

O-I Glass, Inc.  
Condensed Consolidating Results of Operations  
(Dollars in millions)

Unaudited	Three Months Ended June 30						Six Months Ended June 30					
	2022			2021			2022			2021		
	O-I Group	Non O-I Group	O-I Glass	O-I Group	Non O-I Group	O-I Glass	O-I Group	Non O-I Group	O-I Glass	O-I Group	Non O-I Group	O-I Glass
Net sales	\$ 1,778	\$ -	\$ 1,778	\$ 1,660	\$ -	\$ 1,660	\$ 3,469	\$ -	\$ 3,469	\$ 3,161	\$ -	\$ 3,161
Cost of goods sold	(1,453)	-	(1,453)	(1,354)	-	(1,354)	(2,841)	-	(2,841)	(2,609)	-	(2,609)
Gross profit	325	-	325	306	-	306	628	-	628	552	-	552
Selling and administrative expense	(123)	-	(123)	(116)	-	(116)	(243)	-	(243)	(218)	-	(218)
Research, development and engineering expense	(20)	-	(20)	(19)	-	(19)	(42)	-	(42)	(37)	-	(37)
Interest expense, net	(46)	-	(46)	(52)	-	(52)	(112)	-	(112)	(103)	-	(103)
Equity earnings	24	-	24	22	-	22	47	-	47	40	-	40
Other expense, net <sup>(a)</sup>	168	-	168	57	-	57	220	-	220	53	(154)	(101)
Earnings (loss) before income taxes	328	-	328	198	-	198	498	-	498	287	(154)	133
Provision for income taxes	(72)	-	(72)	(75)	-	(75)	(120)	-	(120)	(100)	-	(100)
Net earnings (loss)	256	-	256	123	-	123	378	-	378	187	(154)	33
Net earnings attributable to noncontrolling interests	(4)	-	(4)	(5)	-	(5)	(38)	-	(38)	(12)	-	(12)
Net earnings (loss) attributable to the Company	\$ 252	\$ -	\$ 252	\$ 118	\$ -	\$ 118	\$ 340	\$ -	\$ 340	\$ 175	\$ (154)	\$ 21

(a) On January 6, 2020 (the "Petition Date"), Paddock Enterprises, LLC ("Paddock") voluntarily filed for relief under Chapter 11 of the Bankruptcy Code in the U.S. Bankruptcy Court for the District of Delaware to equitably and finally resolve all of its current and future asbestos-related claims. Following the Chapter 11 filing, the activities of Paddock are now subject to review and oversight by the bankruptcy court. As a result, O-I Glass, Inc. ("O-I Glass") no longer has exclusive control over Paddock's activities during the bankruptcy proceedings.

On April 26, 2021, the Company announced that its subsidiary, Paddock Enterprises LLC ("Paddock"), had reached an agreement in principle to accept the terms of a mediator's proposal regarding a consensual plan of reorganization under the Bankruptcy Code. The agreement in principle provides for total consideration of \$610 million to fund a trust on the effective date of a plan of reorganization, subject to definitive documentation and satisfaction of certain conditions. The Company has recorded a charge of \$154 million related to its potential liability under the Paddock support agreement during the first fiscal quarter of 2021 primarily related to an increase to Paddock's asbestos reserve estimate in consideration for the channeling injunction to be included in Paddock's Plan protecting O-I Glass and its affiliates from Asbestos Claims. See Note 10 to O-I Glass's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2022. Subsequent to quarter end, in July 2022, the Plan became effective, and the Paddock Trust was funded by the Company and Paddock with consideration totaling \$610 million.

**Explanatory note:**

The purpose of these consolidating financial schedules is to comply with the reporting provisions of the indentures governing the senior notes issued by O-I Glass's wholly owned subsidiaries, Owens Brockway Glass Container Inc. and OI European Group B.V., for which Owens-Illinois Group, Inc. (O-I Group) is guarantor. Those provisions require O-I Group to furnish the consolidated financial statements of O-I Group's parent company, O-I Glass. In addition, those provisions indicate that if O-I Glass "holds assets or has material operations separate and apart from its ownership of OI Group, then OI Group or [O-I Glass] shall provide consolidating information, which need not be audited, that explains in reasonable detail the differences between the information relating to [O-I Glass] and its Subsidiaries, on the one hand, and the information relating to OI Group and its Subsidiaries on a standalone basis, on the other hand." These schedules provide this required information in columns for the periods and dates indicated:

- O-I Group:** includes the consolidated balances for O-I Group and its subsidiaries
- Non O-I Group:** includes the consolidated balances for O-I Glass and its subsidiaries not included with O-I Group
- O-I Glass:** includes the consolidated balances for O-I Glass and its subsidiaries including O-I Group

These consolidating financial schedules are unaudited but, in the opinion of management, reflect all adjustments necessary to present fairly such information for the periods and at the dates indicated. However, these schedules do not contain all information and footnotes normally contained in annual consolidated financial statements; accordingly, they should be read in conjunction with the Consolidated Financial Statements and notes thereto appearing in O-I Glass's Annual Report on Form 10-K for the year ended December 31, 2021, and O-I Glass's Quarterly Report on Form 10-Q for the three months ended June 30, 2022. Information presented in these schedules for periods and at dates prior to the Corporate Modernization (as described in O-I Glass's Annual Report on Form 10-K for the year ended December 31, 2019) refers to Owens-Illinois, Inc.

These consolidating financial schedules should not be used for any other purpose.

O-I Glass, Inc.  
Condensed Consolidating Balance Sheet  
(Dollars in millions)

Unaudited	June 30					
	2022			2021		
	O-I Group	Non O-I Group	O-I Glass	O-I Group	Non O-I Group	O-I Glass
<b>Assets</b>						
<b>Current assets:</b>						
Cash and cash equivalents	\$ 661	\$ -	\$ 661	\$ 531	\$ -	\$ 531
Trade receivables, net	957		957	855		855
Inventories	775		775	796		796
Prepaid expenses and other current assets	224		224	217		217
Total current assets	<u>2,617</u>	<u>-</u>	<u>2,617</u>	<u>2,399</u>	<u>-</u>	<u>2,399</u>
Property, plant and equipment, net	2,758		2,758	2,842		2,842
Goodwill	1,792		1,792	1,932		1,932
Intangibles, net	272		272	309		309
Other assets	1,434		1,434	1,392		1,392
Total assets	<u>\$ 8,873</u>	<u>\$ -</u>	<u>\$ 8,873</u>	<u>\$ 8,874</u>	<u>\$ -</u>	<u>\$ 8,874</u>
<b>Liabilities and Share Owners' Equity</b>						
<b>Current liabilities:</b>						
Accounts payable	\$ 1,190		\$ 1,190	\$ 1,038		\$ 1,038
Short-term loans and long-term debt due within one year	65		65	85		85
Other liabilities	530		530	564		564
Total current liabilities	<u>1,785</u>	<u>-</u>	<u>1,785</u>	<u>1,687</u>	<u>-</u>	<u>1,687</u>
Long-term debt	4,427		4,427	4,977		4,977
Paddock support agreement liability <sup>(a)</sup>		625	625		625	625
Other long-term liabilities	777		777	1,083		1,083
Share owners' equity (b)	<u>1,884</u>	<u>(625)</u>	<u>1,259</u>	<u>1,127</u>	<u>(625)</u>	<u>502</u>
Total liabilities and share owners' equity	<u>\$ 8,873</u>	<u>\$ -</u>	<u>\$ 8,873</u>	<u>\$ 8,874</u>	<u>\$ -</u>	<u>\$ 8,874</u>

(a) On April 26, 2021, the Company announced that its subsidiary, Paddock Enterprises LLC ("Paddock"), had reached an agreement in principle to accept the terms of a mediator's proposal regarding a consensual plan of reorganization under the Bankruptcy Code. The agreement in principle provides for total consideration of \$610 million to fund a trust on the effective date of a plan of reorganization, subject to definitive documentation and satisfaction of certain conditions. In connection with the agreement in principle, the Company has recorded a charge of \$154 million related to its potential liability under the Paddock support agreement as a recognizable subsequent event in the Company's consolidated results of operations for the quarter ended March 31, 2021, primarily related to an increase to Paddock's asbestos reserve estimate in consideration for the channeling injunction to be included in Paddock's Plan protecting Company Protected Parties from Asbestos Claims, as well as certain other adjustments to Paddock's assets and liabilities, including estimated professional fees and expenses to be incurred in confirming and implementing the Plan. The Paddock support agreement liability of \$625 million recorded on the Company's June 30, 2022 condensed consolidated balance sheet as required under applicable accounting standards is the Company's best estimate based on the facts and circumstances that exist at the Form 10-Q filing date. See Note 10 to O-I Glass's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2022. Subsequent to quarter end, in July 2022, the Plan became effective, and the Paddock Trust was funded by the Company and Paddock with consideration totaling \$610 million.

