Q4 2025 Aide Memoire

Tel Aviv, Israel, December 12, 2025 - Teva Pharmaceutical Industries Ltd. (NYSE and TASE: TEVA) has compiled this document with public information that was previously provided by Teva in order to assist investors ahead of fourth quarter 2025 results, which are expected to be released on Wednesday, January 28, 2026 at 7am ET, followed by a conference call at 8am ET.

Summary of 2025 Outlook

The following outlook for 2025 was last updated on November 5, 2025 in the presentation of Teva's 2025 third quarter financial results (the "2025 Outlook"). The 2025 Outlook is as of November 5, 2025 and should not be construed as updated or confirmed as of the date hereof in connection with this document.[1]

		FY 2025 Consensus Average[2]		Q4 Implied[3] As Calculated[4]	Q4 Consensus Average[2]	
	2025 Outlook	As Provided	Ex. Milestones[5]		As Provided	Ex. Milestones[5]
Revenues ($M)	16,800 - 17,000	16,939	16,871	4,253 - 4,453	4,394	4,326
AUSTEDO® Family Global ($M) [6]	2,050 - 2,150	2,128	No change	524 – 624	604	No change
AJOVY® Global ($M)	630 – 640	639	No change	168 – 178	177	No change
UZEDY® U.S. ($M)	190 – 200	196	No change	54 – 64	60	No change
COPAXONE® Global ($M)	~370	411	No change	31	72	No change
Non-GAAP Gross Profit Margin[7]	See below	54.2%	54.0%	See below	54.1%	53.3%
Non-GAAP Operating Income ($M)	4,400 - 4,600	4,551	4,47	1,027 - 1,227	1,179	1,104
Non-GAAP Operating Margin[8]	26.2% - 27.1%	26.9%	26.5%	24.1% - 27.6%	26.8%	25.5%
Adjusted EBITDA ($M)	4,800 - 5,000	5,008	4,924	1,132 - 1,332	1,359	1,265
Finance Expenses ($M)	~900	879	No change	244	215	No change
Non-GAAP Tax Rate	15% - 18%	16.1%	No change	11.5% - 22.3%	16.3%	No change
Non-GAAP Diluted EPS ($)	2.55 - 2.65	2.64	2.60	0.58 - 0.68	0.68	0.63
Free Cash Flow ($M)	1,600 - 1,900	1,977	1,922	502 - 802	693	643
Avg. Diluted Shares Outstanding	1,164 million	1,164	No change	1,176	1,167	No change
CAPEX ($M)	~500	510	No change	141	136	No change

[1]Revenues and CAPEX figures above presented on a GAAP basis. All other financial metrics presented on a non-GAAP basis. 2025 Outlook is as of November 5, 2025 and should not be construed as updated or confirmed as of the date hereof in connection with this document. 2025 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 does not include the expected impact of the recognition of revenue or receipt of the cash from any milestones payments associated with the Phase 3 trials of duvakitug in Crohn's disease and ulcerative colitis. 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.
[2]Virtua Research as of 12/10/2025. 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 eleven 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.
[3] Teva does not provide a quarterly outlook.
[4] Calculated based on 2025 Outlook less 9-month YTD actuals as reported in Teva's Q3 financial results.
[5] Three analysts model $250M of milestone payment in Q4. The "Ex. Milestones" columns exclude the impact of these milestones from the average to allow for a more like-for-like comparison with Teva's outlook. This assumes the models have no incremental costs associated with the milestones.
[6]AUSTEDO (deutetrabenazine) tablets and AUSTEDO XR (deutetrabenazine) extended-release tablets (hereinafter referred to as "AUSTEDO family").
[7]Non-GAAP gross profit margin is non-GAAP gross profit as a percentage of revenue.
[8]Non-GAAP operating margin is non-GAAP operating income 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 fourth quarter of 2025, Teva expects its share count to be approximately 1,168 million shares.

Revenue

Key Innovative Products

AUSTEDO Family: As referenced in the third quarter financial results, 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 2025 Outlook, as provided in the 2025 third quarter financial results, implies ~21% to ~27% 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 the 2025 Outlook, less year-to-date results as reported in the 2025 third quarter financial results on November 5, 2025, Q4 implied YoY growth is expected to be between ~0% to ~19%.

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.

As referenced in the 2025 third quarter financial results, Teva expects to achieve its targets for AUSTEDO of >$2.5B revenue by 2027 and peak year revenue target of >$3.0B. These targets take into consideration the discount to WAC negotiated with CMS that is set to begin in 2027, as announced by CMS in November 2025.

