Q3 2025 Aide Memoire

Tel Aviv, Israel, September 25, 2025 - Teva Pharmaceutical Industries Ltd. (NYSE and TASE: TEVA) has compiled this document to assist investors with estimating its financial performance ahead of third quarter 2025 results, which are expected to be released on Wednesday, November 5, 2025 at 7am ET, followed by a conference call at 8am ET.

Summary of 2025 Outlook

For 2025, Teva has provided the following outlook, as last updated on July 30, 2025, with the presentation of its 2025 second quarter financial results.* Teva does not provide a quarterly outlook.

	2025 Outlook		Consensus[1]	
	Amount	Δ YoY	Q3 2025	FY 2025
Revenues ($M)	16,800 - 17,200	+2% - +4%	4,375	16,901
AUSTEDO® Family[2] Global ($M)	2,000 - 2,050	+18% - +21%	543	2,066
AJOVY® Global ($M)	630 - 640	+24% - +26%	167	639
UZEDY® U.S. ($M)	190 - 200	+62% - +71%	55	208
COPAXONE® Global ($M)	~370	~(26%)	96	409
Non-GAAP Gross Profit Margin[3]	Please see below for commentary.		54.0%	53.9%
Non-GAAP Operating Income ($M)	4,300 - 4,600	(1%) - +6%	1,157	4,451
Non-GAAP Operating Margin[4]	25.6% - 26.7%	(60bps) - +60bps	26.4%	26.3%
Adjusted EBITDA ($M)	4,700 - 5,000	(2%) - +5%	1,277	4,890
Finance Expenses ($M)	~900	(3%)	221	864
Non-GAAP Tax Rate	15% - 18%	(30 bps) - +270 bps	16.5%	16.6%
Non-GAAP Diluted EPS ($)	2.50 - 2.65	+1% - +7%	0.67	2.56
Free Cash Flow ($M)	1,600 - 1,900	(23%) - (8%)	584	2,187
Average Diluted Shares Outstanding	1,164 million	+1%	1,166	1,164
CAPEX ($M)	~500	~0%	134	512

* Revenues and CAPEX figures above presented on a GAAP basis. All other metrics presented on a non-GAAP basis. Outlook is as of July 30, 2025, and should not be construed as updated or confirmed as of the date hereof in connection with this document. Outlook assumes a full-year contribution from Teva API, includes a first quarter contribution from our business venture in Japan (which was divested on March 31, 2025) and excludes the expected income from potential milestone payments from Sanofi in connection with the Phase 3 initiations of duvakitug. Free cash flow includes cash flow from operating activities, beneficial interest collected in exchange for securitized accounts receivables, proceeds from divestitures of businesses and other assets, net of cash used for capital investment.

[1] Virtua Research as of 9/25/2025. Consensus estimates are not internal estimates. The consensus estimates are based on third-party financial analysts' estimates, forecasts and predictions consolidated by an independent company, Virtua Research. To arrive at the consensus figures, Virtua Research has aggregated the expectations of financial analysts, from financial institutions that provide global research coverage, and who, to the best of our knowledge, cover Teva on a continuous basis, and have provided us with their financial models. The analyst consensus referred to above is based upon the analyst expectations of a group of 9 financial analysts. These financial analysts cover Teva on their own initiative and Teva is not responsible for their views and does not prepare or check the information upon which they prepare their estimates. Teva is not involved in the collection of the information of the estimates, and such analyst consensus can only be seen as a consensus view on Teva's expected results from an outside perspective, as of the date provided. Various known and unknown risks, uncertainties and other factors could lead to material differences between Teva's actual future results and the outlook and consensus estimates provided here.

[2] AUSTEDO XR (deutetrabenazine) extended-release tablets and AUSTEDO (deutetrabenazine) tablets (hereinafter referred to as "AUSTEDO family")

[3] Non-GAAP gross profit margin is non-GAAP gross profit as a percentage of revenue.

[4] Non-GAAP operating profit margin is non-GAAP operating profit as a percentage of revenue.

Currency and Share Count

In a typical quarter, approximately half of Teva's revenues and costs are denominated in currencies other than the U.S. dollar. The euro and other highly correlated currencies constitute Teva's largest foreign currency exposure.

In the third quarter of 2025, Teva expects its share count to be approximately 1,162 million shares.

