UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended September 30, 2026 Commission File Number 001-18761

MONSTER BEVERAGE CORPORATION

(Exact name of registrant as specified in its charter)

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

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

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

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	MNST	Nasdaq Global Select Market

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 X 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 X 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 the 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 ☒
Non-accelerated filer ☐
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 is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes __ No X

The registrant had 1,957,511,922 shares of common stock, par value $0.005 per share, outstanding as of October 30, 2026.

MONSTER BEVERAGE CORPORATION AND SUBSIDIARIES
SEPTEMBER 30, 2026

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PART I – FINANCIAL INFORMATION

ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

MONSTER BEVERAGE CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
AS OF SEPTEMBER 30, 2026 AND DECEMBER 31, 2025
(In Thousands, Except Par Value) (Unaudited)

	September 30, 2026	December 31, 2025
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 2,148,401	$ 2,088,117
Short-term investments	1,555,851	677,084
Accounts receivable, net	1,957,774	1,618,072
Inventories	920,090	799,623
Prepaid expenses and other current assets	183,715	103,551
Prepaid income taxes	64,443	74,637
Total current assets	6,830,274	5,361,084
INVESTMENTS	927,011	487,329
PROPERTY AND EQUIPMENT, net	1,059,051	1,081,544
DEFERRED INCOME TAXES, net	189,314	188,646
GOODWILL	1,331,643	1,331,643
OTHER INTANGIBLE ASSETS, net	1,381,006	1,379,268
OTHER ASSETS	203,968	159,431
Total Assets	$ 11,922,267	$ 9,988,945
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 686,617	$ 565,974
Accrued liabilities	324,148	306,085
Accrued promotional allowances	518,137	384,070
Deferred revenue	47,911	45,323
Accrued compensation	123,021	114,023
Income taxes payable	90,456	32,305
Total current liabilities	1,790,290	1,447,780
DEFERRED REVENUE	146,693	159,991
OTHER LIABILITIES	146,369	127,066
COMMITMENTS AND CONTINGENCIES (Note 10)		
STOCKHOLDERS' EQUITY[1]:		
Common stock - $0.005 par value; 5,000,000 shares authorized; 2,272,868 shares issued and 1,957,404 shares outstanding as of September 30, 2026; 2,265,812 shares issued and 1,956,226 shares outstanding as of December 31, 2025	11,364	11,330
Additional paid-in capital	5,610,532	5,425,182
Retained earnings	11,076,668	9,354,216
Accumulated other comprehensive loss	(149,472)	(60,841)
Common stock in treasury, at cost; 315,464 shares and 309,586 shares as of September 30, 2026 and December 31, 2025, respectively	(6,710,177)	(6,475,779)
Total stockholders' equity	9,838,915	8,254,108
Total Liabilities and Stockholders' Equity	$ 11,922,267	$ 9,988,945

[1]Stock Split - On July 8, 2026, the Company announced a two-for-one stock split of its common stock, effected in the form of a 100% stock dividend. The stock dividend was issued on August 10, 2026 (the "Stock Split"). The accompanying condensed consolidated financial statements and notes thereto have been retroactively updated to reflect the Stock Split. See Note 1 for additional information.

See accompanying notes to condensed consolidated financial statements.

MONSTER BEVERAGE CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
FOR THE THREE- AND NINE-MONTHS ENDED SEPTEMBER 30, 2026 AND 2025
(In Thousands, Except Per Share Amounts) (Unaudited)

	Three-Months Ended September 30,		Nine-Months Ended September 30,	
	2026	**2025**	**2026**	**2025**
NET SALES	$ 2,563,053	$ 2,197,139	$ 7,453,817	$ 6,163,290
COST OF SALES	1,162,318	972,653	3,340,099	2,714,428
GROSS PROFIT	1,400,735	1,224,486	4,113,718	3,448,862
OPERATING EXPENSES	682,018	549,134	1,924,600	1,572,142
OPERATING INCOME	718,717	675,352	2,189,118	1,876,720
INTEREST and OTHER INCOME, net	34,779	14,185	82,776	37,522
INCOME BEFORE PROVISION FOR INCOME TAXES	753,496	689,537	2,271,894	1,914,242
PROVISION FOR INCOME TAXES	185,069	165,082	549,442	458,000
NET INCOME	$ 568,427	$ 524,455	$ 1,722,452	$ 1,456,242
NET INCOME PER COMMON SHARE[1]:				
Basic	$ 0.29	$ 0.27	$ 0.88	$ 0.75
Diluted	$ 0.29	$ 0.27	$ 0.87	$ 0.74
WEIGHTED AVERAGE NUMBER OF SHARES OF COMMON STOCK AND COMMON STOCK EQUIVALENTS[1]:				
Basic	1,958,641	1,953,217	1,957,535	1,950,675
Diluted	1,980,113	1,969,933	1,978,204	1,967,064

[1]*Stock Split - The accompanying condensed consolidated financial statements and notes thereto have been retroactively updated to reflect the Stock Split. See Note 1 for additional information.*

See accompanying notes to condensed consolidated financial statements.

MONSTER BEVERAGE CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE- AND NINE-MONTHS ENDED SEPTEMBER 30, 2026 AND 2025
(In Thousands) (Unaudited)

	Three-Months Ended September 30,		Nine-Months Ended September 30,	
	2026	2025	2026	2025
Net income, as reported	$ 568,427	$ 524,455	$ 1,722,452	$ 1,456,242
Other comprehensive income (loss), net of tax:				
Change in foreign currency translation adjustment	(13,748)	(17,353)	(50,587)	147,377
Change in net unrealized gain (loss) on available-for-sale investments	(7,997)	221	(15,064)	434
Change in net gain (loss) on commodity derivatives	(14,881)	15,058	(22,980)	28,294
Other comprehensive income (loss)	(36,626)	(2,074)	(88,631)	176,105
Comprehensive income	$ 531,801	$ 522,381	$ 1,633,821	$ 1,632,347

See accompanying notes to condensed consolidated financial statements.

MONSTER BEVERAGE CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
FOR THE THREE- AND NINE-MONTHS ENDED SEPTEMBER 30, 2026 AND 2025
(In Thousands) (Unaudited)

	Common stock[1]		Additional Paid-in Capital[1]	Retained Earnings	Accumulated Other Comprehensive (Loss) Income	Treasury stock		Total Stockholders' Equity
	Shares	Amount				Shares[1]	Amount	
Balance, December 31, 2025	2,265,812	$ 11,330	$ 5,425,182	$ 9,354,216	$ (60,841)	(309,586)	$ (6,475,779)	$ 8,254,108
Stock-based compensation	—	—	27,944	—	—	—	—	27,944
Stock options/awards	3,192	16	17,947	—	—	—	—	17,963
Unrealized gain (loss), net on available-for-sale securities	—	—	—	—	(4,324)	—	—	(4,324)
Repurchase of common stock	—	—	—	—	—	(3,586)	(133,970)	(133,970)
Foreign currency translation	—	—	—	—	(24,664)	—	—	(24,664)
Net gain (loss) on commodity derivatives	—	—	—	—	20,493	—	—	20,493
Net income	—	—	—	569,485	—	—	—	569,485
Balance, March 31, 2026	2,269,004	$ 11,346	$ 5,471,073	$ 9,923,701	$ (69,336)	(313,172)	$ (6,609,749)	$ 8,727,035
Stock-based compensation	—	—	35,189	—	—	—	—	35,189
Stock options/awards	3,152	14	60,888	—	—	—	—	60,902
Unrealized gain (loss), net on available-for-sale securities	—	—	—	—	(2,743)	—	—	(2,743)
Repurchase of common stock	—	—	—	—	—	(4)	(8)	(8)
Foreign currency translation	—	—	—	—	(12,175)	—	—	(12,175)
Net gain (loss) on commodity derivatives	—	—	—	—	(28,592)	—	—	(28,592)
Net income	—	—	—	584,540	—	—	—	584,540
Balance, June 30, 2026	2,272,156	$ 11,360	$ 5,567,150	$ 10,508,241	$ (112,846)	(313,176)	$ (6,609,757)	$ 9,364,148
Stock-based compensation	—	—	29,700	—	—	—	—	29,700
Stock options/awards	712	4	13,682	—	—	—	—	13,686
Unrealized gain (loss), net on available-for-sale securities	—	—	—	—	(7,997)	—	—	(7,997)
Repurchase of common stock	—	—	—	—	—	(2,288)	(100,420)	(100,420)
Foreign currency translation	—	—	—	—	(13,748)	—	—	(13,748)
Net gain (loss) on commodity derivatives	—	—	—	—	(14,881)	—	—	(14,881)
Net income	—	—	—	568,427	—	—	—	568,427
Balance, September 30, 2026	2,272,868	$ 11,364	$ 5,610,532	$ 11,076,668	$ (149,472)	(315,464)	$ (6,710,177)	$ 9,838,915

	Common stock[1]		Additional Paid-in Capital[1]	Retained Earnings	Accumulated Other Comprehensive (Loss) Income	Treasury stock		Total Stockholders' Equity
	Shares	Amount				Shares[1]	Amount	
Balance, December 31, 2024	2,252,658	$ 11,264	$ 5,139,290	$ 7,448,784	$ (269,487)	(306,500)	$ (6,372,133)	$ 5,957,718
Stock-based compensation	—	—	20,727	—	—	—	—	20,727
Stock options/awards	4,732	22	48,071	—	—	—	—	48,093
Repurchase of common stock	—	—	—	—	—	(604)	(16,633)	(16,633)
Foreign currency translation	—	—	—	—	63,971	—	—	63,971
Net gain (loss) on commodity derivatives	—	—	—	—	2,570	—	—	2,570
Net income	—	—	—	442,993	—	—	—	442,993
Balance, March 31, 2025	2,257,390	$ 11,286	$ 5,208,088	$ 7,891,777	$ (202,946)	(307,104)	$ (6,388,766)	$ 6,519,439
Stock-based compensation	—	—	31,842	—	—	—	—	31,842
Stock options/awards	2,510	14	39,577	—	—	—	—	39,591
Unrealized gain (loss), net on available-for-sale securities	—	—	—	—	213	—	—	213
Foreign currency translation	—	—	—	—	100,759	—	—	100,759
Net gain (loss) on commodity derivatives	—	—	—	—	10,666	—	—	10,666
Net income	—	—	—	488,794	—	—	—	488,794
Balance, June 30, 2025	2,259,900	$ 11,300	$ 5,279,507	$ 8,380,571	$ (91,308)	(307,104)	$ (6,388,766)	$ 7,191,304
Stock-based compensation	—	—	32,084	—	—	—	—	32,084
Stock options/awards	2,054	10	26,669	—	—	—	—	26,679
Unrealized gain (loss), net on available-for-sale securities	—	—	—	—	221	—	—	221
Repurchase of common stock	—	—	—	—	—	(856)	(27,288)	(27,288)
Foreign currency translation	—	—	—	—	(17,353)	—	—	(17,353)
Net gain (loss) on commodity derivatives	—	—	—	—	15,058	—	—	15,058
Net income	—	—	—	524,455	—	—	—	524,455
Balance, September 30, 2025	2,261,954	$ 11,310	$ 5,338,260	$ 8,905,026	$ (93,382)	(307,960)	$ (6,416,054)	$ 7,745,160

[1]*Stock Split - The accompanying condensed consolidated financial statements and notes thereto have been retroactively updated to reflect the Stock Split. See Note 1 for additional information.*

See accompanying notes to condensed consolidated financial statements.