AJOVY: As referenced in the 2025 third quarter financial results, Teva's outlook countenances ~24% to ~26% YoY revenue growth in 2025, driven mainly by continued global market share gains.

UZEDY: Teva's 2025 Outlook assumes ~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 and Medicaid gross-to-net adjustments. Teva believes that, based on the 2025 Outlook less Q3 year-to-date results, the Q4 implied revenue guidance of $54M to $64M is a better run-rate for forecasting than the revenues in Q3, given the previously mentioned Medicaid adjustments. As referenced in the 2025 third quarter financial results, Teva expects to achieve its peak LAI franchise target revenues of $1.5 billion to $2.0 billion in the coming years, subject to regulatory approval of olanzapine LAI.

Generics, Biosimilars and OTC Products

For its generic products, inclusive of biosimilars and OTC products, Teva's 2025 Outlook contemplates flat local currency revenue 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.

For generics in the U.S., Teva's 2025 Outlook embeds continued downward pricing pressure for its U.S. mature generics 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®) to negatively impact year-over-year growth rates.

Business Venture in Japan

On March 31, 2025, we deconsolidated the business venture from our financial statements upon the completion of the sale. The business venture contributed revenues and non-GAAP operating income of $88M and $10M respectively to our fourth quarter 2024 results.

Teva API

- As referenced in the 2025 third quarter financial results, Teva's exclusive discussions with a selected buyer on the sale have terminated, and Teva is initiating a renewed sales process, maintaining its strategic intention to divest its API business.
- Teva will only provide further updates pending a transaction or other determination, and there can be no assurance regarding the ultimate timing or structure of a potential divestiture or that a divestiture will be agreed or completed at all.

Sale of Product Rights

- Q4 2024 included meaningful revenue from the sale of product rights across all our segments.
- This revenue is included, among other items, in the "Other" revenue line of each segment.

As discussed by Teva's CEO Richard Francis at the Evercore Healthcare Conference on December 3, 2025, for the full year 2026, Teva anticipates its revenue to be flat to slightly down excluding the impact of duvakitug milestones, due to an expected decline in generic products from the loss of generic lenalidomide sales under exclusivity in the U.S., which is expected to be partially offset by growth in our key innovative products, as well as biosimilars and OTC products.

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. As referenced in the 2025 third quarter financial results, Teva expects to realize approximately $70 million of net savings in 2025 related to these initiatives.

Non-GAAP Gross Profit Margin

Teva's 2025 Outlook assumes a non-GAAP gross profit margin of between 53% to 54%, excluding the impact of duvakitug milestones. As discussed by Teva's CFO, Eli Kalif, on Teva's third quarter 2025 earnings call on November 5, 2025, Teva expects its gross profit margin to be at the higher end of this range.

As referenced in Teva's Q3 2025 financial results, gross profit 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.

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 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 referenced in Teva's Q3 2025 financial results, as a consequence of the Teva Transformation programs mentioned above as well as continued growth in our key innovative products, Teva's gross profit 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 profit margins.

Non-GAAP Operating Income and Margins

Teva's 2025 Outlook incorporates the achievement of a ~27% non-GAAP operating margin, excluding the impact of duvakitug milestones.

The 2025 Outlook also provides for non-GAAP operating expenses to be in the range of 27% to 28% of sales, excluding the impact of duvakitug milestones. Teva includes in its 2025 Outlook its 50% share of R&D expenditures related to duvakitug's trials, including the Phase 3 trials, which began in October 2025.

As referenced at the Teva Innovation and Strategy Day on May 29, 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, excluding the impact of duvakitug milestones, and by 125bps to 250bps in 2027, and to be ~30% in 2027.

As discussed by Teva's CEO, Richard Francis, at the Evercore Healthcare Conference on December 3, 2025, for the full year 2026, Teva expects to grow its adjusted EBITDA, excluding the impact of duvakitug milestones, despite the expected decline in generic products from the loss of generic lenalidomide sales under exclusivity in the U.S., as it is expected to be more than offset by growth in our key innovative products, as well as biosimilars and OTC products, and the savings from our Teva Transformation programs.

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.

As referenced in its Q3 financial results, 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 $412 million was paid as of September 30, 2025), $363 million in 2026, $364 million in 2027, $385 million in 2028 and $339 million in 2029.