Revenue

For the full year 2025, Teva expects revenues to be at, or slightly below, the midpoint (~$17,000 million) of its revenue outlook range.

Quarterly revenues are expected to ramp up through the rest of the year, with sequential improvements in the fourth quarter.

Key Innovative Products

AUSTEDO Family: Teva sees a healthy market, with significant opportunities for growth given the low treatment rates of tardive dyskinesia patients with VMAT2 inhibitors, as well as opportunities to improve patient adherence through the continued shift to AUSTEDO XR.

Teva's full year revenue outlook implies ~18% to ~21% year-over-year (YoY) growth in revenues, inclusive of the impact from the Inflation Reduction Act's ("IRA") Part D redesign, which took effect on January 1, 2025, and is phased in over seven years. Based on Teva's full year outlook and first half results, second half implied growth is expected to be between ~12% to ~17%.

In May 2024, the FDA approved AUSTEDO XR in doses of 30, 36, 42, and 48 milligrams (mg). In July 2024, the FDA approved the 18 mg dosage for AUSTEDO XR. In general, Teva believes that AUSTEDO U.S. revenues will more closely track growth in milligrams dispensed than growth in prescriptions fulfilled.

Teva expects to achieve its target for AUSTEDO of >$2.5B revenue by 2027.

AJOVY: Teva expects ~24% to ~26% YoY revenue growth in 2025, driven mainly by continued global market share gains.

UZEDY: Teva expects ~62% to ~71% YoY growth in revenues in 2025, driven mainly by strong commercial execution and a differentiated product profile. Teva expects this will be partially offset by the impact of the IRA Part D redesign, for which there is no Low-Income Subsidy (LIS) phase-in, given UZEDY's approval date was after the IRA cutoff date (August 16, 2022).

Generics, Biosimilars and OTC Products

For its generic products, inclusive of biosimilars and OTC products, Teva expects a flat to low-single-digit local currency revenue growth in 2025, mainly due to the high levels of growth realized in 2024 from new product launches in previous years.

Generics outside the U.S., inclusive of biosimilars and OTC products, accounted for ~62% of total generic revenues in 2024. Teva sees consistent underlying trends in these markets overall, excluding the year-over-year comparison issues noted above.

Teva's 2025 U.S. generics business forecasts assume continued downward pricing pressure for its mature portfolio, consistent with trends in recent years. It also assumes additional competition for generic products launched in 2024, including liraglutide injection 1.8mg (Teva's authorized generic version of Victoza®), which is expected to negatively impact year-over-year growth rates.

On August 28, 2025, Teva announced the FDA approval and launch in the U.S. of liraglutide injection (the generic version of Saxenda®). This is the first generic GLP-1 indicated for weight loss.

Please keep the following in mind when considering the contribution from lenalidomide capsules (Teva's generic version of Revlimid®) in the U.S.:

- In 2024, Teva primarily sold its quota in the second and third quarters of the year. In 2025, customer ordering patterns have changed and remain unpredictable.
- Additionally, for 2025, the agreements with the settling generics companies provide for increased volume / market share for the generic versions, including new entrant(s).

EPYSQLI® (eculizumab-aagh)[5], a biosimilar to Soliris®, launched on April 7, 2025, and has been available in the U.S. since then.

Business Venture in Japan

On March 31, 2025, Teva completed the sale of its business venture in Japan with Takeda. This sale is expected to reduce Teva's 2025 revenues and non-GAAP operating profit in the last three quarters of the year by $236 million and $41 million, respectively, compared to the same period in 2024.

Teva API

- Teva's outlook for 2025 continues to include Teva API's results for the entire year (e.g., the outlook does not assume that Teva API will be divested in 2025).
- As of December 31, 2024, balance sheet line items for Teva API have been reclassified to held for sale.
- Teva API's EBITDA margins on a standalone basis are in-line with Teva's adjusted EBITDA margin.

Profit and Margins

Teva Transformation Programs

On May 7, 2025, Teva announced the Teva Transformation programs, which are expected to generate approximately $700 million of net savings by 2027 and enable the achievement of its 30% operating margin target in 2027. Approximately 2/3rds of these savings are expected to be realized in 2026. Teva expects to realize approximately $70 million of net savings in the second half of 2025 (reflecting approximately $140 million of net savings on a full year, run-rate basis) related to these initiatives.