MONSTER BEVERAGE CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE NINE-MONTHS ENDED SEPTEMBER 30, 2026 AND 2025
(In Thousands) (Unaudited)

	Nine-Months Ended September 30,	
	2026	**2025**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 1,722,452	$ 1,456,242
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	89,887	82,023
Non-cash lease expense	13,041	10,266
Gain on disposal of property and equipment	(2,064)	(916)
Loss on impairment of property and equipment	19,904	2,279
Stock-based compensation	94,284	86,664
Deferred income taxes	(670)	455
Effect on cash of changes in operating assets and liabilities:		
Accounts receivable	(361,987)	(299,139)
Inventories	(126,652)	58,387
Prepaid expenses and other assets	(87,543)	(66,269)
Prepaid income taxes	4,164	14,043
Accounts payable	108,790	148,575
Accrued liabilities	9,333	98,535
Accrued promotional allowances	142,142	105,806
Accrued compensation	7,543	6,434
Income taxes payable	58,445	33,361
Other liabilities	(9,683)	(2,077)
Deferred revenue	(10,551)	(15,907)
Net cash provided by operating activities	1,670,835	1,718,762
CASH FLOWS FROM INVESTING ACTIVITIES:		
Sales and maturities of available-for-sale investments	870,623	20,686
Purchases of available-for-sale investments	(2,189,224)	(618,389)
Purchases of property and equipment	(100,642)	(104,101)
Proceeds from sale of property and equipment	3,777	2,744
Additions to intangibles	(9,342)	(19,681)
Increase in other assets	(5,850)	(507)
Net cash used in investing activities	(1,430,658)	(719,248)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments on short-term debt	(5,067)	(8,043)
Payments on credit facilities	—	(375,000)
Issuance of common stock	92,551	114,363
Purchases of common stock held in treasury	(234,399)	(43,921)
Net cash used in financing activities	(146,915)	(312,601)
Effect of exchange rate changes on cash and cash equivalents	(32,978)	72,739
NET INCREASE IN CASH AND CASH EQUIVALENTS	60,284	759,652
CASH AND CASH EQUIVALENTS, beginning of period	2,088,117	1,533,287
CASH AND CASH EQUIVALENTS, end of period	$ 2,148,401	$ 2,292,939
SUPPLEMENTAL INFORMATION:		
Cash paid during the period for:		
Interest	$ 152	$ 5,296
Income taxes	$ 484,273	$ 413,194

See accompanying notes to condensed consolidated financial statements.

MONSTER BEVERAGE CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE NINE-MONTHS ENDED SEPTEMBER 30, 2026 AND 2025
(In Thousands) (Unaudited) (Continued)

SUPPLEMENTAL DISCLOSURE OF NON-CASH ITEMS

Included in accrued liabilities as of September 30, 2026 and 2025 were additions to other intangible assets of $1.9 million and $3.2 million, respectively.

Included in accounts payable as of September 30, 2026 and 2025 were property and equipment purchases of $1.6 million and $1.4 million, respectively.

Included in accounts payable as of September 30, 2026 and 2025 were available-for-sale short-term investment purchases of $15.1 million and $16.2 million, respectively.

Included in accounts payable as of September 30, 2025 were available-for-sale long-term investment purchases of $31.2 million.

See accompanying notes to condensed consolidated financial statements.

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

1. BASIS OF PRESENTATION

Reference is made to the Notes to Consolidated Financial Statements in the Annual Report on Form 10-K for the year ended December 31, 2025 of Monster Beverage Corporation and its subsidiaries (collectively, the "Company") for a summary of significant accounting policies utilized by the Company and its consolidated subsidiaries and other disclosures, which should be read in conjunction with this Quarterly Report on Form 10-Q ("Form 10-Q").

The Company's condensed consolidated financial statements included in this Form 10-Q have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and Securities and Exchange Commission ("SEC") rules and regulations applicable to interim financial reporting. They do not include all the information and footnote disclosures normally included in annual financial statements prepared in accordance with GAAP. The information set forth in these interim condensed consolidated financial statements for the three- and nine-months ended September 30, 2026 and 2025, respectively, is unaudited and reflects all adjustments, which include only normal recurring adjustments and which in the opinion of management are necessary to make the interim condensed consolidated financial statements not misleading. Results of operations for periods covered by this report may not necessarily be indicative of results of operations for the full year.

The preparation of financial statements in conformity with GAAP necessarily 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 periods. Actual results could differ from these estimates.

Stock Split – On July 8, 2026, the Company announced a two-for-one stock split of the Company's common stock that was effected in the form of a 100% stock dividend. The common stock dividend was issued on August 10, 2026 (the "Stock Split") and the Company's common stock began trading at the split-adjusted price on August 11, 2026. Accordingly, all per share amounts, weighted-average common stock outstanding, common stock outstanding, common stock repurchased and equity-based compensation disclosure presented in the condensed consolidated financial statements and notes have been adjusted retroactively, where applicable, to reflect the Stock Split. Stockholders' equity has been retroactively adjusted, where applicable, to give effect to the Stock Split for all periods presented by reclassifying the par value of the additional shares issued in connection with the Stock Split to common stock from additional paid-in capital.

Recent Accounting Pronouncements

In November 2024, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("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.

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

2. REVENUE RECOGNITION

Revenues are accounted for in accordance with FASB Accounting Standards Codification ("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, Bang Energy® drinks, Storm™ and Reign Storm® total wellness energy drinks and FLRT™ total wellness 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, flavored malt beverages ("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 and full service beverage distributors ("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 net 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 September 30, 2026 and December 31, 2025.

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 expenses 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.

Disaggregation of Revenue

The following tables disaggregate the Company's revenue by geographical markets and reportable segments:

	Three-Months Ended September 30, 2026				
Net Sales	U.S. and Canada	EMEA[1]	Asia Pacific (including Oceania)	Latin America and Caribbean	Total
Monster Energy® Drinks	$ 1,342,542	$ 606,079	$ 175,843	$ 248,918	$ 2,373,382
Strategic Brands	57,013	73,937	15,198	10,219	156,367
Alcohol Brands	28,521	—	—	—	28,521
Other	4,783	—	—	—	4,783
Total Net Sales	$ 1,432,859	$ 680,016	$ 191,041	$ 259,137	$ 2,563,053

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	Three-Months Ended September 30, 2025				
Net Sales	U.S. and Canada	EMEA[1]	Asia Pacific (including Oceania)	Latin America and Caribbean	Total
Monster Energy® Drinks	$ 1,213,518	$ 490,502	$ 157,442	$ 165,381	$ 2,026,843
Strategic Brands	55,028	54,113	12,621	8,739	130,501
Alcohol Brands	33,009	—	—	—	33,009
Other	6,786	—	—	—	6,786
Total Net Sales	$ 1,308,341	$ 544,615	$ 170,063	$ 174,120	$ 2,197,139

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

	Nine-Months Ended September 30, 2026				
Net Sales	U.S. and Canada	EMEA[1]	Asia Pacific (including Oceania)	Latin America and Caribbean	Total
Monster Energy® Drinks	$ 3,961,377	$ 1,691,723	$ 572,552	$ 692,514	$ 6,918,166
Strategic Brands	160,926	207,275	39,354	19,253	426,808
Alcohol Brands	93,372	—	—	—	93,372
Other	15,471	—	—	—	15,471
Total Net Sales	$ 4,231,146	$ 1,898,998	$ 611,906	$ 711,767	$ 7,453,817

	Nine-Months Ended September 30, 2025				
Net Sales	U.S. and Canada	EMEA[1]	Asia Pacific (including Oceania)	Latin America and Caribbean	Total
Monster Energy® Drinks	$ 3,491,445	$ 1,275,990	$ 443,386	$ 468,890	$ 5,679,711
Strategic Brands	158,118	151,415	32,893	16,301	358,727
Alcohol Brands	105,683	—	—	—	105,683
Other	19,169	—	—	—	19,169
Total Net Sales	$ 3,774,415	$ 1,427,405	$ 476,279	$ 485,191	$ 6,163,290

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

Contract Liabilities

Amounts received from certain bottlers/distributors at the inception of their distribution contracts or at the inception of certain sales/marketing programs are accounted for as deferred revenue. As of September 30, 2026 and December 31, 2025, the Company had $194.6 million and $205.3 million, respectively, of deferred revenue, which is included in current and long-term deferred revenue in the Company's condensed consolidated balance sheets. During the three-months ended September 30, 2026 and 2025, $10.2 million and $10.1 million of deferred revenue was recognized in net sales, respectively. During the nine-months ended September 30, 2026 and 2025, $30.2 million and $30.0 million of deferred revenue was recognized in net sales, respectively. See Note 8.

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3. INVESTMENTS

The following table summarizes the Company's investments at:

September 30, 2026	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	$ 217,209	$ —	$ —	$ 217,209	$ —	$ —
Municipal securities	2,211	—	4	2,207	4	—
U.S. government agency securities	56,225	—	124	56,101	124	—
U.S. treasuries	839,416	—	2,500	836,916	2,500	—
Corporate bonds	445,106	—	1,688	443,418	1,688	—
Long-term:						
Municipal securities	598	—	6	592	6	—
U.S. government agency securities	41,676	—	569	41,107	569	—
U.S. treasuries	425,019	—	4,807	420,212	4,807	—
Corporate bonds	469,421	—	4,321	465,100	4,321	—
Total	$ 2,496,881	$ —	$ 14,019	$ 2,482,862	$ 14,019	$ —

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 three- and nine-months ended September 30, 2026 and 2025, realized gains or losses recognized on the sale of investments were not significant.

The Company's investments at September 30, 2026 carried investment grade credit ratings.

