**" means the Compensation Committee of the Board, a subcommittee thereof formed by the Compensation Committee of the Board to act as the Committee hereunder, or such other committee designated by the Board to administer the Plan. If no committee is duly authorized by the Board to administer the Plan, the term "Committee" shall be deemed to refer to the Board for all purposes under the Plan.

(l) "**Company Group**" means the Company and each of its direct and indirect past, present and future subsidiaries.

(m) "**Date of Termination**" means the effective date of the termination of an Eligible Employee's employment or service with the Company or any of its Affiliates, as applicable, such that the Eligible Employee is no longer employed by any member of the Company Group.

(n) "**Disability**" means, with respect to an Eligible Employee's Date of Termination, any disability which would entitle the Eligible Employee to receive full long-term disability benefits under the Company's long-term disability plan, or if no such plan shall then be in effect, any physical or mental disability or incapacity which renders the Eligible Employee incapable of performing the Eligible Employee's duties for a period of one hundred twenty (120) days during any twelve (12) month period, as determined by the Company.

(o) "**Eligible Employee**" means any employee of any member of the Company Group who (i) is selected by the Committee in its sole discretion to participate in the Plan from time to time, and (ii) is not a party to an employment or similar agreement (excluding, for the avoidance of doubt, at-will offer letters) with any member of the Company Group pursuant to which such employee is eligible for severance payments or benefits. Eligible Employees shall be set forth on Exhibit A attached hereto, which such exhibit may be amended by the Committee from time to time. The Committee shall have the sole discretion to determine whether an employee is or remains an Eligible Employee. Eligible Employee shall be limited to a select group of management or highly compensated employees within the meaning of Sections 201, 301 and 401 of ERISA.

(p) "**ERISA**" means the Employee Retirement Income Security Act of 1974, as amended.

(q) "**Exchange Act**" means the Securities Exchange Act of 1934, as amended from time to time. Reference to a specific section of the Exchange Act or regulation thereunder shall include such section or regulation, any valid regulation or interpretation promulgated under such section, and any comparable provision of any future legislation or regulation amending, supplementing, or superseding such section or regulation.

(r) "**Good Reason**" means, with respect to an Eligible Employee's termination of employment from the Company Group, the occurrence of any of the following events without the written consent of an Eligible Employee: (i) in the case where there is an employment agreement, offer letter or similar agreement in effect between the Company or any other member of the Company Group and the Eligible Employee at the time of the Date of Termination that defines "good reason" (or words of like import), "good reason" as defined under such agreement, or (ii) in the absence of any such employment agreement, offer letter or similar services agreement (or the absence of any definition of "Good Reason" contained therein), "Good Reason" shall mean (A) a material diminution in an Eligible Employee's duties and responsibilities; (B) a material decrease in an Eligible Employee's Base Salary other than a decrease in Base Salary that affects similarly situated employees; or (C) a relocation of an Eligible Employee's primary work location more than thirty (30) miles from such Eligible Employee's primary work location; provided that, within thirty (30) days following the occurrence of any of the events set forth herein, an Eligible Employee shall have delivered written notice to the Company of such Eligible Employee's intention to terminate such Eligible Employee's employment or service for Good Reason, and the Company shall not have cured such circumstances within thirty (30) days following the Company's receipt of such notice.

Notwithstanding the foregoing, any assertion by an Eligible Employee of a termination for Good Reason shall not be effective unless all of the following conditions are satisfied: (1) the Eligible Employee must provide written notice to the Committee of the existence of such condition(s) within thirty (30) days after the initial occurrence of such condition(s); (2) the condition(s) specified in such notice must remain uncorrected for thirty (30) days following the Committee's receipt of such written notice; and (3) the date of the Eligible Employee's termination of employment must occur within thirty (30) days after the initial occurrence of the condition(s) specified in such notice.

(s) "**Person**" means any "person" as such term is used in Sections 13(d) and 14(d) of the Exchange Act.

(t) "**Qualifying Termination**" means the termination of an Eligible Employee's employment with any member of the Company Group (i) by any member of the Company Group without Cause (which, for the avoidance of doubt, does not include a termination of an Eligible Employee's employment due to death or Disability), or (ii) due to an Eligible Employee's resignation for Good Reason; provided that, in each case, such Qualifying Termination constitutes a "separation from service" within the meaning of Section 409A.

(u) "**Release Requirement**" means the requirement that an Eligible Employee execute and deliver to the Company a general release of claims, in a form acceptable to the Company, within sixty (60) days following the Date of Termination. Notwithstanding the foregoing or any other provision in the Plan to the contrary, the Release Requirement shall not be considered satisfied if the release described in the preceding sentence is revoked by an Eligible Employee within any time provided by the Company for such revocation.

(v) "**Section 409A**" means Section 409A of the Code and the Department of Treasury regulations and other interpretive guidance issued thereunder, including any such regulations or guidance that may be amended or issued after the Effective Date.

(w) "**Severance Amount**" means the cash severance payments set forth in Sections 5(a) and 5(b).

3. **Administration of the Plan**.

