Teva Pharmaceutical Industries Ltd.
J.P. Morgan Healthcare Conference

Kåre Schultz
President & CEO
January 11, 2022

Cautionary Note Regarding Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, 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. 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; consolidation of our customer base and commercial alliances among our customers; delays in launches of new generic products; the increase in the number of competitors targeting generic opportunities and seeking U.S. market exclusivity for generic versions of significant products; our ability to develop and commercialize biopharmaceutical products; competition for our specialty products, including AUSTEDO®, AJOVY® and COPAXONE®; our ability to achieve expected results from investments in our product pipeline; our ability to develop and commercialize additional pharmaceutical products; and the effectiveness of our patents and other measures to protect our intellectual property rights;

- our substantial indebtedness, which may limit our ability to incur additional indebtedness, engage in additional transactions or make new investments, may result in a further downgrade of our credit ratings; and our inability to raise debt or borrow funds in amounts or on terms that are favorable to us;

- our business and operations in general, including: uncertainty regarding the COVID-19 pandemic and its impact on our business, financial condition, operations, cash flows, and liquidity and on the economy in general; our ability to successfully execute and maintain the activities and efforts related to the measures we have taken or may take in response to the COVID- 19 pandemic and associated costs therewith; effectiveness of our optimization efforts; our ability to attract, hire and retain highly skilled personnel; manufacturing or quality control problems; interruptions in our supply chain; disruptions of information technology systems; breaches of our data security; variations in intellectual property laws; challenges associated with conducting business globally, including political or economic instability, major hostilities or terrorism; costs and delays resulting from the extensive pharmaceutical regulation to which we are subject or delays in governmental processing time due to travel and work restrictions caused by the COVID-19 pandemic; the effects of reforms in healthcare regulation and reductions in pharmaceutical pricing, reimbursement and coverage; significant sales to a limited number of customers; 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;

- compliance, regulatory and litigation matters, including: failure to comply with complex legal and regulatory environments; increased legal and regulatory action in connection with public concern over the abuse of opioid medications and our ability to reach a final resolution of the remaining opioid-related litigation; scrutiny from competition and pricing authorities around the world, including our ability to successfully defend against the U.S. Department of Justice criminal charges of Sherman Act violations; potential liability for patent infringement; product liability claims; failure to comply with complex Medicare and Medicaid reporting and payment obligations; compliance with anti-corruption sanctions and trade control laws; and environmental risks;

- other financial and economic risks, including: our exposure to currency fluctuations and restrictions as well as credit risks; potential impairments of our intangible assets; potential significant increases in tax liabilities (including as a result of potential tax reform in the United States); and 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;

and other factors discussed in our Annual Report on Form 10-K for the year ended December 31, 2020 and in our subsequently Quarterly Reports on Form 10-Q, 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.

Non-GAAP Financial Measures

This presentation includes certain non-GAAP financial measures as defined by SEC rules. Please see our Annual Report on Form 10-K for the year ended December 31, 2020 and our Quarterly Report on Form 10-Q for the quarter ended September 30, 2021, for a reconciliation of the GAAP results to the adjusted non-GAAP measures. The non-GAAP data presented by Teva are the results used by Teva's management and board of directors 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.. Teva provides such non-GAAP data to investors as supplemental data and not in substitution or replacement for GAAP measure, because management believes such data provides useful information to investors. 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 without unreasonable effort. Some amounts in this presentation may not add up due to rounding. All percentages have been calculated using unrounded amounts.