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The following table summarizes the underlying contractual maturities of the Company's investments at:

	September 30, 2026		December 31, 2025	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Less than 1 year:				
Commercial paper	$ 217,209	$ 217,209	$ 90,418	$ 90,419
Certificates of deposit	—	—	12,728	12,728
Municipal securities	2,211	2,207	674	675
U.S. government agency securities	56,225	56,101	—	—
U.S. treasuries	839,416	836,916	489,007	489,499
Corporate bonds	445,106	443,418	83,639	83,763
Due 1 - 10 years:				
Municipal securities	598	592	1,206	1,207
U.S. government agency securities	41,676	41,107	—	—
U.S. treasuries	425,019	420,212	259,613	259,966
Corporate bonds	469,421	465,100	225,867	226,156
Total	$ 2,496,881	$ 2,482,862	$ 1,163,152	$ 1,164,413

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.

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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:

September 30, 2026	Level 1	Level 2	Level 3	Total
Cash	$ 1,022,783	$ —	$ —	$ 1,022,783
Money market funds	1,061,701	—	—	1,061,701
Commercial paper	—	217,209	—	217,209
Certificates of deposit	—	63,917	—	63,917
Municipal securities	—	2,799	—	2,799
U.S. government agency securities	—	97,208	—	97,208
U.S. treasuries	—	1,257,128	—	1,257,128
Corporate bonds	—	908,518	—	908,518
Foreign currency derivatives	—	800	—	800
Commodity derivatives	—	11,543	—	11,543
Total	$ 2,084,484	$ 2,559,122	$ —	$ 4,643,606
Amounts included in:				
Cash and cash equivalents	$ 2,084,484	$ 63,917	$ —	$ 2,148,401
Short-term investments	—	1,555,851	—	1,555,851
Accounts receivable, net	—	15,270	—	15,270
Prepaid expenses and other current assets	—	124	—	124
Other assets	—	578	—	578
Investments	—	927,011	—	927,011
Accrued liabilities	—	(3,593)	—	(3,593)
Other liabilities	—	(36)	—	(36)
Total	$ 2,084,484	$ 2,559,122	$ —	$ 4,643,606

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

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 three- and nine-months ended September 30, 2026, or during the year-ended December 31, 2025, and there were no changes in the Company's valuation techniques.

5. INVENTORIES

Inventories consist of the following at:

	September 30, 2026	December 31, 2025
Raw materials	$ 341,904	$ 322,604
Work in process	961	1,114
Finished goods	577,225	475,905
	$ 920,090	$ 799,623

6. PROPERTY AND EQUIPMENT, NET

Property and equipment consist of the following at:

	September 30, 2026	December 31, 2025
Land	$ 186,265	$ 188,889
Leasehold improvements	31,793	33,456
Furniture and fixtures	13,640	13,263
Office and computer equipment	24,381	25,191
Equipment	640,360	611,269
Buildings	407,831	410,189
Vehicles	122,605	83,066
Assets under construction	29,953	55,252
	1,456,828	1,420,575
Less: accumulated depreciation and amortization	(397,777)	(339,031)
	$ 1,059,051	$ 1,081,544

Total depreciation and amortization expense was $28.5 million and $24.9 million for the three-months ended September 30, 2026 and 2025, respectively. Total depreciation and amortization expense was $81.3 million and $68.6 million for the nine-months ended September 30, 2026 and 2025, respectively. For the three-months ended September 30, 2026, impairment charges of $19.9 million were recorded to property and equipment. See Note 17. For the three-months ended September 30, 2025, no impairment charges were recorded to property and equipment. For the nine-months ended September 30, 2026 and 2025, impairment charges of $19.9 million and $2.3 million were recorded to property and equipment, respectively.

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7. GOODWILL AND OTHER INTANGIBLE ASSETS

The following is a roll-forward of goodwill for the nine-months ended September 30, 2026 and 2025 by reportable segment:

	Monster Energy® Drinks	Strategic Brands	Alcohol Brands*	Other	Total
Balance at December 31, 2025	$ 693,644	$ 637,999	$ —	$ —	$ 1,331,643
Acquisitions	—	—	—	—	—
Balance at September 30, 2026	$ 693,644	$ 637,999	$ —	$ —	$ 1,331,643

	Monster Energy® Drinks	Strategic Brands	Alcohol Brands*	Other	Total
Balance at December 31, 2024	$ 693,644	$ 637,999	$ —	$ —	$ 1,331,643
Acquisitions	—	—	—	—	—
Balance at September 30, 2025	$ 693,644	$ 637,999	$ —	$ —	$ 1,331,643

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

Intangible assets consist of the following at:

	September 30, 2026	December 31, 2025
Amortizing intangibles	$ 140,735	$ 137,664
Accumulated amortization	(94,782)	(86,999)
	45,953	50,665
Non-amortizing intangibles	1,335,053	1,328,603
	$ 1,381,006	$ 1,379,268

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 was $3.2 million and $4.7 million for the three-months ended September 30, 2026 and 2025, respectively. Total amortization expense was $8.6 million and $13.4 million for the nine-months ended September 30, 2026 and 2025, respectively. For the three- and nine-months ended September 30, 2026 and 2025, no impairment charges were recorded to intangible assets.

The following is the future estimated amortization expense related to amortizing intangibles as of September 30, 2026:

2026 (from October 1, 2026 to December 31, 2026)	$ 3,063
2027	10,773
2028	7,828
2029	4,590
2030	4,590
2031 and thereafter	15,109
	$ 45,953

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8. DISTRIBUTION AGREEMENTS

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, or at the inception of certain sales/marketing programs are accounted for as deferred revenue and are recognized as revenue ratably over the anticipated life of the respective agreement, generally 20 years or program duration, as the case may be. Revenue recognized was $10.2 million and $10.1 million for the three-months ended September 30, 2026 and 2025, respectively. Revenue recognized was $30.2 million and $30.0 million for the nine-months ended September 30, 2026 and 2025, respectively.

9. 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 September 30, 2026, 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 September 30, 2026, no amount was outstanding on this line of credit.

10. COMMITMENTS AND CONTINGENCIES

The Company had purchase commitments aggregating approximately $186.0 million at September 30, 2026, 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 had contractual obligations aggregating approximately $738.0 million at September 30, 2026, which related primarily to sponsorships and other marketing activities.

Litigation – From time to time in the normal course of business, the Company is named in litigation, including labor and employment matters, personal injury matters, consumer class actions, intellectual property matters and claims 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 September 30, 2026 and December 31, 2025, $30.8 million and $36.2 million, respectively, of loss contingencies were included in the Company's accompanying condensed consolidated balance sheets.

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11. ACCUMULATED OTHER COMPREHENSIVE LOSS

Changes in accumulated other comprehensive loss by component, after tax, for the nine-months ended September 30, 2026 and 2025 are as follows:

	Accumulated Net Gains (Losses) on Commodity Derivatives	Currency Translation Gains (Losses)	Unrealized Gains (Losses) on Available-for-Sale Securities	Total
Balance at December 31, 2025	$ 45,955	$ (108,059)	$ 1,263	$ (60,841)
Other comprehensive income (loss) before reclassifications	25,392	(50,587)	(15,064)	(40,259)
Amounts reclassified from accumulated other comprehensive loss	(48,372)	—	—	(48,372)
Net current-period other comprehensive income (loss)	(22,980)	(50,587)	(15,064)	(88,631)
Balance at September 30, 2026	$ 22,975	$ (158,646)	$ (13,801)	$ (149,472)

	Accumulated Net Gains (Losses) on Commodity Derivatives	Currency Translation Gains (Losses)	Unrealized Gains (Losses) on Available-for-Sale Securities	Total
Balance at December 31, 2024	$ 443	$ (269,930)	$ —	$ (269,487)
Other comprehensive income (loss) before reclassifications	29,983	147,377	434	177,794
Amounts reclassified from accumulated other comprehensive loss	(1,689)	—	—	(1,689)
Net current-period other comprehensive income (loss)	28,294	147,377	434	176,105
Balance at September 30, 2025	$ 28,737	$ (122,553)	$ 434	$ (93,382)

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 three-months ended September 30, 2026, the Company purchased approximately 2.3 million shares of its common stock at an average purchase price of $43.87 per share, for a total amount of approximately $100.0 million under the August 2024 Repurchase Plan. As of November 4, 2026, approximately $300.0 million remained available for repurchase under the August 2024 Repurchase Plan.

On May 14, 2026, 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 "May 2026 Repurchase Plan"). During the three-months ended September 30, 2026, no shares were repurchased under the May 2026 Repurchase Plan. As of November 4, 2026, approximately $500.0 million remained available for repurchase under the May 2026 Repurchase Plan.

The aggregate amount of the Company's outstanding common stock that remains available for repurchase under all previously authorized repurchase plans is approximately $800.0 million as of November 4, 2026.

During the three-months ended September 30, 2026, 8,760 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 $0.4 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 condensed consolidated balance sheet at September 30, 2026.

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13. STOCK-BASED COMPENSATION

The Company has two stock-based compensation plans under which shares were available for grant at September 30, 2026: (i) the Monster Beverage Corporation 2020 Omnibus Incentive Plan, including 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, including the Monster Beverage Corporation Deferred Compensation Plan for Non-Employee Directors as a sub-plan thereunder.

The Company recorded $30.4 million and $32.8 million of compensation expense relating to outstanding options, restricted stock units, performance share units and other share-based awards during the three-months ended September 30, 2026 and 2025, respectively. The Company recorded $94.3 million and $86.7 million of compensation expense relating to outstanding options, restricted stock units, performance share units and other share-based awards during the nine-months ended September 30, 2026 and 2025, 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 three-months ended September 30, 2026 and 2025 was $1.7 million and $6.5 million, 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 nine-months ended September 30, 2026 and 2025 was $17.9 million and $20.1 million, respectively.

Stock Options

Under the Company's stock-based compensation plans, all stock options granted as of September 30, 2026 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 stock options based on the estimated fair value of the options on the date of grant 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:

	Three-Months Ended September 30,		Nine-Months Ended September 30,	
	2026	2025	2026	2025
Dividend yield	—	—	0.0 %	0.0 %
Expected volatility	—	—	25.5 %	26.7 %
Risk-free interest rate	—	—	4.1 %	4.2 %
Expected term	—	—	6.1 years	6.2 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.

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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, 2026	44,322	$ 21.40	5.8	$ 750,594
Granted 01/01/26 - 03/31/26	1,788	$ 38.56		
Granted 04/01/26 - 06/30/26	28	$ 44.55		
Granted 07/01/26 - 09/30/26	—	$ —		
Exercised	(5,063)	$ 18.28		
Cancelled or forfeited	(278)	$ 26.18		
Outstanding at September 30, 2026	40,797	$ 22.52	5.4	$ 779,210
Vested and expected to vest in the future at September 30, 2026	39,773	$ 22.36	5.4	$ 766,046
Exercisable at September 30, 2026	24,093	$ 18.93	4.1	$ 546,635

No options were granted during either the three-months ended September 30, 2026 or 2025. The weighted-average grant-date fair value of options granted during the nine-months ended September 30, 2026 and 2025 was $13.29 per share and $9.92 per share, respectively.