(a) Administration by the Committee. The Committee shall be responsible for the management and control of the operation and the administration of the Plan, including interpretation of the Plan, decisions pertaining to eligibility to participate in the Plan, computation of severance benefits, granting or denial of severance benefit claims and review of claims denials. The Committee has absolute discretion in the exercise of its powers and responsibilities. For this purpose, the Committee's powers shall include the following authority, in addition to all other powers provided by the Plan:

(i) to make and enforce such rules and regulations as it deems necessary or proper for the efficient administration of the Plan;

(ii) to interpret the Plan, the Committee's interpretation thereof to be final and conclusive on all persons claiming benefits under the Plan;

(iii) to decide all questions concerning the Plan and the eligibility of any person to participate in the Plan;

(iv) to make a determination as to the right of any person to a benefit under the Plan (including to determine whether and when there has been a termination of an Eligible Employee's employment and the Cause of such termination);

(v) to appoint such agents, counsel, accountants, consultants, claims administrator and other persons as may be required to assist in administering the Plan;

(vi) to allocate and delegate its responsibilities under the Plan and to designate other persons to carry out any of its responsibilities under the Plan, any such allocation, delegation or designation to be in writing;

(vii) to sue or cause suit to be brought in the name of the Plan; and

(viii) to obtain from the Company, its Affiliates and from Eligible Employees such information as is necessary for the proper administration of the Plan.

(b) Indemnification of the Committee. The Company shall, without limiting any rights that the Committee may have under the Company's charter or bylaws, applicable law or otherwise, indemnify and hold harmless the Committee and each member thereof (and any other individual acting on behalf of the Committee or any member thereof) against any and all expenses and liabilities arising out of such person's administrative functions or fiduciary responsibilities, excepting only expenses and liabilities arising out of the person's own gross negligence or willful misconduct. Expenses against which such person shall be indemnified hereunder include the amounts of any settlement, judgment, attorneys' fees, costs of court, and any other related charges reasonably incurred in connection with a claim, proceeding, settlement, or other action under the Plan.

(c) Compensation and Expenses. The Committee shall not receive additional compensation with respect to services for the Plan. To the extent required by applicable law, but not otherwise, the Committee shall furnish bond or security for the performance of their duties hereunder. Any expenses properly incurred by the Committee incident to the administration, termination or protection of the Plan, including the cost of furnishing bond, shall be paid by the Company.

4. **Eligibility**. Only individuals who are Eligible Employees may participate in the Plan. Once an employee has been designated as an Eligible Employee, such individual shall automatically continue to be an Eligible Employee until the Eligible Employee ceases to be an employee or service provider or is removed as an Eligible Employee by the Committee. The Plan shall supersede all prior agreements, practices, policies, procedures and plans relating to severance benefits from all members of the Company Group with respect to an Eligible Employee.

5. **Plan Benefits**.

(a) Qualifying Termination Outside of a Change in Control Period. In the event an Eligible Employee's employment with any member of the Company Group ends due to a Qualifying Termination that occurs outside of a Change in Control Period, such Eligible Employee shall be entitled to receive the Accrued Amounts, and so long as such Eligible Employee (x) has been continuously employed by a member of the Company Group for at least three hundred and sixty-five (365) days prior to any such Qualifying Termination, (y) satisfies the Release Requirement and (z) abides by the terms of any restrictive covenant obligations to which the Eligible Employee is subject in respect of the Company Group, such Eligible Employee shall also be entitled to receive:

(i) a cash severance payment in an amount equal to twelve (12) months of such Eligible Employee's Base Salary, payable in substantially equal installments in accordance with the Company's normal payroll practices during the twelve (12) month period beginning on the first regularly scheduled payroll cycle that occurs immediately following the sixtieth (60th) day following the Date of Termination (such date, the "**Payment Commencement Date**"); provided, however, the portion of the Severance Amount provided under this Section 5(a)(i) that is payable on the Payment Commencement Date shall include a lump-sum amount equal to the portion of the Severance Amount that would have been payable commencing on the Date of Termination and ending on the Payment Commencement Date; provided further, the amounts payable under this Section 5(a)(i) shall be treated as a series of separate payments for purposes of Section 409A;

(ii) a prorated portion of such Eligible Employee's Annual Bonus, multiplied by a fraction, (A) the numerator of which equals the number of calendar days that such Eligible Employee was employed by any member of the Company Group during the calendar year in which the Date of Termination occurs and (B) the denominator of which equals 365 or 366, as applicable, payable in lump sum at the same time Annual Bonuses are paid to similarly situated employees, but in no event later than March 15 of the year following the year in which the Qualifying Termination occurs; and

(iii) for the period from the Date of Termination through the earlier of (A) the date which is twelve (12) months from the Date of Termination, (B) the date upon which the Eligible Employee and the Eligible Employee's spouse and eligible dependents become eligible for coverage under a group health plan of a subsequent employer (or of the Eligible Employee's spouse), or (C) the date upon which the Eligible Employee and the Eligible

Employee's spouse and eligible dependents are no longer eligible for COBRA coverage (as applicable, the "**COBRA Coverage Expiration Date**"), the Company shall pay the employer portion of the health, dental and vision insurance premiums in the amount as though the Eligible Employee was an active employee for coverage under COBRA for the Eligible Employee and the Eligible Employee's spouse and eligible dependents, as the case may be, as in effect on the Date of Termination, provided that, the Eligible Employee validly elects to continue coverage under COBRA; provided further, the Company's obligation to pay any premiums for COBRA coverage for the Eligible Employee and the Eligible Employee's spouse and eligible dependents, as applicable, hereunder may be converted by the Company into an equivalent taxable, lump-sum cash payment if the Company's payment of any COBRA premiums would cause a discriminatory arrangement under the Code.