Opioids Litigation

- Investigations and early litigation (2014-2020)
  - Over 3,500 complaints filed by local, state and other governmental agencies, along with tribes and private plaintiffs, against various Teva affiliates and several other manufacturers, distributors and retailers:
    - 90% were consolidated into a multi-district litigation (“MDL”)
    - 10% remain in state courts

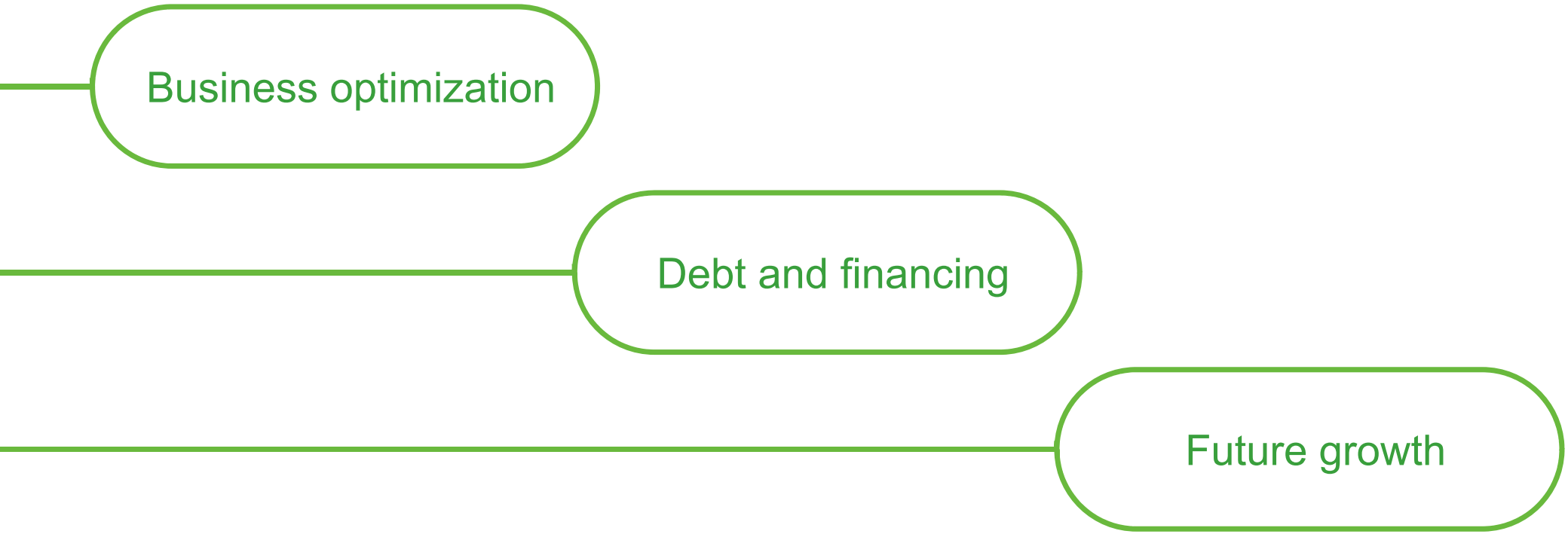
- One-Off Settlements
  - Teva settled with:
    - Oklahoma in May 2019 for $85 million
    - Two Ohio Counties (MDL Track 1) in October 2019 for $20 million and $25 million of products (at WAC)
    - Louisiana in October 2021 for $15 million over 18 years and $3 million of products (at WAC)

Opioids Litigation - Cont.

- Trials/Appellate Decisions
  - J&J won appeal of trial verdict at Oklahoma Supreme Court; Court found public nuisance law inapplicable
  - Teva and co-defendants won in Orange County, CA; trial judge found that medicines sold lawfully could not be a basis of public nuisance
  - Teva New York jury liability trial loss; schedule for damages trial uncertain; significant appellate issues remain, including whether New York public nuisance law applies to lawfully marketed and sold medicines