The total intrinsic value of options exercised during the three-months ended September 30, 2026 and 2025 was $18.4 million and $38.2 million, respectively. The total intrinsic value of options exercised during the nine-months ended September 30, 2026 and 2025 was $123.8 million and $124.3 million, respectively.

Cash received from option exercises under all plans for the three-months ended September 30, 2026 and 2025 was $13.7 million and $26.7 million, respectively. Cash received from option exercises under all plans for the nine-months ended September 30, 2026 and 2025 was $92.6 million and $114.4 million, respectively.

At September 30, 2026, there was $91.3 million of total unrecognized compensation expense related to non-vested options granted to employees under the Company's stock-based compensation plans. That cost is expected to be recognized over a weighted-average period of 2.0 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.

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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, 2026	4,080	$ 26.58
Granted 01/01/26 - 03/31/26[1]	1,972	$ 34.50
Granted 04/01/26 - 06/30/26	54	$ 43.47
Granted 07/01/26 - 09/30/26	1	$ 47.58
Vested	(1,993)	$ 25.53
Forfeited/cancelled	(24)	$ 31.26
Non-vested at September 30, 2026	4,090	$ 31.11

[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 three-months ended September 30, 2026 and 2025 was $47.58 and $30.80 per share, respectively. The weighted-average grant-date fair value of restricted stock units and/or performance share units granted during the nine-months ended September 30, 2026 and 2025 was $38.75 and $27.67 per share, respectively.

As of September 30, 2026, 3.8 million restricted stock units and performance share units are expected to vest over their respective terms.

At September 30, 2026, total unrecognized compensation expense relating to non-vested restricted stock units and performance share units was $73.9 million, which is expected to be recognized over a weighted-average period of 2.0 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 the date of settlement. At September 30, 2026, other share-based awards outstanding included grants that vest over three years payable in the first quarters of 2027, 2028 and 2029.

At September 30, 2026, there was $4.2 million of unrecognized compensation expense related to non-vested 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 1.9 years.

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14. INCOME TAXES

The following is a roll-forward of the Company's total gross unrecognized tax benefits, not including interest and penalties, for the nine-months ended September 30, 2026:

	Gross Unrecognized Tax Benefits
Balance at December 31, 2025	$ 3,230
Additions for tax positions related to the current year	—
Additions for tax positions related to the prior years	348
Decreases for tax positions related to the prior years	—
Balance at September 30, 2026	$ 3,578

The Company recognizes accrued interest and penalties related to unrecognized tax benefits in the provision for income taxes in the Company's condensed consolidated financial statements. As of September 30, 2026, the Company had approximately $1.1 million in accrued interest and penalties related to unrecognized tax benefits. If the Company were to prevail on all uncertain tax positions, the resultant impact on the Company's effective tax rate would 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 2023 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 is presented below (in thousands):

	Three-Months Ended September 30,		Nine-Months Ended September 30,	
	2026	2025	2026	2025
Weighted-average shares outstanding:				
Basic	1,958,641	1,953,217	1,957,535	1,950,675
Dilutive	21,472	16,716	20,669	16,389
Diluted	1,980,113	1,969,933	1,978,204	1,967,064

For the three-months ended September 30, 2026 and 2025, options and awards outstanding totaling 1.4 million shares and 10.9 million shares, respectively, were excluded from the calculations as their effect would have been antidilutive. For the nine-months ended September 30, 2026 and 2025, options and awards outstanding totaling 1.4 million shares and 19.0 million shares, respectively, were excluded from the calculations as their effect would have been antidilutive.

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16. 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, Bang Energy® drinks, Storm™ and Reign Storm® total wellness energy drinks and FLRT™ total wellness 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 net 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.

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

Three-Months Ended September 30, 2026

	Monster Energy® Drinks	Strategic Brands	Alcohol Brands	Other	Total
Net sales[1]	$ 2,373,382	$ 156,367	$ 28,521	$ 4,783	$ 2,563,053
Cost of sales	1,089,566	48,957	20,285	3,510	
Gross profit	1,283,816	107,410	8,236	1,273	1,400,735
Distribution expense	110,772	3,060	2,475	9	
Selling and marketing expense	234,343	21,821	3,852	35	
Nonmanufacturing payroll expense	55,384	2,115	7,174	406	
Other segment items[2]	23,704	839	3,724	397	
Segment profit (loss)[1]	859,613	79,575	(8,989)	426	930,625
Reconciliation of segment profit (loss)					
Interest and other income, net					34,779
Unallocated amounts:					
Corporate payroll expenses					(121,226)
Corporate overhead expenses, excluding payroll					(90,682)
Income before provision for income taxes					$ 753,496
Depreciation and amortization	$ 23,496	$ 301	$ 1,618	$ 256	$ 25,671
Unallocated depreciation and amortization					6,032
Total depreciation and amortization					$ 31,703

[1] *For the Monster Energy® Drinks segment, includes $10.2 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 - travel and entertainment expense, professional services expense, depreciation and amortization expense, and certain overhead expenses
Other - professional services expense, and certain overhead expenses

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Three-Months Ended September 30, 2025

	Monster Energy® Drinks	Strategic Brands	Alcohol Brands	Other	Total
Net sales[1]	$ 2,026,843	$ 130,501	$ 33,009	$ 6,786	$2,197,139
Cost of sales	902,094	41,546	24,694	4,319	
Gross profit	1,124,749	88,955	8,315	2,467	1,224,486
Distribution expense	78,569	1,704	2,341	—	
Selling and marketing expense	189,136	17,339	7,976	124	
Nonmanufacturing payroll expense	43,684	2,711	8,908	524	
Other segment items[2]	22,880	919	6,941	201	
Segment profit (loss)[1]	790,480	66,282	(17,851)	1,618	840,529
Reconciliation of segment profit (loss)					
Interest and other income, net					14,185
Unallocated amounts:					
Corporate payroll expenses					(112,924)
Corporate overhead expenses, excluding payroll					(52,253)
Income before provision for income taxes					$ 689,537
Depreciation and amortization	$ 20,835	$ 310	$ 4,816	$ 351	$ 26,312
Unallocated depreciation and amortization					3,306
Total depreciation and amortization					$ 29,618

[1]*For the Monster Energy® Drinks segment, includes $10.1 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, and certain overhead expenses
Other - certain overhead expenses

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Nine-Months Ended September 30, 2026

	Monster Energy® Drinks	Strategic Brands	Alcohol Brands	Other	Total
Net sales[1]	$ 6,918,166	$ 426,808	$ 93,372	$ 15,471	$ 7,453,817
Cost of sales	3,118,470	144,194	65,752	11,683	
Gross profit	3,799,696	282,614	27,620	3,788	4,113,718
Distribution expense	321,176	9,205	7,536	30	
Selling and marketing expense	658,823	53,469	11,809	122	
Nonmanufacturing payroll expense	156,609	7,350	23,909	1,469	
Other segment items[2]	78,912	2,781	10,336	1,512	
Segment profit (loss)[1]	2,584,176	209,809	(25,970)	655	2,768,670
Reconciliation of segment profit (loss)					
Interest and other income, net					82,776
Unallocated amounts:					
Corporate payroll expenses					(366,485)
Corporate overhead expenses, excluding payroll					(213,067)
Income before provision for income taxes					$ 2,271,894
Depreciation and amortization	$ 67,505	$ 871	$ 5,124	$ 970	$ 74,470
Unallocated depreciation and amortization					15,417
Total depreciation and amortization					$ 89,887

[1]*For the Monster Energy® Drinks segment, includes $30.2 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 - travel and entertainment expense, professional services expense, depreciation and amortization expense, and certain overhead expenses
Other - professional services expense, and certain overhead expenses

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Nine-Months Ended September 30, 2025

	Monster Energy® Drinks	Strategic Brands	Alcohol Brands	Other	Total
Net sales[1]	$ 5,679,711	$ 358,727	$ 105,683	$ 19,169	$ 6,163,290
Cost of sales	2,509,309	114,165	77,364	13,590	
Gross profit	3,170,402	244,562	28,319	5,579	3,448,862
Distribution expense	229,826	4,403	7,968	2	
Selling and marketing expense	518,439	44,241	20,777	298	
Nonmanufacturing payroll expense	130,564	7,186	27,220	1,653	
Other segment items[2]	63,241	2,687	26,327	512	
Segment profit (loss)[1]	2,228,332	186,045	(53,973)	3,114	2,363,518
Reconciliation of segment profit (loss)					
Interest and other income, net					37,522
Unallocated amounts:					
Corporate payroll expenses					(325,257)
Corporate overhead expenses, excluding payroll					(161,541)
Income before provision for income taxes					$ 1,914,242
Depreciation and amortization	$ 56,674	$ 813	$ 14,718	$ 800	$ 73,005
Unallocated depreciation and amortization					9,018
Total depreciation and amortization					$ 82,023

[1]*For the Monster Energy® Drinks segment, includes $30.0 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, property and equipment impairment, and certain overhead expenses
Other - certain overhead expenses

Coca-Cola Europacific Partners accounted for approximately 17% of the Company's net sales for both the three-months ended September 30, 2026 and 2025. Coca-Cola Europacific Partners accounted for approximately 16% and 15% of the Company's net sales for the nine-months ended September 30, 2026 and 2025, respectively.

Coca-Cola Consolidated, Inc. accounted for approximately 9% of the Company's net sales for both the three-months ended September 30, 2026 and 2025. Coca-Cola Consolidated, Inc. accounted for approximately 9% and 10% of the Company's net sales for the nine-months ended September 30, 2026 and 2025, respectively.

Net sales to customers outside the United States amounted to $1.20 billion and $937.1 million for the three-months ended September 30, 2026 and 2025, respectively. Such sales were approximately 47% and 43% of net sales for the three-months ended September 30, 2026 and 2025, respectively. Net sales to customers outside the United States amounted to $3.43 billion and $2.53 billion for the nine-months ended September 30, 2026 and 2025, respectively. Such sales were approximately 46% and 41% of net sales for the nine-months ended September 30, 2026 and 2025, respectively.

Goodwill and other intangible assets for the Company's reportable segments were as follows at:

	September 30, 2026	December 31, 2025
Goodwill and other intangible assets:		
Monster Energy® Drinks	$ 1,719,546	$ 1,716,824
Strategic Brands	982,543	982,543
Alcohol Brands	10,560	11,544
Other	—	—
	$ 2,712,649	$ 2,710,911

17. 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, were $38.9 million and $32.0 million for the three-months ended September 30, 2026 and 2025, respectively, and are included as a reduction to net sales. TCCC commissions, based on sales to the TCCC Subsidiaries and the TCCC Related Parties, were $109.9 million and $87.4 million for the nine-months ended September 30, 2026 and 2025, respectively, and are included as a reduction to net sales.