(b) Qualifying Termination During a Change in Control Period. In the event an Eligible Employee's employment with any member of the Company Group ends due to a Qualifying Termination that occurs during a Change in Control Period, such Eligible Employee shall be entitled to receive the Accrued Amounts, and so long as such Eligible Employee (y) satisfies the Release Requirement and (z) abides by the terms of any restrictive covenant obligations to which the Eligible Employee is subject in respect of the Company Group, such Eligible Employee shall also be entitled to receive:

(i) a cash severance payment in an amount equal to the sum of (A) eighteen (18) months of such Eligible Employee's Base Salary and (B) one and one-half (1.5) times such Eligible Employee's Annual Bonus, payable in a lump sum within sixty (60) days following the Date of Termination; provided, however, if the period during which the Eligible Employee may execute and not revoke the release described in the Release Requirement begins in one calendar year and ends in the immediately following calendar year, then, to the extent required by Section 409A, the cash severance payment under this Section 5(b)(i) shall be made in the second calendar year;

(ii) a prorated portion of such Eligible Employee's Annual Bonus, multiplied by a fraction, (A) the numerator of which equals the number of calendar days that such Eligible Employee was employed by any member of the Company Group during the calendar year in which the Date of Termination occurs and (B) the denominator of which equals 365 or 366, as applicable, payable in lump sum within sixty (60) days after such Eligible Employee's Date of Termination; and

(iii) COBRA coverage as described in and in the same manner contemplated by Section 5(a)(iii) except that the COBRA Coverage Expiration Date shall be the earlier of (A) the date which is eighteen (18) months from the Date of Termination, (B) the date upon which the Eligible Employee and the Eligible Employee's spouse and eligible dependents become eligible for coverage under a group health plan of a subsequent employer (or of the Eligible Employee's spouse), or (C) the date upon which the Eligible Employee and the Eligible Employee's spouse and eligible dependents are no longer eligible for COBRA coverage.

(iv) For the avoidance of doubt, if an Eligible Employee experiences a Qualifying Termination during a Change in Control Period, such Eligible Employee shall be eligible only for the payments and benefits set forth in this Section 5(b) (subject to the Release

Requirement and the other terms of the Plan) and shall not be entitled to any duplicative or additional payments or benefits under Section 5(a) with respect to the same termination.

(c) Equity Incentive Awards. In the event that an Eligible Employee's employment with any member of the Company Group terminates (pursuant to a Qualifying Termination or otherwise), all outstanding equity incentive awards then held by such Eligible Employee in respect of any member of the Company Group will be treated in accordance with the award agreement applicable to such award or governing plan, as applicable.

(d) Continued Benefits. Following the Date of Termination, the Eligible Employee shall not be entitled to (i) participate in any Company Group employee benefit plans, other than the right to receive COBRA continuation coverage or other similar continuation coverage as set forth in Section 5(a)(iii) and Section 5(b)(iii), as applicable, and as required by law, provided that, the Eligible Employee validly elects to continue coverage under COBRA, and (ii) reimbursement for fringe benefits, including, without limitation, dues and expenses related to club memberships, automobile expenses, expenses for professional services and other similar perquisites incurred or accrued on or after the Date of Termination. Notwithstanding any of the foregoing, following the Date of Termination, each Eligible Employee shall be entitled to receive such Eligible Employee's vested benefits under Company Group retirement plans or as required by applicable law. For the avoidance of doubt, the election of COBRA continuation coverage or other similar continuation coverage as required by law will remain the Eligible Employee's sole responsibility.

(e) Non-Qualifying Terminations of Employment. In the event that an Eligible Employee's employment or service with any member of the Company Group terminates other than pursuant to a Qualifying Termination, then all compensation and benefits to such Eligible Employee shall terminate contemporaneously with such termination of employment, except that such Eligible Employee shall be entitled to receive: (i) COBRA continuation coverage or other similar continuation coverage as required by law, provided that, the Eligible Employee validly elects to continue coverage under COBRA, (ii) any vested benefits under Company Group retirement plans or as required by applicable law, and (iii) the Accrued Amounts.

(f) No Duplication. Except as otherwise expressly provided pursuant to the Plan, the Plan shall be construed and administered in a manner which avoids duplication of compensation and benefits which may be provided under any other plan, program, policy or other arrangement or individual contract or under any statute, rule or regulation. In the event an Eligible Employee is covered by any other plan, program, policy, individually negotiated agreement or other arrangement, in effect as of the Eligible Employee's Date of Termination, that may duplicate the payments and benefits provided for in this Section 5, the Committee is specifically empowered to reduce or eliminate the duplicative benefits provided for under the Plan.