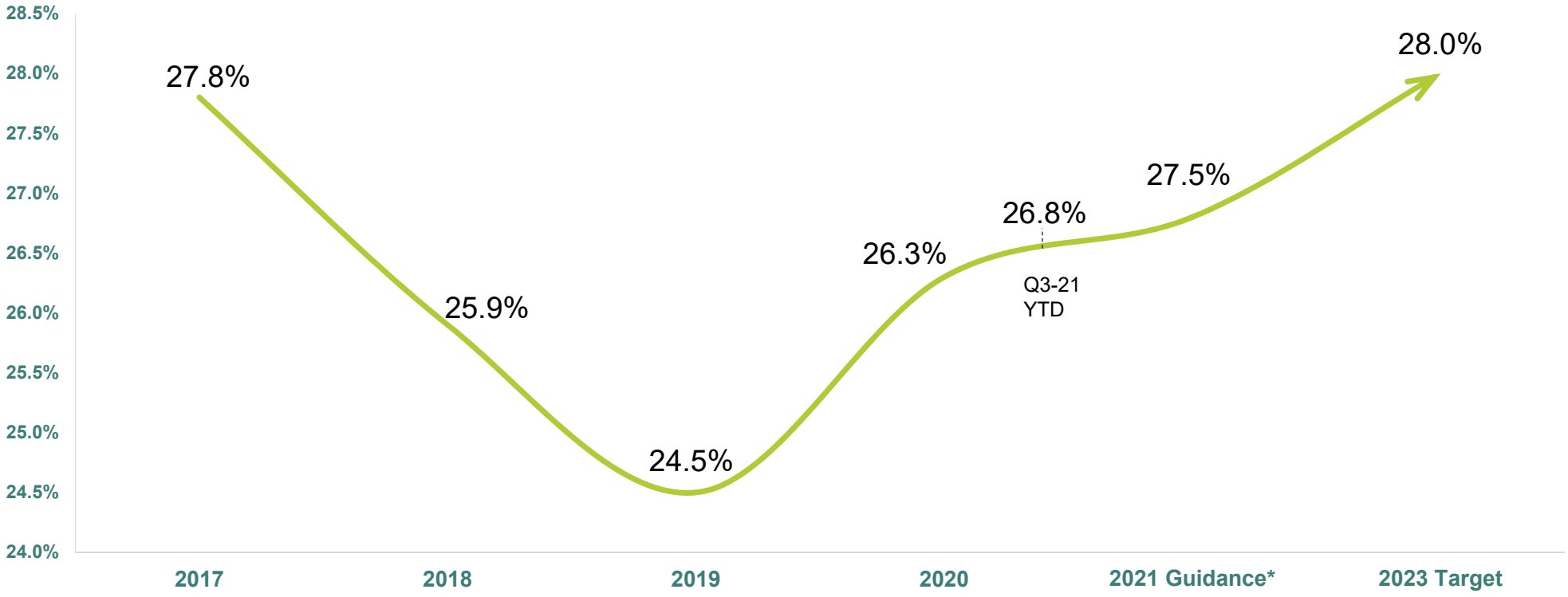
- Nationwide Settlement Efforts
  - J&J and big 3 distributors are actively working on finalizing nationwide settlements and one-off settlements with holdouts
  - Teva continues to focus on nationwide settlement efforts in the best interest of all stakeholders