TCCC commissions, based on sales to TCCC independent bottlers, were $16.6 million and $12.1 million for the three-months ended September 30, 2026 and 2025, respectively, and are included in operating expenses. TCCC commissions, based on sales to TCCC independent bottlers, were $49.7 million and $33.4 million for the nine-months ended September 30, 2026 and 2025, respectively, and are included in operating expenses.

Net sales to the TCCC Subsidiaries for the three-months ended September 30, 2026 and 2025 were $84.5 million and $65.2 million, respectively. Net sales to the TCCC Subsidiaries for the nine-months ended September 30, 2026 and 2025 were $217.9 million and $184.3 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 $7.9 million and $6.9 million for the three-months ended September 30, 2026 and 2025, respectively. Concentrate purchases from TCCC were $20.3 million and $20.1 million for the nine-months ended September 30, 2026 and 2025, respectively.

Certain TCCC Subsidiaries also contract manufacture certain of the Company's energy drinks. Such contract manufacturing expenses were $22.6 million and $13.0 million for the three-months ended September 30, 2026 and 2025, respectively. Such contract manufacturing expenses were $50.1 million and $37.6 million for the nine-months ended September 30, 2026 and 2025, respectively.

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

	September 30, 2026	December 31, 2025
Accounts receivable, net	$ 240,558	$ 166,618
Accounts payable	$ (38,375)	$ (37,775)
Accrued promotional allowances	$ (29,527)	$ (24,898)
Accrued liabilities	$ (39,577)	$ (28,458)

One director of the Company through certain trusts, and a family member of one director have ownership interests in a company that provides promotional materials to the Company. Expenses incurred with such company in connection with promotional materials purchased during the three-months ended September 30, 2026 and 2025 were $0.9 million and $1.3 million, respectively. Expenses incurred with such company in connection with promotional materials purchased during the nine-months ended September 30, 2026 and 2025 were $4.5 million and $4.8 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 three- and nine-months ended September 30, 2026, the Company incurred no expenses in relation to the aircraft. During the three-months ended September 30, 2025, the Company incurred no expenses in relation to the aircraft. During the nine-months ended September 30, 2025, the Company incurred expenses of $0.06 million in relation to the aircraft.

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. During the three-months ended September 30, 2026, the land and real property located in Kona, Hawaii (the “Property”) were reclassified as held-for-sale, and an impairment charge of $19.9 million was recognized in operating expenses in the condensed consolidated statement of income. Following the impairment charge, the carrying value of the Property is $20.0 million and is included in prepaid expenses and other current assets in the condensed consolidated balance sheet as of September 30, 2026. 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 condensed 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 condensed consolidated financial statements.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Our 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, and to a lesser extent, craft beers, flavored malt beverages ("FMBs") and hard seltzers.

Pricing Actions

We implemented price increases in the fourth quarter of 2025 (for core brands and packages) in the United States and at various times in certain international markets during 2025 and 2026 (collectively, the "Pricing Actions"). The Pricing Actions positively impacted gross profit margins in 2026 as compared to 2025.

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®
- Monster Killer Brew®
- Punch Monster®
- Juice Monster®
- Reign Total Body Fuel®
- Reign Storm®
- Storm™
- Bang Energy®
- FLRT™
- 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™, Blind Lemon®, Blinder Lemon™ and other brands.

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, Bang Energy® drinks, Storm™ and Reign Storm® total wellness energy drinks and FLRT™ total wellness 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, a wholly-owned subsidiary of the Company, to independent third-party customers (the "AFF Third-Party Products").

During the three-months ended September 30, 2026, we continued to expand our existing drink portfolio by adding products to our portfolio in a number of countries and further developed our distribution markets. During the three-months ended September 30, 2026, we sold the following new products to our customers:

- FLRT™ Apple Bottoms Up™
- Java Monster® Dubai Chocolate
- Monster Energy® Vanilla Shot
- Monster Energy® Vanilla Shot Zero Sugar
- Mother® Sour Snakes

In the normal course of business, we discontinue certain products and/or product lines. Those products or product lines discontinued in the three-months ended September 30, 2026, either individually or in aggregate, did not have a material adverse impact on our financial position, results of operations or liquidity.

Our net sales were $2.56 billion for the three-months ended September 30, 2026. Net changes in foreign currency exchange rates had a favorable impact on net sales of approximately $8.1 million for the three-months ended September 30, 2026. Net sales on a foreign currency adjusted basis increased 16.3% for the three-months ended September 30, 2026.

The vast majority of our net sales are derived from our Monster Energy® Drinks segment. Net sales of our Monster Energy® Drinks segment were $2.37 billion for the three-months ended September 30, 2026. Net sales of our Strategic Brands segment were $156.4 million for the three-months ended September 30, 2026. Net sales of our Alcohol Brands segment were $28.5 million for the three-months ended September 30, 2026. Net sales of our Other segment were $4.8 million for the three-months ended September 30, 2026.

Our Monster Energy® Drinks segment represented 92.6% and 92.3% of our net sales for the three-months ended September 30, 2026 and 2025, respectively. Our Strategic Brands segment represented 6.1% and 5.9% of our net sales for the three-months ended September 30, 2026 and 2025, respectively. Our Alcohol Brands segment represented 1.1% and 1.5% of our net sales for the three-months ended September 30, 2026 and 2025, respectively. Our Other segment represented 0.2% and 0.3% of our net sales for the three-months ended September 30, 2026 and 2025, respectively.

Our growth strategy includes further developing our domestic markets and expanding our international business. Net sales to customers outside the United States were $1.20 billion for the three-months ended September 30, 2026, an increase of approximately $262.9 million, or 28.1% higher than net sales to customers outside of the United States of $937.1 million for the three-months ended September 30, 2025. Such sales were approximately 47% and 43% of net sales for the three-months ended September 30, 2026 and 2025, respectively. Net changes in foreign currency exchange rates had a favorable impact on net sales to customers outside of the United States of approximately $8.1 million for the three-months ended September 30, 2026. Net sales to customers outside the United States, on a foreign currency adjusted basis, increased 27.2% for the three-months ended September 30, 2026.

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 three- and nine-months ended September 30, 2026 and 2025 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.

	Three-Months Ended September 30,		Nine-Months Ended September 30,	
	2026	2025	2026	2025
U.S. full service bottlers/distributors	40 %	44 %	41 %	45 %
International full service bottlers/distributors	49 %	44 %	48 %	43 %
Club stores and e-commerce retailers	8 %	8 %	8 %	8 %
Retail grocery, direct convenience, specialty chains and wholesalers	2 %	2 %	2 %	2 %
Alcohol, value stores and other	1 %	2 %	1 %	2 %

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 consolidated results of operations.

Coca-Cola Europacific Partners accounted for approximately 17% of the Company's net sales for both the three-months ended September 30, 2026 and 2025. Coca-Cola Europacific Partners accounted for approximately 16% and 15% of the Company's net sales for the nine-months ended September 30, 2026 and 2025, respectively.

Coca-Cola Consolidated, Inc. accounted for approximately 9% of the Company's net sales for both the three-months ended September 30, 2026 and 2025. Coca-Cola Consolidated, Inc. accounted for approximately 9% and 10% of the Company's net sales for the nine-months ended September 30, 2026 and 2025, respectively.

Results of Operations

The following table sets forth key statistics for the three- and nine-months ended September 30, 2026 and 2025.

(In thousands, except per share amounts)	Three-Months Ended September 30,		Percentage Change	Nine-Months Ended September 30,		Percentage Change
	2026	2025	26 vs. 25	2026	2025	26 vs. 25
Net sales[1]	$ 2,563,053	$ 2,197,139	16.7 %	$ 7,453,817	$ 6,163,290	20.9 %
Cost of sales	1,162,318	972,653	19.5 %	3,340,099	2,714,428	23.0 %
Gross profit*[1]	1,400,735	1,224,486	14.4 %	4,113,718	3,448,862	19.3 %
Gross profit as a percentage of net sales	54.7 %	55.7 %		55.2 %	56.0 %	
Operating expenses	682,018	549,134	24.2 %	1,924,600	1,572,142	22.4 %
Operating expenses as a percentage of net sales	26.6 %	25.0 %		25.8 %	25.5 %	
Operating income[1]	718,717	675,352	6.4 %	2,189,118	1,876,720	16.6 %
Operating income as a percentage of net sales	28.0 %	30.7 %		29.4 %	30.4 %	
Interest and other income, net	34,779	14,185	145.2 %	82,776	37,522	120.6 %
Income before provision for income taxes[1]	753,496	689,537	9.3 %	2,271,894	1,914,242	18.7 %
Provision for income taxes	185,069	165,082	12.1 %	549,442	458,000	20.0 %
Income taxes as a percentage of income before taxes	24.6 %	23.9 %		24.2 %	23.9 %	
Net income	$ 568,427	$ 524,455	8.4 %	$ 1,722,452	$ 1,456,242	18.3 %
Net income as a percentage of net sales	22.2 %	23.9 %		23.1 %	23.6 %	
Net income per common share:						
Basic	$ 0.29	$ 0.27	8.1 %	$ 0.88	$ 0.75	17.9 %
Diluted	$ 0.29	$ 0.27	7.8 %	$ 0.87	$ 0.74	17.6 %
Energy drink case sales (in thousands) (in 192-ounce case equivalents)	304,902	258,387	18.0 %	884,306	720,823	22.7 %

[1]Includes $10.2 million and $10.1 million for the three-months ended September 30, 2026 and 2025, respectively, related to the recognition of deferred revenue. Includes $30.2 million and $30.0 million for the nine-months ended September 30, 2026 and 2025, 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.*

Three-Months Ended September 30, 2026 Compared to the Three-Months Ended September 30, 2025.

Net Sales

Net sales were $2.56 billion for the three-months ended September 30, 2026, an increase of approximately $365.9 million, or 16.7% higher than net sales of $2.20 billion for the three-months ended September 30, 2025. 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 a favorable impact on net sales of approximately $8.1 million for the three-months ended September 30, 2026. Net sales on a foreign currency adjusted basis increased 16.3% for the three-months ended September 30, 2026.

Net sales for the Monster Energy® Drinks segment were $2.37 billion for the three-months ended September 30, 2026, an increase of approximately $346.5 million, or 17.1% higher than net sales of $2.03 billion for the three-months ended September 30, 2025. 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 a favorable impact on net sales for the Monster Energy® Drinks segment of approximately $7.5 million for the three-months ended September 30, 2026. Net sales for the Monster Energy® Drinks segment on a foreign currency adjusted basis increased 16.7% for the three-months ended September 30, 2026.