6. **Certain Excise Taxes**. Notwithstanding anything to the contrary in the Plan, if an Eligible Employee is a "disqualified individual" (as defined in Section 280G(c) of the Code), and the payments and benefits provided for in the Plan, together with any other payments and benefits which such Eligible Employee has the right to receive from the Company Group or any of its Affiliates, and taking into account reductions in respect of reasonable compensation for personal services to be rendered by the Eligible Employee on or following the date of the relevant "change

in ownership or control" (within the meaning of Section 280G of the Code), including pursuant to applicable noncompetition and other restrictive covenant obligations, would constitute a "parachute payment" (as defined in Section 280G(b)(2) of the Code), then the payments and benefits provided for in the Plan shall be either (a) reduced (but not below zero) so that the present value of such total amounts and benefits received by such Eligible Employee from the Company and its Affiliates will be one dollar less than three times such Eligible Employee's "base amount" (as defined in Section 280G(b)(3) of the Code) and so that no portion of such amounts and benefits received by such Eligible Employee shall be subject to the excise tax imposed by Section 4999 of the Code or (b) paid in full, whichever produces the better net after-tax position to such Eligible Employee (taking into account any applicable excise tax under Section 4999 of the Code and any other applicable taxes). The reduction of payments and benefits hereunder, if applicable, shall be made by reducing, first, payments or benefits to be paid in cash hereunder in the order in which such payment or benefit would be paid or provided (beginning with such payment or benefit that would be made last in time and continuing, to the extent necessary, through to such payment or benefit that would be made first in time) and, then, reducing any benefit to be provided in-kind hereunder in a similar order. The determination as to whether any such reduction in the amount of the payments and benefits provided hereunder is necessary shall be made by the Company in good faith. If a reduced payment or benefit is made or provided and through error or otherwise that payment or benefit, when aggregated with other payments and benefits from the Company (or its Affiliates) used in determining if a "parachute payment" exists, exceeds one dollar less than three times such Eligible Employee's base amount, then such Eligible Employee shall immediately repay such excess to the Company upon notification that an overpayment has been made. Nothing in this Section 6 shall require the Company to be responsible for, or have any liability or obligation with respect to, such Eligible Employees' excise tax liabilities under Section 4999 of the Code.

7. **Prior Obligations**. Each Eligible Employee hereby represents and warrants that the Eligible Employee is not the subject of, or a party to, any noncompetition, nonsolicitation, restrictive covenant or nondisclosure agreement, or any other agreement, obligation, restriction or understanding that would prohibit the Eligible Employee from complying with the Plan or fully performing each of the Eligible Employee's duties and responsibilities for the Company Group, or would in any manner, directly or indirectly, limit or affect any of the duties and responsibilities that may now or in the future be assigned to the Eligible Employee by any member of the Company Group. Each Eligible Employee expressly acknowledges and agrees that the Eligible Employee is strictly prohibited from using or disclosing any confidential information belonging to any prior employer in the course of performing services for any member of the Company Group, and the Eligible Employee promises that the Eligible Employee shall not do so. Each Eligible Employee shall not introduce documents or other materials containing confidential information of any prior employer to the premises or property (including computers and computer systems) of any member of the Company Group.

8. **Claims Procedure and Review**.

(a) Filing a Claim. Any Eligible Employee that the Committee determines is entitled to severance benefits under the Plan is not required to file a claim for benefits. Any Eligible Employee (i) who is not paid severance benefits hereunder and who believes that such Eligible Employee is entitled to severance benefits hereunder or (ii) who has been paid severance benefits hereunder and believes that such Eligible Employee is entitled to greater benefits hereunder may file a claim for severance benefits under the Plan in writing with the Committee. Claims should be addressed and sent to:

Monster Beverage Corporation
Attn: Compensation Committee
1 Monster Way
Corona, CA 92879

(b) Initial Determination of a Claim. If a claim for severance benefits hereunder is wholly or partially denied, the Committee shall, within a reasonable period of time but no later than ninety (90) days after receipt of the claim (or one hundred eighty (180) days after receipt of the claim if special circumstances require an extension of time for processing the claim), notify the claimant of the denial. Such notice shall (i) be in writing, (ii) be written in a manner calculated to be understood by the claimant, (iii) contain the specific reason or reasons for denial of the claim, (iv) refer specifically to the pertinent Plan provisions upon which the denial is based, (v) describe any additional material or information necessary for the claimant to perfect the claim (and explain why such material or information is necessary), and (vi) to the extent the Plan is subject to ERISA, describe the Plan's claim review procedures and time limits applicable to such procedures, including a statement of the claimant's right to bring a civil action under Section 502(a) of ERISA following an adverse benefit determination on review.

