



Teva Pharmaceutical Industries Ltd.

43rd Annual J.P. Morgan Healthcare Conference

January 13, 2025

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; concentration of our customer base and commercial alliances among our customers; delays in launches of new generic products; our ability to develop and commercialize biopharmaceutical products; competition for our innovative medicines; our ability to achieve expected results from investments in our product pipeline; our ability to develop and commercialize additional pharmaceutical products; our ability to continue 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, and to sustain and focus our portfolio of generics medicines; 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 substantial indebtedness, which may limit our ability to incur additional indebtedness, engage in additional transactions or make new investments, may result in a future 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: 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; our ability to attract, hire, integrate and retain highly skilled personnel; interruptions in our supply chain or problems with internal or third party manufacturing; disruptions of information technology systems; breaches of our data security; 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; costs and delays resulting from the extensive pharmaceutical regulation to which we are subject; 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; 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 anti-corruption, sanctions and trade control laws; environmental risks; and the impact of sustainability issues;
- the impact of the state of war declared in Israel and the military activity in the region, 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; and our ability to remediate an existing material weakness in our internal control over financial reporting;
- and other factors discussed in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2024 and in our Annual Report on Form 10-K for the year ended December 31, 2023 ("Annual Report"), including in the section captioned "Risk Factors." 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 press release reporting our financial results for the third quarter of 2024, as well as our Annual Report on Form 10-K for the year ended December 31, 2023, 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. Revenues and CAPEX are presented on a GAAP basis.

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



Richard Francis

President and Chief Executive Officer



Teva is a Fast-Growing, Profitable Global Biopharma Company

ONCE-DAILY

Austedo XR
(deutetrabenazine)
extended-release

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

UZEDY
(risperidone)
extended-release
injectable suspension

50 mg, 75 mg, 100 mg, 125 mg
150 mg, 200 mg, 250 mg

High-margin growth engines' revenue
~\$1.3B ('22) → ~\$2.2B ('24E)

Mid-single-digit % revenue growth
'23-'27

\$16.1-\$16.5B

2024 Revenues Outlook

\$9B+ global generics revenue, fuels growing innovative business and pipeline

High-quality, innovative pipeline targeting multi-billion \$ opportunities in CNS, immunology, Asthma and orphan disorders



On track to deliver Pivot to Growth Strategy 2027 targets
announced May '23

Strong FCF generation
\$1.7B - \$2.0B
2024 FCF outlook

Strong margin progression:
27.7% ('22) → ~30% ('27E),
+230 bps

Where We Stood in **January 2023**

Negative topline evolution

Limited focus on our growth assets

Limited investment in innovative pipeline

High leverage and legacy litigation

Unfocused business

Where We Are **Today** Executing on our **Pivot to Growth Strategy**

7 consecutive quarters of revenue growth

Strongly growing innovative portfolio (AUSTEDO®, AJOVY®, UZEDY®) with revenues of ~\$2.2B ('24E), +64.2% vs. FY 2022

Focused acceleration of late- and early-stage innovative pipeline to drive growth

Focused capital allocation to **de-leverage and invest in growth**; paving the way for investment grade rating

On track to divest Teva api and Japan BV in H1 2025

On Track with Pivot to Growth Strategy Targets



Deliver on growth engines



Step up innovation



Sustain generics powerhouse



Focus our business

Executing our Strategic Roadmap with Precision

What we promised
May '23:



2023-2024

Return to growth

- AUSTEDO '24 revenues initial outlook of ~\$1.5B
- UZEDY '24 revenues initial outlook of ~\$80M
- Biosimilar launches
- Resource reallocation towards innovative medicines
- Sustainable cash-generation from generics



2025-2027

Accelerate growth

- Innovative launches: olanzapine LAI, DARI (ICS/SABA)
- Biosimilars growth
- Optimized generics business
- Focused business development
- Margin expansion

About to embark on this stage



2028+

Sustain growth

- Innovative launches (duvakitug, anti-PD1-IL2, anti-IL15)
- Sustainable innovative pipeline
- Focused business development
- Margin expansion

Executing our Strategic Roadmap with Precision

What we've delivered to-date:

2023-2024

Return to growth

- Raised AUSTEDO '24 revenues outlook to ~\$1.6B
- UZEDY gaining momentum; '24 outlook raised to ~\$100M
- 18 biosimilar pipeline assets
- Resource reallocation towards innovative medicines
- Sustainable cash-generation from generics

- Generics return to growth
- Pipeline acceleration

2025-2027

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Delivering on our Growth Engines

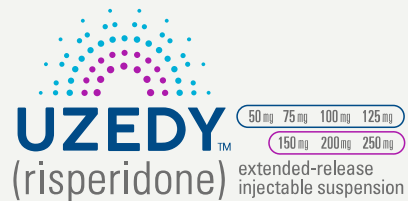
2024 strategy execution

Long-Term



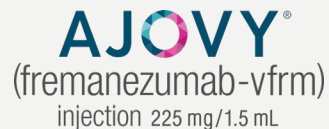
- On track for ~\$1.6B '24 revenue, 31%+ growth over '23
- Enhanced profile with launches of 1 pill, 1x/day dosing and titration pack

On track to achieve >\$2.5B revenue by 2027



- Gaining momentum; on track for ~\$100m '24 revenue outlook, +~\$80m YoY
- Increasing hospital and prescriber trial and adoption