As referenced in Teva's Q4 2024 financial results, Teva has begun a process to reduce its accounts receivable securitization program.

As referenced in Teva's 2025 Q3 financial results, Teva expects a cash outflow of approximately $70 million to $100 million in 2025 related to its Teva Transformation programs which, along with the cost savings of the programs, are included in the 2025 Outlook.

Under the terms of the collaboration agreement with Sanofi, upon initiation of Phase 3 studies for duvakitug in ulcerative colitis and Crohn's disease, Teva is eligible to receive a $250 million development milestone payment from Sanofi for each indication. These are not factored into Teva's 2025 Outlook.

As discussed by Teva's CEO, Richard Francis, at the Evercore Healthcare Conference on December 3, 2025, for the full year 2026, Teva expects to grow free cash flow excluding the impact of duvakitug milestones.

Balance Sheet

Teva is working to achieve an Investment Grade (IG) credit rating (Baa3 / BBB- or greater), and its 2027 target of net debt / EBITDA of 2x is consistent with such a credit rating.

As of September 30, 2025, there was no outstanding borrowing under Teva's revolving credit facility.

Teva's 2025 Outlook is consistent with ending the year with a net debt to adjusted EBITDA metric of <2.8x.

Expected Pipeline Developments

As discussed at the Teva Innovation and Strategy Day on May 29, 2025, Teva's Q3 2025 financial results and the Citi Healthcare Conference on December 4, 2025, Teva expects to communicate the following pipeline developments:

	2026			
Pipeline Candidate	**Q1**	**Q2**	**Q3**	**Q4**
Anti-IL-15 (TEV-'408)	Vitiligo Phase 1b topline results, followed by Celiac disease Phase 2a interim analysis			
duvakitug[9] (TEV-'574 / SAR-'189)		UC/CD Phase 2b 44 week maintenance data		
emrusolmin[10] (TEV-'286)			Phase 2 interim analysis	
DARI (TEV-'248)				Last targeted CAE
Anti-PD1-IL-2[11] (TEV-'278)				Initial human data

UC: ulcerative colitis; CD: Crohn's disease; DARI: Dual-Action Asthma Rescue Inhaler; CAE: clinical asthma exacerbation

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 margin**[8,12]: 30%
- **Net debt/adjusted EBITDA**[12]: 2.0x

[9] duvakitug developed in a partnership between Teva and Sanofi.
[10] In collaboration with MODAG.
[11] In collaboration with Fosun Pharma.
[12] Operating income and operating income margin, Adjusted EBITDA, net debt and cash-to-earnings are presented on a non-GAAP basis. Excludes the impact of duvakitug milestone payments.

- **Cash-to-earnings[12,13,14] (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. Expectations will be updated on an ongoing basis:

	2026[15]	2027	2030 & beyond
Revenues	Flat to slight decline vs. 2025	Low-single digit growth	Mid-single digit CAGR
Operating margin[8,12]	+125-200bps	30%	>30%
Free Cash Flow[14]	Growing vs 2025	>$2.7B	>$3.5B
Net debt/adj. EBITDA[12]	~2.0x - 2.2x	2.0x	<2.0x
Innovative revenues[16]		$3.5-$4.0B	>$5.0B

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 transforming into 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 third 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

[13] Cash-to-earnings reflects free cash flow divided by non-GAAP net income attributable to ordinary shareholders.
[14] 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. Excludes the impact of duvakitug milestone payments.
[15] 2026 comparisons are versus the midpoint of the 2025 Outlook and pro forma for the expected divestiture of Teva API and the divestiture of Teva's Japan BV that was completed on March 31, 2025. Excludes the impact of duvakitug milestone payments.
[16] Innovative revenues include revenue targets for the AUSTEDO Family, AJOVY, UZEDY and our late-stage pipeline assets, assuming regulatory approvals are received.

measures in addition to, and not as replacements for, or superior to, measures of financial performance prepared in accordance with GAAP. In the case of the non-GAAP financial measures disclosed in this document, we are not providing comparable forward looking guidance for GAAP 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 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; any impact of a prolonged government shutdown; challenges associated with conducting business globally, including political or economic instability, major hostilities or terrorism, such as the conflict between Russia and Ukraine and in the Middle East; 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 requirements and changes; the effects of governmental, regulatory 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; claims brought by regulatory agencies; 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 sustainability issues;

- 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 and developments including in the Middle East and in 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 third 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.