(c) Appeal of a Denied Claim. Within sixty (60) days of the receipt by the claimant of this notice, the claimant may file a written appeal with the Committee. In connection with the appeal, the claimant may review Plan documents and may submit written issues and comments. The Committee shall deliver to the claimant a written decision on the appeal promptly, but not later than sixty (60) days after the receipt of the claimant's appeal (or one hundred twenty (120) days after receipt of the claimant's appeal if there are special circumstances which require an extension of time for processing). Such decision shall (i) be in writing, (ii) be written in a manner calculated to be understood by the claimant, (iii) include specific reasons for the decision, (iv) refer specifically to the Plan provisions upon which the decision is based, (v) state that the claimant is entitled to receive, on request and free of charge, reasonable access to and copies of all documents, records, and other information relevant to the claimant's claim for benefits, and (vi) to the extent the Plan is subject to ERISA, a statement of the claimant's right to bring an action under Section 502(a) of ERISA. If special circumstances require an extension of up to one hundred eighty (180) days for an initial claim or one hundred twenty (120) days for an appeal, whichever applies, the Committee shall send written notice of the extension. This notice shall indicate the special circumstances requiring the extension and state when the Committee expects to render the decision.

(d) Exhaustion of Administrative Remedies. The exhaustion of these claims procedures is mandatory for resolving every claim and dispute arising under this Plan. As to such claims and disputes:

(i) no claimant shall be permitted to commence any legal action to recover benefits or to enforce or clarify rights under the Plan under Section 502 or Section 510 of ERISA (to the extent the Plan is subject to ERISA) or under any other provision of law, whether or not statutory, until these claims procedures have been exhausted in their entirety; and

(ii) in any such legal action, all explicit and implicit determinations by the Committee (including, but not limited to, determinations as to whether the claim, or a request for a review of a denied claim, was timely filed) shall be afforded the maximum deference permitted by law.

(e) Arbitration. No Eligible Employee may bring any legal action to recover benefits under this Plan until the Eligible Employee has exhausted the internal administrative claims and appeals process described above. Upon Eligible Employee's exhaustion of the provisions set forth above, any Eligible Employee with a continuing dispute arising out of or relating to this Plan shall be settled by arbitration administered by the JAMS' rules for the resolution of employment disputes in Orange County, California, and judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof. The applicable JAMS' rules may be viewed online at http://www.jamsadr.com/rules-employment-arbitration. In the spirit of expeditious and efficient resolution of any disputes, any dispute between an Eligible Employee and the Company shall be resolved without the inclusion of any other employees or third parties included as parties to the arbitration proceeding, be it as individuals, as part of a collective action, or as part of a representative class, unless both the Eligible Employee and the Company agree to such consolidation after a dispute has arisen. If any part of this paragraph is deemed unenforceable, then it may be severed without affecting the other terms of this Plan, including the requirement to arbitrate all disputes.

(f) Compliance with ERISA. To the extent the Plan is subject to ERISA, the benefits claim procedure provided in this Section 8 is intended to comply with the provisions of 29 C.F.R. § 2560.503-1, and all provisions of this Section 8 shall be interpreted, construed, and limited in accordance with such intent.

9. **General Provisions**.

(a) Taxes. The Company is authorized to withhold from all payments made hereunder amounts of withholding and other taxes due or potentially payable in connection therewith, and to take such other action as the Company may deem advisable to enable the Company and an Eligible Employee to satisfy obligations for the payment of withholding taxes and other tax obligations relating to any payments made under the Plan.

(b) No Mitigation. No Eligible Employee shall have any duty to mitigate the amounts payable under the Plan by seeking or accepting new employment or self-employment following a Qualifying Termination.

(c) Offset. The Company may set off against, and each Eligible Employee authorizes the Company to deduct from, any payments due to the Eligible Employee, or to his or her estate, heirs, legal representatives, or successors, any amounts that may be due and owing to the Company or an Affiliate of the Company by the Eligible Employee, whether arising under the Plan or otherwise; provided, however, that no such offset may be made with respect to amounts payable that are subject to the requirements of Section 409A unless the offset would not result in a violation of the requirements of Section 409A.

(d) Amendment and Termination. Prior to a Change in Control, the Board or the Committee, as applicable, shall have the power to amend or terminate the Plan from time to time in its discretion and for any reason (or no reason) (including the removal of an individual as an Eligible Employee); provided that, no such amendment or termination shall be effective with respect to a termination of employment that occurred prior to the amendment or termination of the Plan; and provided, further, to the extent any such amendment has a detrimental impact to any Eligible Employee, such amendment will become effective with respect to such Eligible Employee twelve (12) months following approval by the Committee. Notwithstanding the foregoing, upon a Change in Control and during a Change in Control Period, no amendment or termination of the Plan shall impair any rights or obligations to any Eligible Employee under the Plan (including the removal of an individual as an Eligible Employee) unless such Eligible Employee expressly consents to such amendment or termination.

(e) Successors. The Plan will be binding upon any successor to the Company, its assets, its businesses or its interest (whether as a result of the occurrence of a Change in Control or otherwise), in the same manner and to the same extent that the Company would be obligated under the Plan if no succession had taken place. All payments and benefits that become due to an Eligible Employee under the Plan will inure to the benefit of his or her heirs, assigns, designees or legal representatives.

(f) Transfer and Assignment. Neither an Eligible Employee nor any other person shall have any right to sell, assign, transfer, pledge, anticipate or otherwise encumber, transfer, hypothecate or convey any amounts payable under the Plan prior to the date that such amounts are paid.