Strategy Update



Operating Margin Expansion

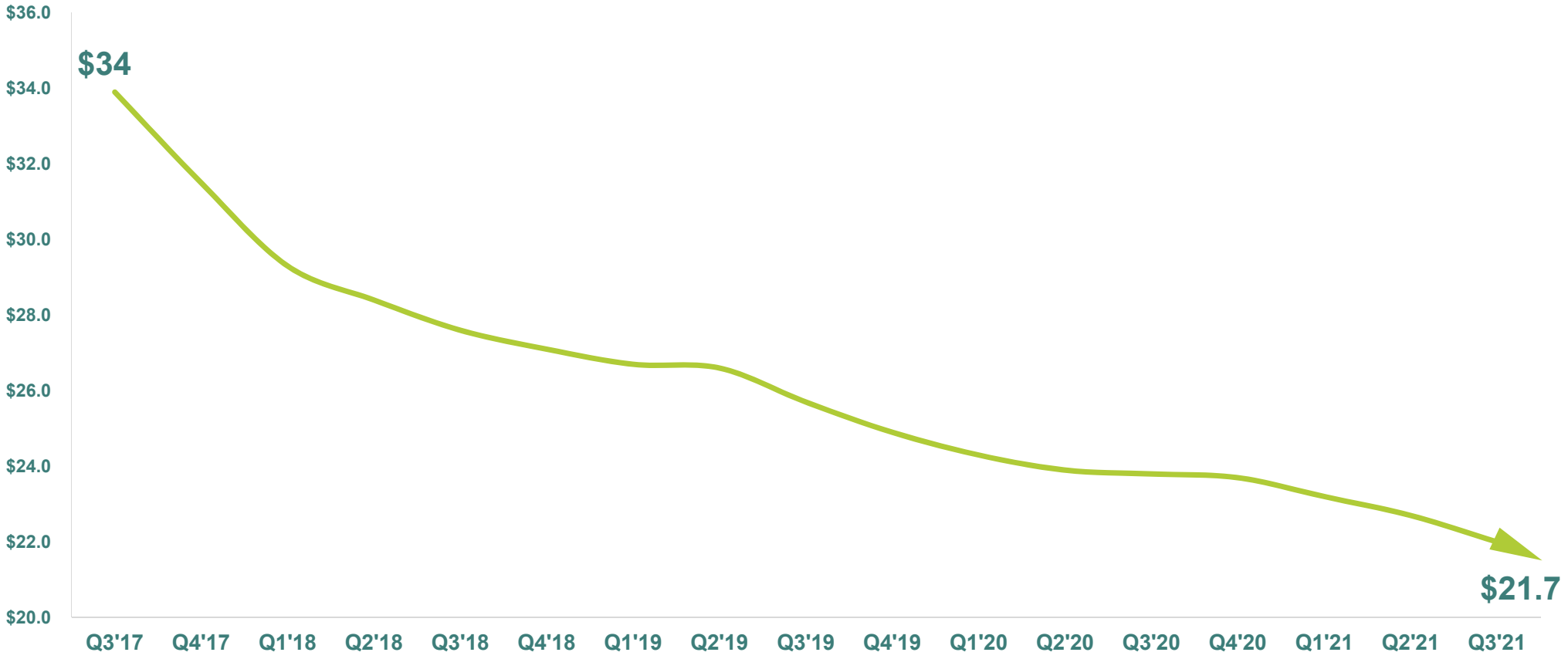
Non-GAAP operating margin %



* Estimated margin based on 2021 guidance

Net Debt Development

$ billions



Successful Refinancing: $5B Sustainability-Linked Bond (SLB)

- Largest SLB of its kind
- First issued by a generic medicines company
- First in pharmaceutical industry to link both social and environmental targets
- Built on our strong ESG foundation and accelerates Teva's ESG journey



Bloomberg Green

Photographer:

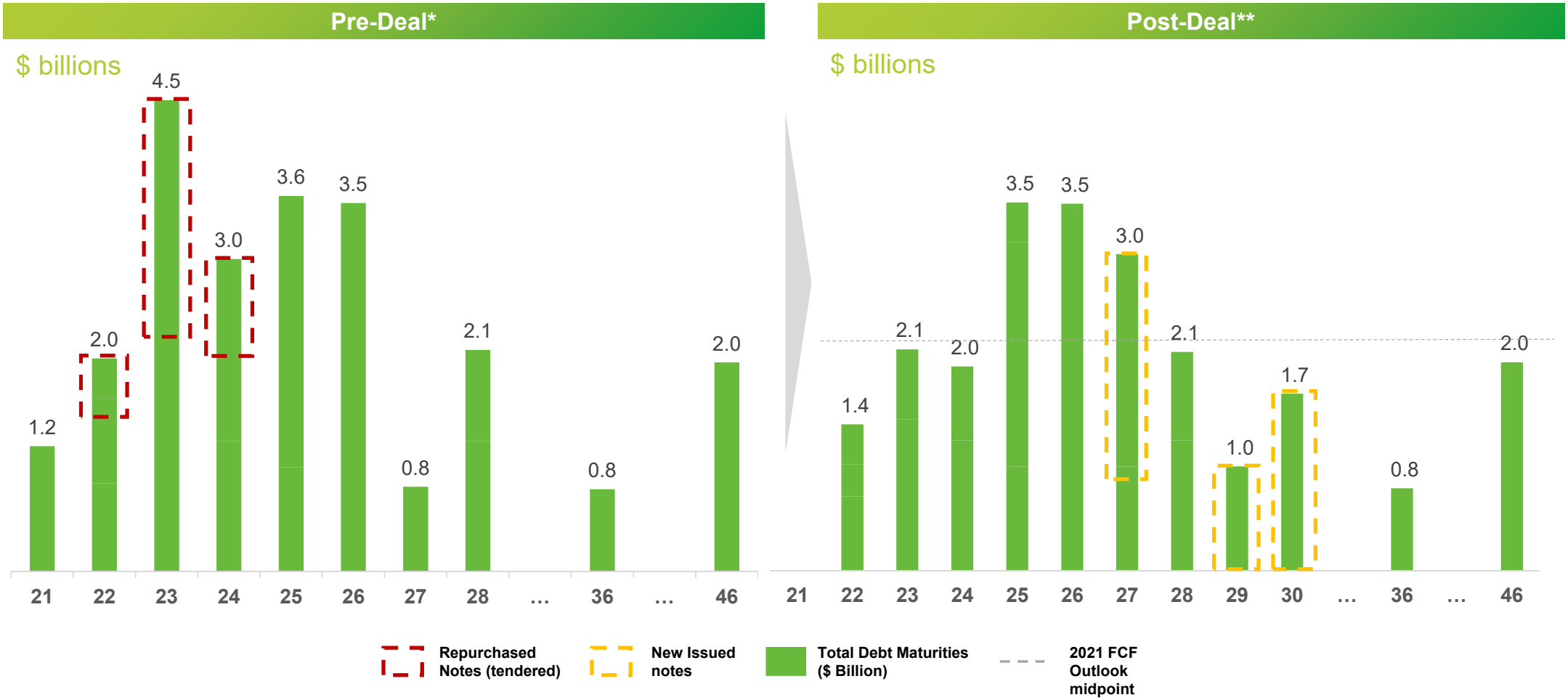
Finance

Teva Sells Record $5 Billion of Sustainability-Linked Bonds

By David Caleb Mutua +Follow

November 2, 2021, 11:23 AM EDT *Updated on November 2, 2021, 5:31 PM EDT*

Debt Maturity Profile - Before & After the Refinancing

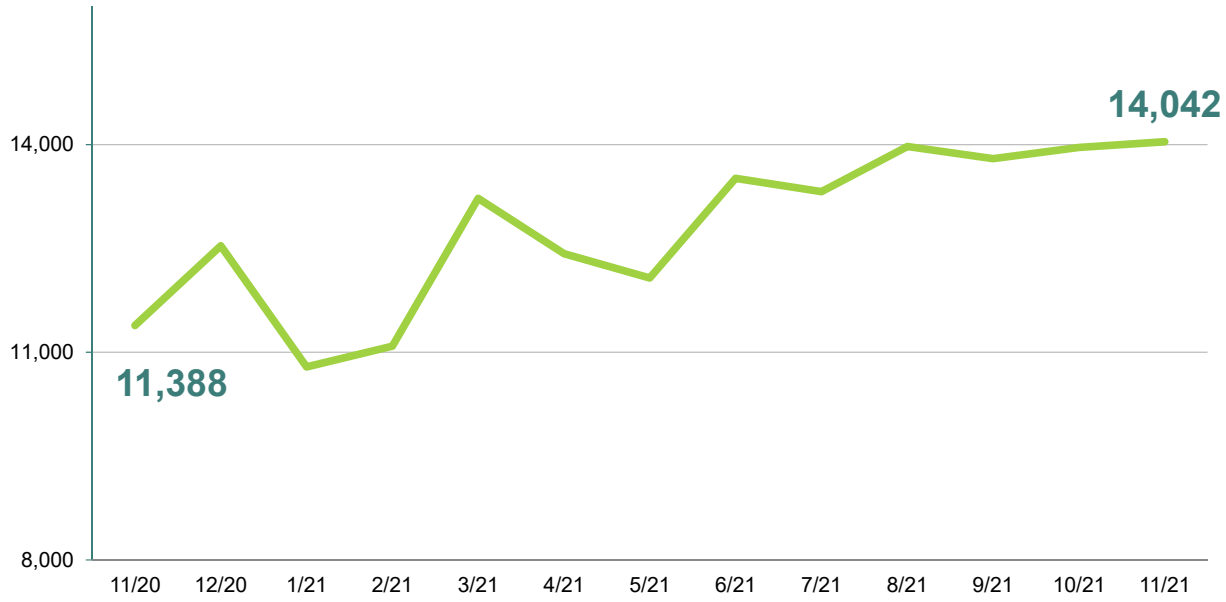


* Reflects amounts as of September 30, 2021
** Reflects amounts outstanding as of September 30, 2021 on an adjusted basis to reflect the refinancing

AUSTEDO®