Net sales for the Strategic Brands segment were $156.4 million for the three-months ended September 30, 2026, an increase of approximately $25.9 million, or 19.8% higher than net sales of $130.5 million for the three-months ended September 30, 2025. Net sales for the Strategic Brands segment increased primarily due to increased sales of our Burn® and Fury® brand energy drinks. Net changes in foreign currency exchange rates had a favorable impact on net sales of approximately $0.6 million for the Strategic Brands segment for the three-months ended September 30, 2026. Net sales for the Strategic Brands segment on a foreign currency adjusted basis increased 19.3% for the three-months ended September 30, 2026. 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 $28.5 million for the three-months ended September 30, 2026, a decrease of approximately $4.5 million, or 13.6% lower than net sales of $33.0 million for the three-months ended September 30, 2025. The decrease in net sales for the three-months ended September 30, 2026 was primarily due to decreased sales of The Beast™ product line.

Net sales for the Other segment were $4.8 million for the three-months ended September 30, 2026, a decrease of approximately $2.0 million, or 29.5% lower than net sales of $6.8 million for the three-months ended September 30, 2025.

Case sales for our energy drink products, in 192-ounce case equivalents, were 304.9 million cases for the three-months ended September 30, 2026, an increase of approximately 46.5 million cases, or 18.0% higher than case sales of 258.4 million cases for the three-months ended September 30, 2025. The overall average net sales per case for our energy drink products (excluding net sales of Alcohol Brands and Other segments) decreased to $8.30 for the three-months ended September 30, 2026 from $8.35 for the three-months ended September 30, 2025.

Case sales for our craft beers, FMBs and hard seltzers, in 192-ounce equivalents, were 2.0 million cases for the three-months ended September 30, 2026, a decrease of approximately 0.3 million cases, or 14.2% lower than case sales of 2.4 million cases for the three-months ended September 30, 2025. Barrel sales for our craft beers, FMBs and hard seltzers, in 31 U.S. gallon equivalents, were 0.10 million barrels for the three-months ended September 30, 2026, a decrease of approximately 0.02 million barrels, or 14.2% lower than barrel sales of 0.11 million barrels for the three-months ended September 30, 2025.

Gross Profit

Gross profit was $1.40 billion for the three-months ended September 30, 2026, an increase of approximately $176.2 million, or 14.4% higher than the gross profit of $1.22 billion for the three-months ended September 30, 2025. The increase in gross profit dollars was primarily the result of the increase in net sales.

Gross profit as a percentage of net sales decreased to 54.7% for the three-months ended September 30, 2026 from 55.7% for the three-months ended September 30, 2025. The decrease in gross profit as a percentage of net sales for the three-months ended September 30, 2026 was primarily the result of increased aluminum can costs, geographical sales mix and increased freight-in costs, partially offset by the Pricing Actions.

Operating Expenses

Total operating expenses were $682.0 million for the three-months ended September 30, 2026, an increase of approximately $132.9 million, or 24.2% higher than total operating expenses of $549.1 million for the three-months ended September 30, 2025.

The increase in operating expenses was primarily due to increased general and administrative expenses of $53.7 million, selling and marketing expenses of $45.5 million and distribution expenses of $33.7 million. General and administrative expenses included a property and equipment impairment charge of $19.9 million and digital transformation expenses of $14.7 million for the three-months ended September 30, 2026. The increase in selling and marketing expenses for the three-months ended September 30, 2026 was primarily due to increased social, digital, media and other marketing expenses, including sponsorships and endorsements, in order to reach a broader consumer audience and increase household penetration. Operating expenses as a percentage of net sales for the three-months ended September 30, 2026 and 2025 were 26.6% and 25.0%, respectively.

Operating Income

Operating income was $718.7 million for the three-months ended September 30, 2026, an increase of approximately $43.4 million, or 6.4% higher than operating income of $675.4 million for the three-months ended September 30, 2025. Operating income as a percentage of net sales decreased to 28.0% for the three-months ended September 30, 2026 from 30.7% for the three-months ended September 30, 2025.

Operating income was $268.9 million and $210.4 million for the three-months ended September 30, 2026 and 2025, respectively, for our international operations.

Operating income for the Monster Energy® Drinks segment, exclusive of corporate and unallocated expenses, was $859.6 million for the three-months ended September 30, 2026, an increase of approximately $69.1 million, or 8.7% higher than operating income of $790.5 million for the three-months ended September 30, 2025. 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 $79.6 million for the three-months ended September 30, 2026, an increase of approximately $13.3 million, or 20.1% higher than operating income of $66.3 million for the three-months ended September 30, 2025. 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 $9.0 million for the three-months ended September 30, 2026, a decrease of approximately $8.9 million, or 49.6% lower than the operating loss of $17.9 million for the three-months ended September 30, 2025. The decrease in operating loss for the three-months ended September 30, 2026 was primarily due to decreased operating expenses.

Operating income for the Other segment, exclusive of corporate and unallocated expenses, was $0.4 million for the three-months ended September 30, 2026, as compared to operating income of $1.6 million for the three-months ended September 30, 2025.

Interest and Other Income, net

Interest and other income, net, was $34.8 million for the three-months ended September 30, 2026, as compared to interest and other income, net, of $14.2 million for the three-months ended September 30, 2025. Interest income was $41.3 million and $24.2 million for the three-months ended September 30, 2026 and 2025, respectively. Interest expense was $0.5 million for both the three-months ended September 30, 2026 and 2025. Foreign currency transaction losses were $4.8 million and $8.0 million for the three-months ended September 30, 2026 and 2025, respectively.

Provision for Income Taxes

Provision for income taxes was $185.1 million for the three-months ended September 30, 2026, an increase of $20.0 million from the provision for income taxes of $165.1 million for the three-months ended September 30, 2025. The effective combined federal, state and foreign tax rate increased to 24.6% from 23.9% for the three-months ended September 30, 2026 and 2025, respectively. The increase is primarily due to a lower stock-based compensation deduction and an increase in income from higher income tax jurisdictions in the three-months ended September 30, 2026. The increase is partially offset by a lower valuation allowance on foreign tax credit carryforwards in the three-months ended September 30, 2026.

Net Income

Net income was $568.4 million for the three-months ended September 30, 2026, an increase of $44.0 million, or 8.4% higher than net income of $524.5 million for the three-months ended September 30, 2025.

Nine-Months Ended September 30, 2026 Compared to the Nine-Months Ended September 30, 2025.

Net Sales

Net sales were $7.45 billion for the nine-months ended September 30, 2026, an increase of approximately $1.29 billion, or 20.9% higher than net sales of $6.16 billion for the nine-months ended September 30, 2025. 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 a favorable impact on net sales of approximately $145.9 million for the nine-months ended September 30, 2026. Net sales on a foreign currency adjusted basis increased 18.6% for the nine-months ended September 30, 2026.

Net sales for the Monster Energy® Drinks segment were $6.92 billion for the nine-months ended September 30, 2026, an increase of approximately $1.24 billion, or 21.8% higher than net sales of $5.68 billion for the nine-months ended September 30, 2025. 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 a favorable impact on net sales for the Monster Energy® Drinks segment of approximately $134.7 million for the nine-months ended September 30, 2026. Net sales for the Monster Energy® Drinks segment on a foreign currency adjusted basis increased 19.4% for the nine-months ended September 30, 2026.

Net sales for the Strategic Brands segment were $426.8 million for the nine-months ended September 30, 2026, an increase of approximately $68.1 million, or 19.0% higher than net sales of $358.7 million for the nine-months ended September 30, 2025. Net sales for the Strategic Brands segment increased primarily due to increased sales of our Fury®, Burn® and Predator® brand energy drinks. Net changes in foreign currency exchange rates had a favorable impact on net sales of approximately $11.2 million for the Strategic Brands segment for the nine-months ended September 30, 2026. Net sales for the Strategic Brands segment on a foreign currency adjusted basis increased 15.8% for the nine-months ended September 30, 2026. 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 $93.4 million for the nine-months ended September 30, 2026, a decrease of approximately $12.3 million, or 11.6% lower than net sales of $105.7 million for the nine-months ended September 30, 2025. The decrease in net sales for the nine-months ended September 30, 2026 was primarily due to decreased sales of The Beast™ product line.

Net sales for the Other segment were $15.5 million for the nine-months ended September 30, 2026, a decrease of approximately $3.7 million, or 19.3% lower than net sales of $19.2 million for the nine-months ended September 30, 2025.

Case sales for our energy drink products, in 192-ounce case equivalents, were 884.3 million cases for the nine-months ended September 30, 2026, an increase of approximately 163.5 million cases, or 22.7% higher than case sales of 720.8 million cases for the nine-months ended September 30, 2025. The overall average net sales per case for our energy drink products (excluding net sales of Alcohol Brands and Other segments) decreased to $8.31 for the nine-months ended September 30, 2026 from $8.38 for the nine-months ended September 30, 2025.

Case sales for our craft beers, FMBs and hard seltzers, in 192-ounce equivalents, were 6.6 million cases for the nine-months ended September 30, 2026, a decrease of approximately 0.9 million cases, or 12.2% lower than case sales of 7.6 million cases for the nine-months ended September 30, 2025. Barrel sales for our craft beers, FMBs and hard seltzers, in 31 U.S. gallon equivalents, were 0.32 million barrels for the nine-months ended September 30, 2026, a decrease of approximately 0.04 million barrels, or 12.2% lower than barrel sales of 0.37 million barrels for the nine-months ended September 30, 2025.

Gross Profit

Gross profit was $4.11 billion for the nine-months ended September 30, 2026, an increase of approximately $664.9 million, or 19.3% higher than the gross profit of $3.45 billion for the nine-months ended September 30, 2025. The increase in gross profit dollars was primarily the result of the increase in net sales.

Gross profit as a percentage of net sales decreased to 55.2% for the nine-months ended September 30, 2026 from 56.0% for the nine-months ended September 30, 2025. The decrease in gross profit as a percentage of net sales for the nine-months ended September 30, 2026 was primarily the result of geographical sales mix, increased aluminum can costs and increased freight-in costs, partially offset by the Pricing Actions and product sales mix.

Operating Expenses

Total operating expenses were $1.92 billion for the nine-months ended September 30, 2026, an increase of approximately $352.5 million, or 22.4% higher than total operating expenses of $1.57 billion for the nine-months ended September 30, 2025.