(g) Unfunded Obligation. All benefits due an Eligible Employee under the Plan are unfunded and unsecured and are payable out of the general assets of the Company. The Company is not required to segregate any monies or other assets from its general funds with respect to these obligations. Eligible Employees shall not have any preference or security interest in any assets of the Company other than as a general unsecured creditor.

(h) Severability. If any provision of the Plan (or portion thereof) is held to be illegal or invalid for any reason, the illegality or invalidity of such provision (or portion thereof) will not affect the remaining provisions (or portions thereof) of the Plan, but such provision (or portion thereof) will be fully severable, and the Plan will be construed and enforced as if the illegal or invalid provision (or portion thereof) had never been included herein.

(i) Section 409A. The Plan is intended to comply with Section 409A or an exemption thereunder and shall be construed and administered in accordance with Section 409A. Notwithstanding any other provision of the Plan, payments provided under the Plan may only be made upon an event and in a manner that complies with Section 409A or an applicable exemption. Any payments under the Plan that may be excluded from Section 409A either as separation pay due to an involuntary separation from service or as a short-term deferral shall be excluded from Section 409A to the maximum extent possible. Any payments to be made under the Plan upon the termination of an Eligible Employee's employment shall only be made if such termination of employment constitutes a "separation from service" under Section 409A. In no event may an Eligible Employee, directly or indirectly, designate the calendar year of any payment under the

Plan. Each installment payment under the Plan is intended to be a separate payment for purposes of Section 409A. Notwithstanding any provision in the Plan to the contrary, if any payment or benefit provided for herein would be subject to additional taxes and interest under Section 409A if an Eligible Employee's receipt of such payment or benefit is not delayed until the earlier of (i) the date of such Eligible Employee's death or (ii) the date that is six (6) months after such Eligible Employee's Date of Termination (such date, the "**Section 409A Payment Date**"), then such payment or benefit shall not be provided to such Eligible Employee (or such Eligible Employee's estate, if applicable) until the Section 409A Payment Date. Notwithstanding the foregoing, the Company makes no representations that the payments and benefits provided under the Plan are exempt from, or compliant with, Section 409A and in no event shall the Company or any of its Affiliates be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by any Eligible Employee on account of non-compliance with Section 409A.

(j) Governing Law. All questions arising with respect to the provisions of the Plan and payments due hereunder will be determined by application of the laws of the State of Delaware, without giving effect to any conflict of law provisions thereof, except to the extent preempted by federal law (including ERISA).

(k) Status. The Plan is intended to qualify for the exemptions under Title I of ERISA provided for plans that are unfunded and maintained primarily for the purpose of providing benefits for a select group of management or highly compensated employees. In the event that the Plan does not meet the requirements of unfunded plan maintained by an employer primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees, the Plan is intended to constitute a "severance pay arrangement" within the meaning of Section 3(2)(B)(i) of ERISA so as to be excepted from the definitions of "employee pension benefit plan" and "pension plan" set forth under section 3(2) of ERISA.

(l) No Right to Continued Employment. The adoption and maintenance of the Plan shall not be deemed to be a contract of employment between the Company or any of its Affiliates and any person or to have any impact whatsoever on the at-will employment relationship between the Company or any of its Affiliates and any Eligible Employee. Nothing in the Plan shall be deemed to give any person the right to be retained in the employ of the Company or any of its Affiliates for any period of time or to restrict the right of the Company or any of its Affiliates to terminate the employment of any person at any time.

(m) Title and Headings; Construction. Titles and headings to Sections hereof are for the purpose of reference only and shall in no way limit, define or otherwise affect the provisions hereof. Unless the context requires otherwise, all references herein to laws, regulations, contracts, documents, agreements and instruments refer to such laws, regulations, contracts, documents, agreements and instruments as they may be amended from time to time, and references to particular provisions of laws or regulations include a reference to the corresponding provisions of any succeeding law or regulation. The word "or" as used herein is not exclusive and is deemed to have the meaning "and/or." The words "herein", "hereof", "hereunder" and other compounds of the word "here" shall refer to the entire Plan, and not to any particular provision hereof. Wherever the context so requires, the masculine gender includes the feminine or neuter, and the singular number includes the plural and conversely. The use herein of the word "including" following any general statement, term or matter shall not be construed to limit such statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not non-limiting language (such as “without limitation”, “but not limited to”, or words of similar import) is used with reference thereto, but rather shall be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such general statement, term or matter. Neither the Plan nor any uncertainty or ambiguity herein shall be construed or resolved against any party hereto, whether under any rule of construction or otherwise. On the contrary, the Plan has been reviewed by each of the parties hereto and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of the parties hereto.

(n) Overpayment. If, due to mistake or any other reason, a person receives severance payments or benefits under the Plan in excess of what the Plan provides, such person shall repay the overpayment to the Company in a lump sum within thirty (30) days of notice of the amount of overpayment. If such person fails to so repay the overpayment, then without limiting any other remedies available to the Company, the Company may deduct the amount of the overpayment from any other amounts which become payable to such person under the Plan or otherwise.