Austedo® (deutetrabenazine) 6 mg, 9 mg, and 12 mg tablets

AUSTEDO TRx Count Per Month



Source: IQVIA US NPA Audit

Highlights

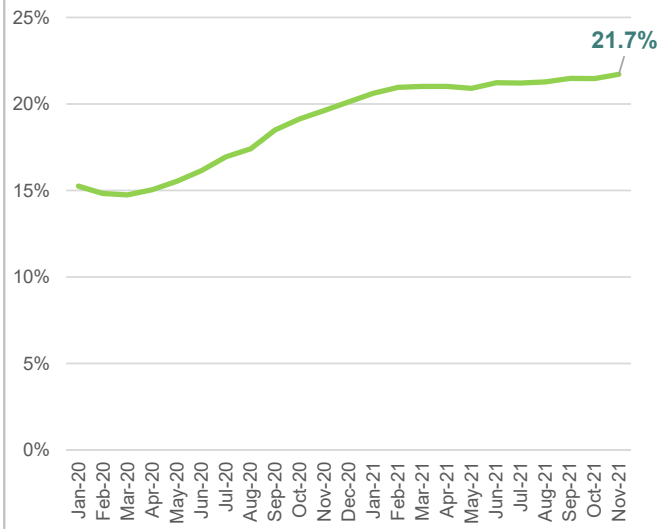
- Monthly run rate of ~14K prescriptions
- Continued focus on patient activation

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AJOVY®

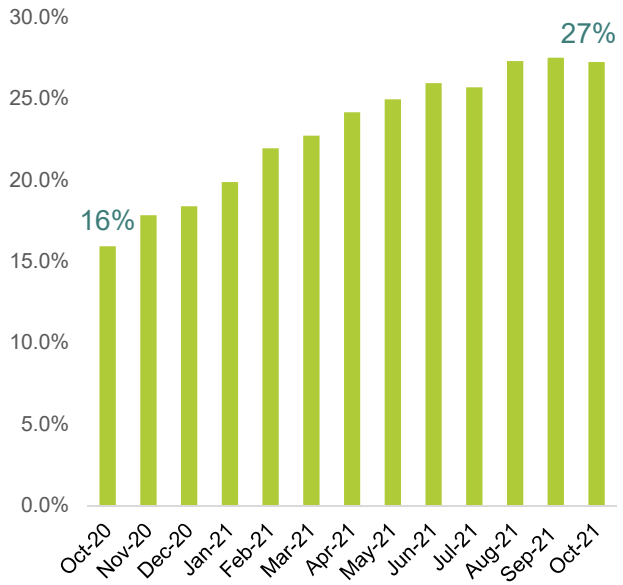
AJOVY® (fremanezumab-vfrm) injection 225 mg/1.5 mL