The increase in operating expenses was primarily due to increased selling and marketing expenses of $140.5 million, general and administrative expenses of $116.2 million and distribution expenses of $95.8 million. Operating expenses as a percentage of net sales for the nine-months ended September 30, 2026 and 2025 were 25.8% and 25.5%, respectively.

Operating Income

Operating income was $2.19 billion for the nine-months ended September 30, 2026, an increase of approximately $312.4 million, or 16.6% higher than operating income of $1.88 billion for the nine-months ended September 30, 2025. Operating income as a percentage of net sales decreased to 29.4% for the nine-months ended September 30, 2026 from 30.4% for the nine-months ended September 30, 2025.

Operating income was $795.0 million and $542.0 million for the nine-months ended September 30, 2026 and 2025, respectively, for our international operations.

Operating income for the Monster Energy® Drinks segment, exclusive of corporate and unallocated expenses, was $2.58 billion for the nine-months ended September 30, 2026, an increase of approximately $355.8 million, or 16.0% higher than operating income of $2.23 billion for the nine-months ended September 30, 2025. 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 $209.8 million for the nine-months ended September 30, 2026, an increase of approximately $23.8 million, or 12.8% higher than operating income of $186.0 million for the nine-months ended September 30, 2025. 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 $26.0 million for the nine-months ended September 30, 2026, a decrease of approximately $28.0 million, or 51.9% lower than the operating loss of $54.0 million for the nine-months ended September 30, 2025. The decrease in operating loss for the nine-months ended September 30, 2026 was primarily due to decreased operating expenses.

Operating income for the Other segment, exclusive of corporate and unallocated expenses, was $0.7 million for the nine-months ended September 30, 2026, as compared to operating income of $3.1 million for the nine-months ended September 30, 2025.

Interest and Other Income, net

Interest and other income, net, was $82.8 million for the nine-months ended September 30, 2026, as compared to interest and other income, net, of $37.5 million for the nine-months ended September 30, 2025. Interest income was $105.9 million and $59.1 million for the nine-months ended September 30, 2026 and 2025, respectively. Interest expense was $1.8 million and $6.3 million for the nine-months ended September 30, 2026 and 2025, respectively. Foreign currency transaction losses were $17.6 million and $13.8 million for the nine-months ended September 30, 2026 and 2025, respectively.

Provision for Income Taxes

Provision for income taxes was $549.4 million for the nine-months ended September 30, 2026, an increase of $91.4 million from the provision for income taxes of $458.0 million for the nine-months ended September 30, 2025. The effective combined federal, state and foreign tax rate increased to 24.2% from 23.9% for the nine-months ended September 30, 2026 and 2025, respectively.

Net Income

Net income was $1.72 billion for the nine-months ended September 30, 2026, an increase of $266.2 million, or 18.3% higher than net income of $1.46 billion for the nine-months ended September 30, 2025.

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."

Non-GAAP Financial Measures and Other Key Metrics

Gross Billings**

Three-Months Ended September 30, 2026 Compared to the Three-Months Ended September 30, 2025.

Gross billings were $3.05 billion for the three-months ended September 30, 2026, an increase of approximately $393.1 million, or 14.8% higher than gross billings of $2.65 billion for the three-months ended September 30, 2025. Gross billings 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 of approximately $6.2 million for the three-months ended September 30, 2026. Gross billings on a foreign currency adjusted basis increased 14.6% for the three-months ended September 30, 2026.

Gross billings for the Monster Energy® Drinks segment were $2.83 billion for the three-months ended September 30, 2026, an increase of approximately $371.0 million, or 15.1% higher than gross billings of $2.46 billion for the three-months ended September 30, 2025. Gross billings 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 $5.5 million for the three-months ended September 30, 2026. Gross billings for the Monster Energy® Drinks segment on a foreign currency adjusted basis increased 14.9% for the three-months ended September 30, 2026.

Gross billings for the Strategic Brands segment were $180.5 million for the three-months ended September 30, 2026, an increase of $28.3 million, or 18.6% higher than gross billings of $152.3 million for the three-months ended September 30, 2025. Gross billings for the Strategic Brands segment increased primarily due to increased sales of our Fury® and Burn® brand energy drinks. Net changes in foreign currency exchange rates had a favorable impact on gross billings in the Strategic Brands segment of approximately $0.7 million for the three-months ended September 30, 2026. Gross billings for the Strategic Brands segment on a foreign currency adjusted basis increased 18.1% for the three-months ended September 30, 2026.

Gross billings for the Alcohol Brands segment were $29.4 million for the three-months ended September 30, 2026, a decrease of approximately $4.2 million, or 12.4% lower than gross billings of $33.6 million for the three-months ended September 30, 2025. The decrease in gross billings for the three-months ended September 30, 2026 was primarily due to decreased sales of The Beast™ product line.

Gross billings for the Other segment were $4.8 million for the three-months ended September 30, 2026, a decrease of $2.0 million, or 29.3% lower than gross billings of $6.8 million for the three-months ended September 30, 2025.

Promotional allowances, commissions and other expenses, as described in the footnote below, were $493.1 million for the three-months ended September 30, 2026, an increase of $27.3 million, or 5.9% higher than promotional allowances, commissions and other expenses of $465.8 million for the three-months ended September 30, 2025. Promotional allowances, commissions and other expenses as a percentage of gross billings decreased to 16.2% from 17.6% for the three-months ended September 30, 2026 and 2025, respectively.

Nine-Months Ended September 30, 2026 Compared to the Nine-Months Ended September 30, 2025.

Gross billings were $8.80 billion for the nine-months ended September 30, 2026, an increase of approximately $1.49 billion, or 20.3% higher than gross billings of $7.32 billion for the nine-months ended September 30, 2025. Gross billings 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 of approximately $169.4 million for the nine-months ended September 30, 2026. Gross billings on a foreign currency adjusted basis increased 18.0% for the nine-months ended September 30, 2026.

Gross billings for the Monster Energy® Drinks segment were $8.19 billion for the nine-months ended September 30, 2026, an increase of approximately $1.42 billion, or 21.0% higher than gross billings of $6.77 billion for the nine-months ended September 30, 2025. Gross billings 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 $158.2 million for the nine-months ended September 30, 2026. Gross billings for the Monster Energy® Drinks segment on a foreign currency adjusted basis increased 18.7% for the nine-months ended September 30, 2026.

Gross billings for the Strategic Brands segment were $499.9 million for the nine-months ended September 30, 2026, an increase of $81.8 million, or 19.6% higher than gross billings of $418.0 million for the nine-months ended September 30, 2025. Gross billings for the Strategic Brands segment increased primarily due to increased sales of our Fury®, Burn® and Predator® brand energy drinks. Net changes in foreign currency exchange rates had a favorable impact on gross billings in the Strategic Brands segment of approximately $11.2 million for the nine-months ended September 30, 2026. Gross billings for the Strategic Brands segment on a foreign currency adjusted basis increased 16.9% for the nine-months ended September 30, 2026.

Gross billings for the Alcohol Brands segment were $96.7 million for the nine-months ended September 30, 2026, a decrease of approximately $12.9 million, or 11.8% lower than gross billings of $109.6 million for the nine-months ended September 30, 2025. The decrease in gross billings for the nine-months ended September 30, 2026 was primarily due to decreased sales of The Beast™ product line.

Gross billings for the Other segment were $15.7 million for the nine-months ended September 30, 2026, a decrease of $3.7 million, or 19.0% lower than gross billings of $19.3 million for the nine-months ended September 30, 2025.

Promotional allowances, commissions and other expenses, as described in the footnote below, were $1.38 billion for the nine-months ended September 30, 2026, an increase of $198.2 million, or 16.8% higher than promotional allowances, commissions and other expenses of $1.18 billion for the nine-months ended September 30, 2025. Promotional allowances, commissions and other expenses as a percentage of gross billings decreased to 15.7% from 16.2% for the nine-months ended September 30, 2026 and 2025, 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)	Three-Months Ended September 30,		Percentage Change	Nine-Months Ended September 30,		Percentage Change
	2026	2025	26 vs. 25	2026	2025	26 vs. 25
Gross Billings	$ 3,045,964	$ 2,652,869	14.8 %	$ 8,804,251	$ 7,315,735	20.3 %
Deferred Revenue	10,218	10,068	1.5 %	30,150	29,959	0.6 %
Less: Promotional allowances, commissions and other expenses***	493,129	465,798	5.9 %	1,380,584	1,182,404	16.8 %
Net Sales	$ 2,563,053	$ 2,197,139	16.7 %	$ 7,453,817	$ 6,163,290	20.9 %

****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 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 and/or free products or cash rebates; (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. Promotional and other allowances for our Alcohol Brands segment primarily include price promotions where permitted.*

Sales

The table below discloses selected quarterly data regarding sales for the three- and nine-months ended September 30, 2026 and 2025, respectively. Data from any one or more quarters or periods 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 advertising and promotional expenses.

(In thousands, except average net sales per case)	Three-Months Ended September 30,		Nine-Months Ended September 30,	
	2026	2025	2026	2025
Net sales	$ 2,563,053	$ 2,197,139	$ 7,453,817	$ 6,163,290
Less: Alcohol Brands segment sales	(28,521)	(33,009)	(93,372)	(105,683)
Less: Other segment sales	(4,783)	(6,786)	(15,471)	(19,169)
Adjusted net sales[1]	$ 2,529,749	$ 2,157,344	$ 7,344,974	$ 6,038,438
Case sales by segment:[1]				
Monster Energy® Drinks	234,159	201,310	676,401	562,395
Strategic Brands	70,743	57,077	207,905	158,428
Total case sales	304,902	258,387	884,306	720,823
Average net sales per case - Energy Drinks	$ 8.30	$ 8.35	$ 8.31	$ 8.38

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

Net changes in foreign currency exchange rates had a favorable impact on the overall average net sales per case for the three- and nine-months ended September 30, 2026.

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

(In thousands, except average net sales per case)	Three-Months Ended September 30,		Nine-Months Ended September 30,	
	2026	2025	2026	2025
Alcohol Brands segment net sales	$ 28,521	$ 33,009	$ 93,372	$ 105,683
Case sales	2,027	2,362	6,639	7,565
Average net sales per case - Alcohol Brands	$ 14.07	$ 13.98	$ 14.06	$ 13.97

See Item 2, “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Results of Operations” for additional information related to net sales.

Liquidity and Capital Resources

Cash and cash equivalents. At September 30, 2026, we had $2.15 billion in cash and cash equivalents, $1.56 billion in short-term investments, and $927.0 million in long-term investments, including commercial paper, municipal securities, U.S. government agency 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 $2.15 billion of cash and cash equivalents held at September 30, 2026, $1.06 billion was held by our foreign subsidiaries. No short-term or long-term investments were held by our foreign subsidiaries at September 30, 2026.