(o) Clawback. Any amounts payable under the Plan are subject to any policy (whether in existence as of the Effective Date or later adopted) established by the Company providing for clawback or recovery of amounts that were paid to an Eligible Employee. The Company will make any determination for clawback or recovery in its sole discretion and in accordance with applicable laws, regulations, and securities exchange listing standards. Notwithstanding any provision of the Plan to the contrary, in the event that the Company determines that an Eligible Employee is eligible to receive the Severance Amount and other severance benefits pursuant to Section 5 but, after such determination, the Company subsequently acquires evidence or determines that: (i) such Eligible Employee has failed to abide by the terms of any restrictive covenant obligations to which the Eligible Employee is subject in respect of the Company Group; or (ii) a Cause condition existed prior to the Date of Termination that, had the Company been fully aware of such condition, would have given the Company Group the right to terminate such Eligible Employee’s employment for Cause, then the Company shall have the right not to pay any portion of the Severance Amount and to cease providing any other severance benefits under Section 5, and such Eligible Employee shall promptly return to the Company any payment of the Severance Amount and any other severance benefits received by such Eligible Employee prior to the date that the Company determines that the conditions of Section 5(e) have been satisfied.

**SUBSIDIARIES OF**
**MONSTER BEVERAGE CORPORATION**
**AS OF DECEMBER 31, 2025**

| Entity Name | Jurisdiction |
|---|---|
| 75-6099 Kuakini Highway, LLC | Hawaii |
| AFF Brasil Comercio de Aromatizantes LTDA | Brazil |
| AFF Library LLC | California |
| AFF Vaughn LLC | California |
| American Fruits and Flavors Ireland Limited | Ireland |
| American Fruits and Flavors San Fernando, LLC | California |
| American Fruits and Flavors, LLC | Delaware |
| Bang Energy LLC | Delaware |
| Blast Asset Acquisition LLC | Delaware |
| EBC Beverage (Shanghai) Co., Ltd. | China |
| Energy Beverages Australia Pty Ltd | Australia |
| Energy Beverages Canada Ltd. | Canada |
| Energy Beverages Chile SpA doing business as Reign SpA | Chile |
| Energy Beverages Europe Limited | Ireland |
| Energy Beverages Japan Godo Kaisha | Japan |
| Energy Beverages LLC | Delaware |
| Energy Beverages Rus LLC | Russian Federation |
| Energy Beverages UK Limited | United Kingdom |
| Energy Beverages Vietnam Company Ltd. | Vietnam |
| Fastest, LLC | Delaware |
| Flare Acquisition LLC | Delaware |
| FLRT Wellness LLC | Delaware |
| Full Throttle Energy Company | Delaware |
| Kuakini Holdings LLC | Delaware |
| Kuakini Operations LLC | Delaware |
| ME Canada 1 ULC | Canada |
| ME Canada 2 ULC | Canada |
| ME Canada GP | Canada |
| ME Canada KY GP | Cayman Islands |
| ME Canada LP | Canada |
| MEC Arizona Manufacturing LLC | Delaware |
| MEC Corona Summit II LLC | California |
| MEC Corona Summit III LLC | California |
| MEC Corona Summit IV LLC | California |
| MEC Corona Summit LLC | California |
| MEC Kona I LLC | Delaware |
| MEC Manufacturing LLC | Delaware |

| Entity Name | Jurisdiction |
|---|---|
| MEC Norwalk LLC | California |
| MECEB Productions II, LLC | Delaware |
| MECEB Productions, LLC | Delaware |
| Monarchy Beverage Company LLC | Delaware |
| Monster 2535 Anselmo LLC | California |
| Monster Beverage Company | Connecticut |
| Monster Beverage Company Peru S.R.L. | Peru |
| Monster Brewing LLC | Delaware |
| Monster Brewing Brands LLC | California |
| Monster Brewing Company LLC | Colorado |
| Monster Energy Argentina S.A. | Argentina |
| Monster Energy AU Pty Ltd | Australia |
| Monster Energy Austria GmbH | Austria |
| Monster Energy Bebidas Ecuador Cia. Ltda. | Ecuador |
| Monster Energy Beverage (Shanghai) Co., Ltd. | China |
| Monster Energy Beverage Company of South Africa (Proprietary) Limited | South Africa |
| Monster Energy Brasil Comércio de Bebidas Ltda. | Brazil |
| Monster Energy Canada ULC | Canada |
| Monster Energy Colombia SAS | Colombia |
| Monster Energy Company | Delaware |
| Monster Energy Company (Swaziland) (Proprietary) Limited | Eswatini |
| Monster Energy Company (Taiwan) | Taiwan |
| Monster Energy Company -Chile- Limitada | Chile |
| Monster Energy Costa Rica, Limitada | Costa Rica |
| Monster Energy Dominican Republic, S.R.L. | Dominican Republic |
| Monster Energy Egypt L.L.C. | Egypt |
| Monster Energy Europe Limited | United Kingdom |
| Monster Energy France S.A.S. | France |
| Monster Energy Hong Kong Limited | Hong Kong |
| Monster Energy India Private Limited | India |
| Monster Energy International Company | Delaware |
| Monster Energy Israel Ltd. | Israel |
| Monster Energy Japan Godo Kaisha | Japan |
| Monster Energy Kazakhstan LLP | Kazakhstan |
| Monster Energy Korea, Ltd. | South Korea |
| Monster Energy Limited | Ireland |
| Monster Energy México, S. de R.L. de C.V. | Mexico |
| Monster Energy Music Group LLC | Delaware |
| Monster Energy Nigeria Limited | Nigeria |
| Monster Energy Pakistan (Private) Limited | Pakistan |
| Monster Energy PRC Holdings (HK) Limited | Hong Kong |
| Monster Energy Rus LLC | Russian Federation |
| Monster Energy SER doo Beograd-Vracar | Serbia |