AJOVY U.S Normalized TRx Share



Source: IQVIA NPA Normalized TRX

AJOVY EU Monthly Volume market share



Total EU includes: 13 Countries (DE, IT, FR, ES, SE, FI, NO, DK, AT, CZ, CH, PL, UK)
Source: IQVIA MIDAS Data: DE Hosp, IT, FR, ES, CH, PL, UK; Insight Health: AT & DE Retail; Local: CZ and Nordics (SE, FI, NO, DK).

Highlights

- North America
  - Quarterly normalized TRx volume growth aligned with increases in market volume; monthly normalized TRx share steady at 21%
- Europe
  - 2nd leading brand in Europe, with 27% volume market share (Oct. 21)
  - Launched and fully reimbursed in 23 countries, with future launches planned
  - Strong growth faster than the CGRP market in all top markets in 2021 (MAT October)
- International Markets
  - Launched in Japan in August 2021

Teva Biosimilars

A broad portfolio of biosimilars through partnerships and organic growth

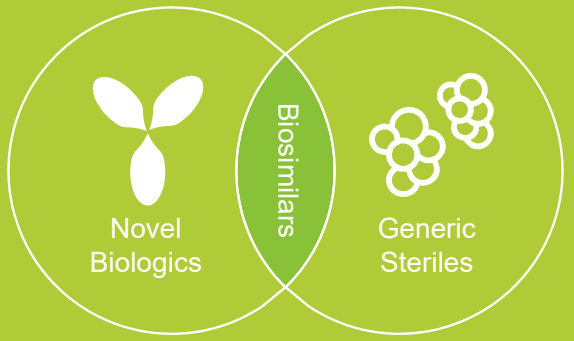
13 Biosimilars in Development:
- 7 in-house programs
- 5 biosimilars with Alvotech
- 1 biosimilar with BioEq

Truxima®
only rituximab biosimilar indicated for rheumatoid arthritis (RA)

Unique commercial capabilities: Specialty marketing and Generics

Expanding manufacturing capabilities

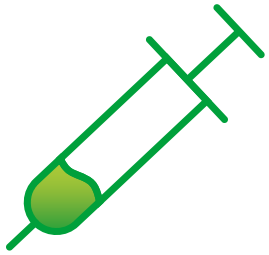
Rapidly **evolving** biosimilar space



TV-46000 -Subcutaneous Risperidone ER for Patients with Schizophrenia

NDA accepted by FDA. Expected action date in H1/22

Recently presented data showed TV-46000 decreased risk of relapse and increased chance of clinical stability versus placebo in patients with schizophrenia



Committed to investigating the full potential of our subcutaneous long-acting injectable (LAI) formulation of risperidone for the treatment of this complex and burdensome illness

Long-Term Financial Targets

To be achieved by year-end 2023

Operating income margin [2][3]



Cash-to-earnings [1][3][4]



Net debt / EBITDA [3][5]



Committed to utilizing cash flow to pay down debt; we do not plan to raise equity

(1) 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) Operating income margin = Non-GAAP operating income divided by net revenues.
(3) All measures including operating income, EBITDA and earnings are presented on a non-GAAP basis.
(4) Cash to earnings reflects free cash flow divided by non-GAAP net income attributable to ordinary shareholders.
(5) Net debt/EBITDA reflects Net debt/adjusted EBITDA.


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