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 September 30, 2026, no borrowings were outstanding under the Credit Facilities, and the Company was in compliance with all covenants under the Amended Credit Agreement. As of November 4, 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, we estimate that capital expenditures (exclusive of common stock repurchases) are likely to be less than $250.0 million through September 30, 2027. 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 nine-months ended September 30, 2026 and 2025 (in thousands):

Net cash provided by (used in):

	2026	2025
Operating activities	$ 1,670,835	$ 1,718,762
Investing activities	$ (1,430,658)	$ (719,248)
Financing activities	$ (146,915)	$ (312,601)

Cash flows provided by operating activities. Cash provided by operating activities was $1.67 billion for the nine-months ended September 30, 2026, as compared with cash provided by operating activities of $1.72 billion for the nine-months ended September 30, 2025.

For the nine-months ended September 30, 2026, cash provided by operating activities was primarily attributable to net income earned of $1.72 billion and adjustments for certain non-cash expenses, consisting primarily of $102.9 million of depreciation and amortization and non-cash lease expense and $94.3 million of stock-based compensation. For the nine-months ended September 30, 2026, cash provided by operating activities also increased due to a $142.1 million increase in accrued promotional allowances, a $108.8 million increase in accounts payable, and a $58.4 million increase in income taxes payable. For the nine-months ended September 30, 2026, cash used in operating activities was primarily attributable to a $362.0 million increase in accounts receivable, a $126.7 million increase in inventories, and an $87.5 million increase in prepaid expenses and other assets.

For the nine-months ended September 30, 2025, cash provided by operating activities was primarily attributable to net income earned of $1.46 billion and adjustments for certain non-cash expenses, consisting primarily of $92.3 million of depreciation and amortization and non-cash lease expense and $86.7 million of stock-based compensation. For the nine-months ended September 30, 2025, cash provided by operating activities also increased due to a $148.6 million increase in accounts payable, a $105.8 million increase in accrued promotional allowances, a $98.5 million increase in accrued liabilities, a $58.4 million decrease in inventories, a $33.4 million increase in income taxes payable, and a $14.0 million decrease in prepaid income taxes. For the nine-months ended September 30, 2025, cash used in operating activities was primarily attributable to a $299.1 million increase in accounts receivable, a $66.3 million increase in prepaid expenses and other assets, and a $15.9 million decrease in deferred revenue.

Cash flows used in investing activities. Cash used in investing activities was $1.43 billion for the nine-months ended September 30, 2026, as compared to cash used in investing activities of $719.2 million for the nine-months ended September 30, 2025.

For the nine-months ended September 30, 2026 and 2025, cash used in investing activities was primarily attributable to purchases of available-for-sale investments. To a lesser extent, for both the nine-months ended September 30, 2026 and 2025, cash used in investing activities also included the acquisitions of 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, equipment used for sales and administrative activities, certain leasehold improvements, as well as construction of and/or improvements to real property. For the nine-months ended September 30, 2026 and 2025, cash provided by investing activities was primarily attributable to sales and maturities of available-for-sale investments. 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, and 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 $146.9 million for the nine-months ended September 30, 2026, as compared to cash used in financing activities of $312.6 million for the nine-months ended September 30, 2025. The cash used in financing activities for the nine-months ended September 30, 2026 was primarily attributable to repurchases of our common stock. The cash used in financing activities for the nine-months ended September 30, 2025 was primarily due to repayments on the Credit Facilities and, to a lesser extent, repurchases of our common stock. The cash provided by financing activities for both the nine-months ended September 30, 2026 and 2025 was primarily attributable to 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 September 30, 2026:

	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]	$ 738,017	$ 402,553	$ 279,447	$ 55,795	$ 222
Finance Leases	4,105	2,999	865	241	—
Operating Leases	85,957	21,447	36,784	22,592	5,134
Purchase Commitments[2]	185,994	120,728	61,233	4,033	—
	$ 1,014,073	$ 547,727	$ 378,329	$ 82,661	$ 5,356

[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 $3.6 million of unrecognized tax benefits have been recorded as liabilities as of September 30, 2026. As of September 30, 2026, we had $1.1 million of accrued interest and penalties related to unrecognized tax benefits.

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. There have been no material changes to our critical accounting policies or estimates from the information provided in "Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Part II, Item 8 – Financial Statements and Supplementary Data – Note 1 – Organization and Summary of Significant Accounting Policies", included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025 ("Form 10-K").

Recent Accounting Pronouncements

The information required by this Item is incorporated herein by reference to the Notes to Condensed Consolidated Financial Statements - Note 1. Recent Accounting Pronouncements, in Part I, Item 1, of this Quarterly Report on Form 10-Q.

Inflation

We believe inflation did not have a significant impact on our results of operations for the three- and nine-months ended September 30, 2026.

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, and adequacy of funds from operations and the Revolving 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, but not limited to, increases to the cost of aluminum and other raw materials, the Midwest Premium, and freight and fuel 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, regulations and/or regulatory actions to limit or restrict the sale, labeling or marketing 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), and restrictions on the use of the term "energy drink" or similar descriptions on product labels) and any related litigation;
- 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, exchange rates, 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;
- expropriation, nationalization or other government takeover of our or our bottlers'/distributors' operations or assets, government limitations on foreign ownership, and restrictions on our ability to repatriate or recover our assets or funds; and
- the impact of military and geopolitical conflicts, including supply chain disruptions, volatility in commodity prices, increased economic uncertainty and escalating geopolitical tensions, and changes in the political landscape, including as a result of elections, that could lead to shifts in government policy, legislation or regulation affecting our business.

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 II, 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 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no material changes in our market risks during the three- and nine-months ended September 30, 2026 compared with the disclosures in Part II, Item 7A of our Form 10-K.

ITEM 4. 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 13a-15(e) and 15d-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 adequate and 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 its principal executive and principal financial officers, as appropriate, to allow timely decisions regarding required disclosures.

Changes in Internal Control Over Financial Reporting – There were no changes in the Company's internal controls over financial reporting during the quarter ended September 30, 2026, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The information required by this Item is incorporated herein by reference to the Notes to Condensed Consolidated Financial Statements - Note 10. Commitments and Contingencies: Litigation in Part I, Item 1, of this Quarterly Report on Form 10-Q.

ITEM 1A. RISK FACTORS

In addition to the other information set forth in this Quarterly Report on Form 10-Q, including Management's Discussion and Analysis of Financial Condition and Results of Operations and the condensed consolidated financial statements and related notes, you should carefully consider the risks discussed in "Part I, Item 1A – Risk Factors" in our Form 10-K. If any of these risks occur or continue to occur, our business, reputation, financial condition and/or operating results could be materially adversely affected. We also note that the risk factors described in this report and our Form 10-K are not the only risks facing our Company, and such additional risks or uncertainties that we currently deem to be immaterial or are unknown to us could negatively impact our business, operations, or financial results.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

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 three-months ended September 30, 2026, the Company purchased approximately 2.3 million shares of its common stock at an average purchase price of $43.87 per share, for a total amount of approximately $100.0 million under the August 2024 Repurchase Plan. As of November 4, 2026, approximately $300.0 million remained available for repurchase under the August 2024 Repurchase Plan.

On May 14, 2026, 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 "May 2026 Repurchase Plan"). During the three-months ended September 30, 2026, no shares were repurchased under the May 2026 Repurchase Plan. As of November 4, 2026, approximately $500.0 million remained available for repurchase under the May 2026 Repurchase Plan.

The aggregate amount of the Company's outstanding common stock that remains available for repurchase under all previously authorized repurchase plans is approximately $800.0 million as of November 4, 2026.

During the three-months ended September 30, 2026, 8,760 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 $0.4 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 condensed consolidated balance sheet at September 30, 2026.

The following tabular summary reflects the Company's repurchase activity during the quarter ended September 30, 2026.

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)
Jul 1 – Jul 31, 2026	—	$ —	—	$ 900,000
Aug 1 – Aug 31, 2026	—	$ —	—	$ 900,000
Sep 1 – Sep 30, 2026	2,288,942	$ 43.87	2,280,182	$ 799,966
Total	2,288,942	$ 43.87	2,280,182	$ 799,966

[1]The total number of shares purchased includes (1) shares repurchased, if any, pursuant to the August 2024 Repurchase Plan and the May 2026 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's Board of Directors authorized the August 2024 Repurchase Plan. On May 14, 2026, the Company's Board of Directors authorized the May 2026 Repurchase Plan. Board authorization of the repurchase plans remains in effect until shares in the amount authorized thereunder have been repurchased.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

During the three-months ended September 30, 2026, 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).

ITEM 6. EXHIBITS

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).
31.1*	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1*	Certification of 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
101*	The following financial information from Monster Beverage Corporation's Quarterly Report on Form 10-Q for the quarter ended September 30, 2026, formatted in iXBRL (Inline eXtensible Business Reporting Language): (i) Condensed Consolidated Balance Sheets as of September 30, 2026 and December 31, 2025, (ii) Condensed Consolidated Statements of Income for the three- and nine-months ended September 30, 2026 and 2025, (iii) Condensed Consolidated Statements of Comprehensive Income for the three- and nine-months ended September 30, 2026 and 2025, (iv) Condensed Consolidated Statements of Stockholders' Equity for the three- and nine-months ended September 30, 2026 and 2025, (v) Condensed Consolidated Statements of Cash Flows for the nine-months ended September 30, 2026 and 2025, and (vi) the Notes to Condensed Consolidated Financial Statements.
104*	The cover page from Monster Beverage Corporation's Quarterly Report on Form 10-Q for the quarter ended September 30, 2026, formatted in iXBRL (Inline eXtensible Business Reporting Language) and contained in Exhibit 101.

* Filed herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

MONSTER BEVERAGE CORPORATION
Registrant

Date: November 5, 2026

/s/ HILTON H. SCHLOSBERG
Hilton H. Schlosberg
Vice Chairman of the Board of Directors
and Chief Executive Officer

Date: November 5, 2026

/s/ THOMAS J. KELLY
Thomas J. Kelly
Chief Financial Officer

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 quarterly report on Form 10-Q 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: November 5, 2026

/s/ Hilton H. Schlosberg
Hilton H. Schlosberg
Vice Chairman of the Board of Directors and
Chief Executive Officer

EXHIBIT 31.2

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 quarterly report on Form 10-Q 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: November 5, 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 quarterly report of Monster Beverage Corporation (the "Company") on Form 10-Q for the quarter ended September 30, 2026 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: November 5, 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 quarterly report of Monster Beverage Corporation (the "Company") on Form 10-Q for the quarter ended September 30, 2026 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: November 5, 2026

/s/ Thomas J. Kelly
Thomas J. Kelly
Chief Financial Officer