| Entity Name | Jurisdiction |
|---|---|
| Monster Energy Singapore Pte. Ltd. | Singapore |
| Monster Energy Southeast Asia Sdn. Bhd. | Malaysia |
| Monster Energy Trading L.L.C. | United Arab Emirates |
| Monster Energy Trinidad Limited | Trinidad and Tobago |
| Monster Energy UK Financing Company Limited | United Kingdom |
| Monster Energy UK Holding 1 Company Limited | United Kingdom |
| Monster Energy UK Holding 2 Company Limited | United Kingdom |
| Monster Energy UK Limited | United Kingdom |
| Monster Energy Ukraine, Limited Liability Company | Ukraine |
| Monster Energy US LLC | Delaware |
| Monster Energy Vietnam Company Ltd. | Vietnam |
| Monster House Limited | United Kingdom |
| Monster House 2 Limited | United Kingdom |
| Monster Icecek Ticaret Limited Sirketi | Turkey |
| Monster Intermediate Brewery LLC | Delaware |
| Monster LDA Company | Delaware |
| NOS Energy Company | California |
| Reign Beverage Company LLC | Delaware |
| Rialto Renaissance LLC | California |
| Rule Beverage Company LLC | Delaware |
| Storm Beverage Company LLC | Delaware |
| True North Beverage LLC | Delaware |

**EXHIBIT 23.1**

## Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

(1) Registration Statement (Form S-8 No. 333-218883) of Monster Beverage Corporation,

(2) Registration Statement (Form S-8 No. 333-215326) of Monster Beverage Corporation,

(3) Registration Statement (Form S-8 No. 333-238943) of Monster Beverage Corporation,

(4) Registration Statement (Form S-8 No. 333-41333) of Monster Beverage Corporation,

(5) Registration Statement (Form S-8 No. 333-89123) of Monster Beverage Corporation,

(6) Registration Statement (Form S-8 No. 333-112482) of Monster Beverage Corporation,

(7) Registration Statement (Form S-8 No. 333-131467) of Monster Beverage Corporation,

(8) Registration Statement (Form S-8 No. 333-170713) of Monster Beverage Corporation,

(9) Registration Statement (Form S-8 No. 333-174614) of Monster Beverage Corporation,

(10) Registration Statement (Form S-8 No. 033-92526) of Monster Beverage Corporation;

of our reports dated February 26, 2026, with respect to the consolidated financial statements of Monster Beverage Corporation and subsidiaries and the effectiveness of internal control over financial reporting of Monster Beverage Corporation and subsidiaries included in this Annual Report (Form 10-K) of Monster Beverage Corporation and subsidiaries for the year ended December 31, 2025.

/s/ Ernst & Young LLP

Irvine, California
February 26, 2026

**EXHIBIT 31.1**

CERTIFICATION PURSUANT TO RULE 13A-14(a) OR 15D-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Hilton Schlosberg, certify that:

1. I have reviewed this annual report on Form 10-K of Monster Beverage Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

    a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 26, 2026

/s/ Hilton H. Schlosberg
Hilton H. Schlosberg
Vice Chairman of the Board of Directors and
Chief Executive Officer

CERTIFICATION PURSUANT TO RULE 13A-14(a) OR 15D-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Thomas Kelly, certify that:

1. I have reviewed this annual report on Form 10-K of Monster Beverage Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

    a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

| | | |
|---|---|---|
| Date: | February 26, 2026 | /s/ Thomas J. Kelly |
| | | Thomas J. Kelly |
| | | Chief Financial Officer |

**EXHIBIT 32.1**

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the annual report of Monster Beverage Corporation (the “Company”) on Form 10-K for the year ended December 31, 2025 as filed with the Securities and Exchange Commission (the “Report”), the undersigned, Hilton H. Schlosberg, Vice Chairman of the Board of Directors and Chief Executive Officer of the Company, certifies, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 26, 2026

/s/ Hilton H. Schlosberg
Hilton H. Schlosberg
Vice Chairman of the Board of Directors and
Chief Executive Officer

**EXHIBIT 32.2**

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the annual report of Monster Beverage Corporation (the "Company") on Form 10-K for the year ended December 31, 2025 as filed with the Securities and Exchange Commission (the "Report"), the undersigned, Thomas J. Kelly, Chief Financial Officer of the Company, certifies, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

| | | |
|---|---|---|
| Date: | February 26, 2026 | /s/ Thomas J. Kelly |
| | | Thomas J. Kelly |
| | | Chief Financial Officer |