(b) Share owners' equity includes net intercompany balances

**Explanatory note:**

The purpose of these consolidating financial schedules is to comply with the reporting provisions of the indentures governing the senior notes issued by O-I Glass's wholly owned subsidiaries, Owens Brockway Glass Container Inc. and OI European Group B.V., for which Owens-Illinois Group, Inc. (O-I Group) is guarantor. Those provisions require O-I Group to furnish the consolidated financial statements of O-I Group's parent company, O-I Glass. In addition, those provisions indicate that if O-I Glass "holds assets or has material operations separate and apart from its ownership of OI Group, then OI Group or [O-I Glass] shall provide consolidating information, which need not be audited, that explains in reasonable detail the differences between the information relating to [O-I Glass] and its Subsidiaries, on the one hand, and the information relating to OI Group and its Subsidiaries on a standalone basis, on the other hand." These schedules provide this required information in columns for the periods and dates indicated:

**O-I Group:** includes the consolidated balances for O-I Group and its subsidiaries

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These consolidating financial schedules should not be used for any other purpose.

O-I Glass, Inc.  
Condensed Consolidating Cash Flow  
(Dollars in millions)

Unaudited	Six Months Ended June 30					
	2022			2021		
	O-I Group	Non O-I Group	O-I Glass	O-I Group	Non O-I Group	O-I Glass
<b>Cash flows from operating activities:</b>						
Net earnings (loss) <sup>(a)</sup>	\$ 378		\$ 378	\$ 187	\$ (154)	\$ 33
Non-cash charges						
Depreciation and amortization	232		232	232		232
Pension expense	16		16	16		16
Gain on sale of divested business	(55)		(55)			
Gain on sale leaseback	(182)		(182)			
Restructuring, asset impairment and related charges	11		11	8		8
Charge related to Paddock support agreement liability <sup>(a)</sup>				-	154	154
Brazil indirect tax credit				(69)		(69)
Cash payments						
Pension contributions	(12)		(12)	(24)		(24)
Cash paid for restructuring activities	(8)		(8)	(10)		(10)
Change in components of working capital	(250)		(250)	(229)		(229)
Other, net <sup>(b)</sup>	(10)		(10)	32		32
Cash utilized in operating activities	120	-	120	143	-	143
Cash utilized in discontinued operating activities						
Total cash provided by (utilized in) operating activities	120	-	120	143	-	143
<b>Cash flows from investing activities:</b>						
Cash payments for property, plant and equipment	(199)		(199)	(175)		(175)
Contributions and advances to joint ventures	(11)		(11)			
Net cash proceeds on disposal of other businesses and misc assets	96		96	8		8
Net cash proceeds on sale leaseback	190		190			
Net cash proceeds on sale of ANZ business				58		58
Other, net	(10)		(10)			
Cash utilized in investing activities	66	-	66	(109)	-	(109)
<b>Cash flows from financing activities:</b>						
Changes in borrowings, net	(213)		(213)	(26)		(26)
Issuance of common stock and other		(2)	(2)		(2)	(2)
Shares repurchased		(20)	(20)		(20)	(20)
Payment of finance fees and note repurchase premiums	(20)		(20)			
Net cash receipts (payments) for hedging activity	38		38	(10)		(10)
Net distributions to parent	(22)	22		(22)	22	
Distributions to noncontrolling interests	(26)		(26)	(10)		(10)
Cash provided by financing activities	(243)	-	(243)	(68)	-	(68)
Effect of exchange rate fluctuations on cash	(7)		(7)	2		2
Change in cash	(64)	-	(64)	(32)	-	(32)
Cash at beginning of period	725	-	725	563	-	563
Cash at end of period	<u>\$ 661</u>	<u>\$ -</u>	<u>\$ 661</u>	<u>\$ 531</u>	<u>\$ -</u>	<u>\$ 531</u>

(a) On April 26, 2021, the Company announced that its subsidiary, Paddock Enterprises LLC ("Paddock"), had reached an agreement in principle to accept the terms of a mediator's proposal regarding a consensual plan of reorganization under the Bankruptcy Code. The agreement in principle provides for total consideration of \$610 million to fund a trust on the effective date of a plan of reorganization, subject to definitive documentation and satisfaction of certain conditions. The Company has recorded a charge of \$154 million related to its potential liability under the Paddock support agreement during the first fiscal quarter of 2021 primarily related to an increase to Paddock's asbestos reserve estimate in consideration for the channelling injunction to be included in Paddock's Plan protecting O-I Glass and its affiliates from Asbestos Claims. See Note 10 to O-I Glass's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2022.

(b) Other, net includes other non-cash charges plus other changes in non-current assets and liabilities.

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