Non-GAAP Gross Profit Margin

Teva expects its non-GAAP gross margin to be between 53% to 54% for 2025. Based on first half performance and expectations for the second half, Teva expects to be at or above the midpoint of the range, with the second half of 2025 gross profit margin expected to be higher than the first half of 2025 gross profit margin. As previously noted, Teva's outlook does not include any contribution from

[5] In collaboration with Samsung Bioepis for the U.S. market.

potential development milestones from Sanofi. If these milestones are earned, revenues and gross margins will be revised.

Gross margins continue to benefit from a positive product portfolio mix shift driven by key innovative products. This underlying year-over-year improvement is partially offset by the lack of high-margin sales of product rights when compared to 2024, the impact from the IRA Part D redesign, and a decline in revenues from legacy innovative products.

Currently, Teva's 2025 outlook includes the potential impact of confirmed U.S. tariffs announced in early May 2025 by the U.S. Administration. Teva is actively monitoring this (in particular with respect to the ongoing investigation related to Section 232 of the Trade Expansion Act of 1962) and planning for a wide range of additional tariff outcomes. As necessary, Teva expects to update its outlook when those tariffs are finalized.

As a consequence of the Teva Transformation programs mentioned above, Teva's gross margins are expected to expand from current levels to a range of 57% to 58% by 2027. Teva expects an immaterial contribution from these programs to its 2025 gross margins.

Non-GAAP Operating Profit and Margins

Based on its first half performance and expectations for the second half, Teva expects to be at or above the midpoint of its non-GAAP operating profit outlook range. As previously noted, Teva's outlook does not include any contribution from potential development milestones from Sanofi.

Teva's non-GAAP operating margins are expected to increase over the remainder of the year, in line with Teva's revenue trajectory and product portfolio mix.

Teva expects its non-GAAP operating expenses to be in the range of 27% to 28% of sales for 2025. Teva includes in its outlook its 50% share of R&D spending related to duvakitug's Phase 3 trials, which are expected to start in 2025.

As a consequence of the Teva Transformation programs mentioned above, Teva expects its non-GAAP operating expenses as a percentage of revenues to remain in the 27% to 28% range through 2027. Teva expects its operating margins to expand by 125bps to 200bps in 2026, and by 125bps to 250bps in 2027.

Cash Flow, Balance Sheet and Capital Allocation

Cash Flow

Teva's primary use of free cash flow remains for its debt repayment and for payments under its legal and tax settlement agreements. Optimizing working capital remains a focus.

Teva expects to pay $600 million to $700 million in legal settlement payments in 2025. As it relates to its opioid settlement payments specifically, Teva expects to pay $419 million in 2025 (of which $47 million was paid in the first half), $363 million in 2026, $364 million in 2027, $385 million in 2028 and $339 million in 2029.

Teva has begun a gradual reduction of its U.S. securitization program, which is expected to negatively impact its free cash flow by $100 million to $200 million for FY 2025.

Teva expects a cash outflow of approximately $70 million to $100 million in 2025 related to its Teva Transformation programs.

Under the terms of the collaboration agreement with Sanofi, upon initiation of Phase 3 studies for duvakitug (anti-TL1A) in ulcerative colitis and Crohn's disease, Teva will be eligible to receive a $250 million development milestone payment from Sanofi for each study. These are not currently factored into Teva's 2025 outlook.

Balance Sheet

Teva is working to achieve an Investment Grade (IG) credit rating (Baa3 / BBB- or greater).

In July 2025, Teva repaid its 350 million CHF 1.0% coupon notes at maturity for $444 million. As of June 30, 2025, there was no amount outstanding under Teva's revolving credit facility.

Summary of Long-Term Financial Targets

As part of the launch of its Pivot to Growth Strategy – Return to Growth phase in May of 2023, Teva provided the following 2027 financial targets, which we remain on track to meet:

- **Revenue growth (CAGR '23 – '27)**: Mid-single digit %
- **Operating income margin**[6,7]: 30%
- **Net debt/adjusted EBITDA**[7]: 2.0x
- **Cash-to-earnings**[7,8,9] **(Cash Conversion)**: 80%

As part of the launch of its Pivot to Growth Strategy – Accelerate Growth phase in May of 2025, Teva provided the following details on the path to achieving 2027 targets and additional 2030 targets:

	2026	2027	2030 & beyond
Revenues	Flat[10] vs. 2025	Low-single digit growth	Mid-single digit CAGR
Operating income margin[6,7]	+125-200bps	30%	>30%
Free Cash Flow[9]	Growing vs 2025	>$2.7B	>$3.5B
Net debt/adj. EBITDA[7]	~2.0x - 2.2x	2.0x	<2.0x
Innovative revenues[11]		$3.5-$4.0B	>$5.0B

[6] Operating income margin is calculated as non-GAAP operating income divided by net revenues, excluding potential impact of business development deals depending on timing.
[7] Operating income and operating income margin, Adjusted EBITDA, net debt and cash-to-earnings are presented on a non-GAAP basis.
[8] Cash-to-earnings reflects free cash flow divided by non-GAAP net income attributable to ordinary shareholders.
[9] Free cash flow includes cash flow from operating activities, beneficial interest collected in exchange for securitized accounts receivables, proceeds from divestitures of businesses and other assets, net of cash used for capital investment.
[10] Flat versus mid-point of 2025 outlook. 2025 and 2026 revenues are pro forma for the expected divestiture of Teva API and the divestiture of Teva's Japan BV that was completed on March 31, 2025.
[11] Innovative revenues include revenue targets for the AUSTEDO Family, AJOVY, UZEDY and our late-stage pipeline assets, assuming regulatory approvals are received.

Some amounts in this Aide Memoire may not add up due to rounding. All percentages have been calculated using unrounded amounts.

About Teva

Teva Pharmaceutical Industries Ltd. (NYSE and TASE: TEVA) is a leading innovative biopharmaceutical company, enabled by a world-class generics business. For over 120 years, Teva's commitment has never wavered. From innovating in the fields of neuroscience and immunology to providing complex generic medicines, biosimilars and pharmacy brands worldwide, Teva is dedicated to addressing patients' needs, now and in the future. At Teva, We Are All In For Better Health. To learn more about how, visit www.tevapharm.com.

Non-GAAP Financial Measures

This document includes certain non-GAAP financial measures as defined by SEC rules. Please see our press release reporting our financial results for the second quarter of 2025, as well as our Annual Report on Form 10-K for the year ended December 31, 2024 (and the related press release for such period), for a reconciliation of the non-GAAP financial measures to their nearest GAAP equivalents. Management believes that such non-GAAP financial measures provide useful information to investors to facilitate their understanding of our business because the non-GAAP financial measures are used by Teva's management and board of directors, in conjunction with other performance metrics, to evaluate the operational performance of the company, to compare against the company's work plans and budgets, and ultimately to evaluate the performance of management; the company's annual budgets are prepared on a non-GAAP basis; and senior management's annual compensation is derived, in part, using these non-GAAP measures. Investors should consider the non-GAAP financial measures in addition to, and not as replacements for, or superior to, measures of financial performance prepared in accordance with GAAP. We are not providing forward looking guidance for GAAP reported financial measures or a quantitative reconciliation of forward-looking non-GAAP financial measures to the most directly comparable GAAP measure because we are unable to predict with reasonable certainty the ultimate outcome of certain significant items including, but not limited to, the amortization of purchased intangible assets, legal settlements and loss contingencies, impairment of long-lived assets and goodwill impairment, without unreasonable effort. These items are uncertain, depend on various factors, and could be material to our results computed in accordance with GAAP.

Cautionary Note Regarding Forward-Looking Statements

In addition to historical information, this document contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, but not limited to, statements regarding our financial guidance, which are based on management's current beliefs and expectations and are subject to substantial risks and uncertainties, both known and unknown, that could cause our future results, performance or achievements to differ significantly from that expressed or implied by such forward-looking statements. These forward-looking statements include statements concerning our plans, strategies, objectives, future performance and financial and operating targets, and any other information that is not historical information. You can identify these forward-looking statements by the use of words such as "should," "expect," "anticipate," "estimate," "target," "may," "project," "guidance," "intend," "plan," "believe" and other words and terms of similar meaning and expression in connection with any discussion of future operating or financial performance. Important factors that could cause or contribute to such differences include risks relating to:

- our ability to successfully compete in the marketplace, including: that we are substantially dependent on our generic products; concentration of our customer base and commercial alliances among our customers; competition faced by our generic medicines from other pharmaceutical companies and changes in regulatory policy that may result in additional costs and delays; delays in launches of new generic products; our ability to develop and commercialize additional pharmaceutical products; competition for our innovative medicines; our ability to achieve expected results from investments in our product pipeline; our ability to successfully execute our Pivot to Growth strategy, including to expand our innovative and biosimilar medicines pipeline and profitably commercialize the innovative

medicines and biosimilar portfolio, whether organically or through business development, to sustain and focus our portfolio of generic medicines, and to execute on our organizational transformation and to achieve expected cost savings; and the effectiveness of our patents and other measures to protect our intellectual property rights, including any potential challenges to our Orange Book patent listings in the U.S.;

- our significant indebtedness, which may limit our ability to incur additional indebtedness, engage in additional transactions or make new investments; and our potential need to raise additional funds in the future, which may not be available on acceptable terms or at all;
- our business and operations in general, including: the impact of global economic conditions and other macroeconomic developments and the governmental and societal responses thereto; the widespread outbreak of an illness or any other communicable disease, or any other public health crisis; effectiveness of our optimization efforts; significant disruptions of information technology systems, including cybersecurity attacks and breaches of our data security; interruptions in our supply chain or problems with internal or third party manufacturing; challenges associated with conducting business globally, including political or economic instability, major hostilities or terrorism, such as the ongoing conflict between Russia and Ukraine and the state of war declared in Israel; our ability to attract, hire, integrate and retain highly skilled personnel; our ability to successfully bid for suitable acquisition targets or licensing opportunities, or to consummate and integrate acquisitions; and our prospects and opportunities for growth if we sell assets or business units and close or divest plants and facilities, as well as our ability to successfully and cost-effectively consummate such sales and divestitures, including our planned divestiture of our API business;
- compliance, regulatory and litigation matters, including: failure to comply with complex legal and regulatory environments; the effects of governmental and civil proceedings and litigation which we are, or in the future become, party to; the effects of reforms in healthcare regulation and reductions in pharmaceutical pricing, reimbursement and coverage, including as a result of the One Big Beautiful Bill signed into law in the U.S. in July 2025 ("OBBBA"), which is expected to result in stricter Medicaid eligibility requirements and work requirements, which may result in reduced Medicaid enrollment and a resulting decline in coverage for purchases of our medicines, and U.S. Executive Orders issued in April and May 2025 intended to reduce the prices paid by Americans for prescription medicines, including most-favored-nation pricing; increased legal and regulatory action in connection with public concern over the abuse of opioid medications; our ability to timely make payments required under our nationwide opioids settlement agreement and provide our generic version of Narcan® (naloxone hydrochloride nasal spray) in the amounts and at the times required under the terms of such agreement; scrutiny from competition and pricing authorities around the world, including our ability to comply with and operate under our deferred prosecution agreement ("DPA") with the U.S. Department of Justice ("DOJ"); potential liability for intellectual property right infringement; product liability claims; failure to comply with complex Medicare, Medicaid and other governmental programs reporting and payment obligations; compliance with sanctions and trade control laws; environmental risks; and the impact of Environmental, Social and Governance ("ESG") issues;
- the impact of the state of war declared in Israel and the military activity in the Middle East, including the risk of disruptions to our operations and facilities, such as our manufacturing and R&D facilities, located in Israel, the impact of our employees who are military reservists being called to active military duty, and the impact of the war on the economic, social and political stability of Israel;
- other financial and economic risks, including: our exposure to currency fluctuations and restrictions as well as credit risks; potential impairments of our long-lived assets; the impact of geopolitical conflicts including the state of war declared in Israel and the conflict between Russia and Ukraine; potential significant increases in tax liabilities; the effect on our overall effective tax rate of the termination or expiration of governmental programs or tax benefits, or of a change in our business; our exposure to changes in international trade policies, including the imposition of tariffs in the jurisdictions in which we operate, and the effects of such developments on sales of our products and the pricing and availability of our raw materials; and the impact of any future failure to establish and maintain effective internal control over our financial reporting;

and other factors discussed in this document, in our Quarterly Report on Form 10-Q for the second quarter of 2025 and in our Annual Report on Form 10-K for the year ended December 31, 2024, including in the sections captioned "Risk Factors" and "Forward-looking Statements." Forward-looking statements speak only as of the date on which they are made, and we assume no obligation to update or revise any forward-looking statements or other information contained herein, whether as a result of new information, future events or otherwise. You are cautioned not to put undue reliance on these forward-looking statements.