Long-term growth driven by differentiated profile of schizophrenia portfolio



- On track for ~\$500m '24 revenue, ~15% growth over '23
- Driven by a combination of market growth and stable to growing share in key markets

Increasing revenues ex-U.S. through geographic expansion and growth in share and market

Early- and Late-Stage Innovative Pipeline Continues to Progress

Asset	Indication	Progress	Next milestones
olanzapine LAI TEV-'749 (Phase III)	Schizophrenia	Achieved Phase III targeted injections without PDSS	Long term study full safety presentation H1 2025
DARI (ICS/SABA) TEV-'248 (Phase III)	Asthma	Phase III adults & pediatrics Ongoing	Phase III results H2 2026
duvakitug TEV-'574 ¹ (Phase III ready)	Ulcerative Colitis & Crohn's Disease	Positive Phase II readout 	Phase III initiation Target 2025
emrusolmin TEV-'286 ² (Phase II)	Multiple System Atrophy	Phase II First patient in	Full enrollment Phase II H2 2026
anti-IL15 TEV-'408 (Phase I)	Celiac & Vitiligo	Phase I FIH SAD/MAD HV results	Initiation of vitiligo study H2 2024
anti-PD1-IL2 TEV-'278 (Phase I)	Oncology	IND open First patient screened	Full enrollment of part 1 H2 2026

Transformative Data for duvakitug in IBD Trial

**IBD market
is expected
to be ~\$31
billion by
2030**

Data show potential best-in-class efficacy and safety

Teva and Sanofi targeting to initiate Phase III this year

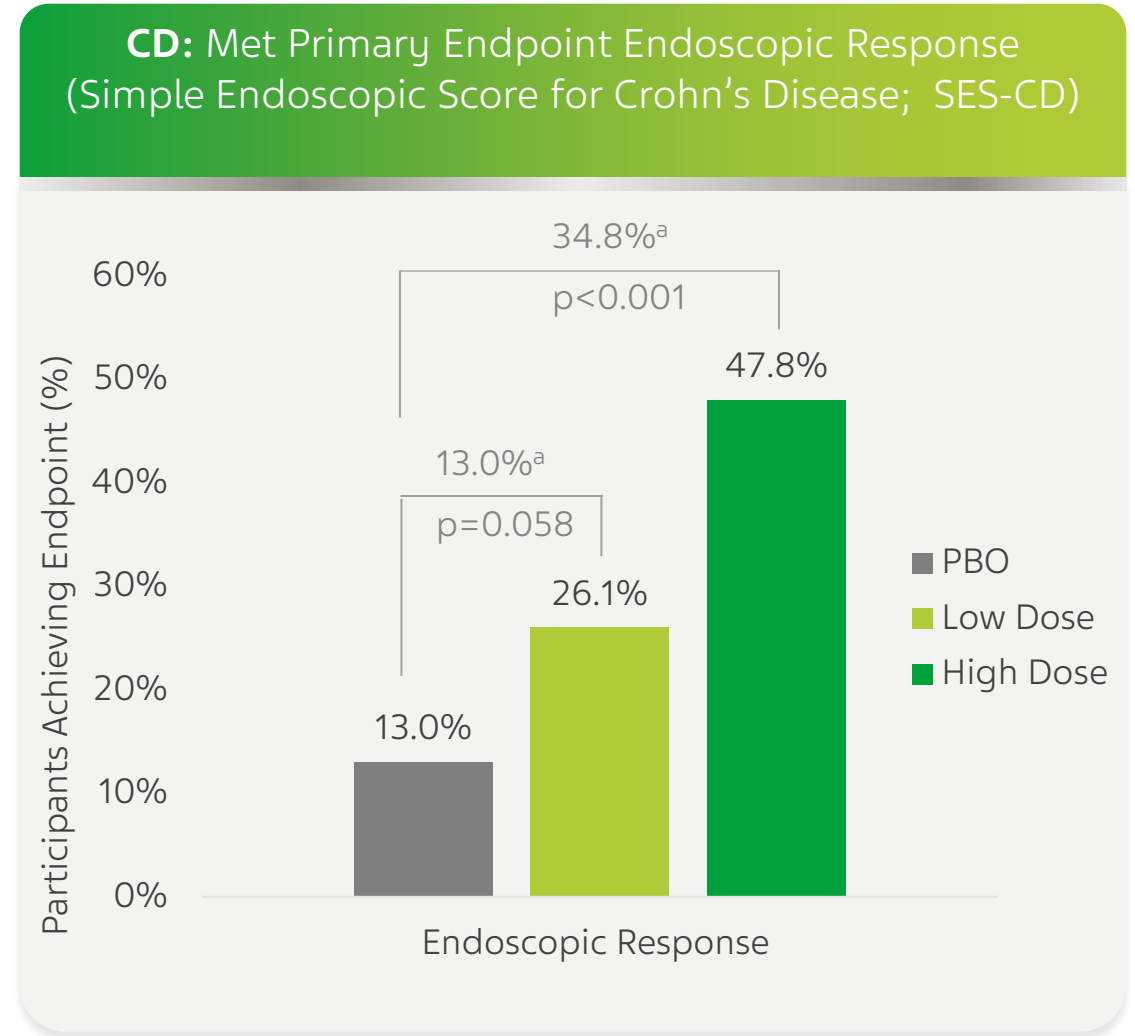
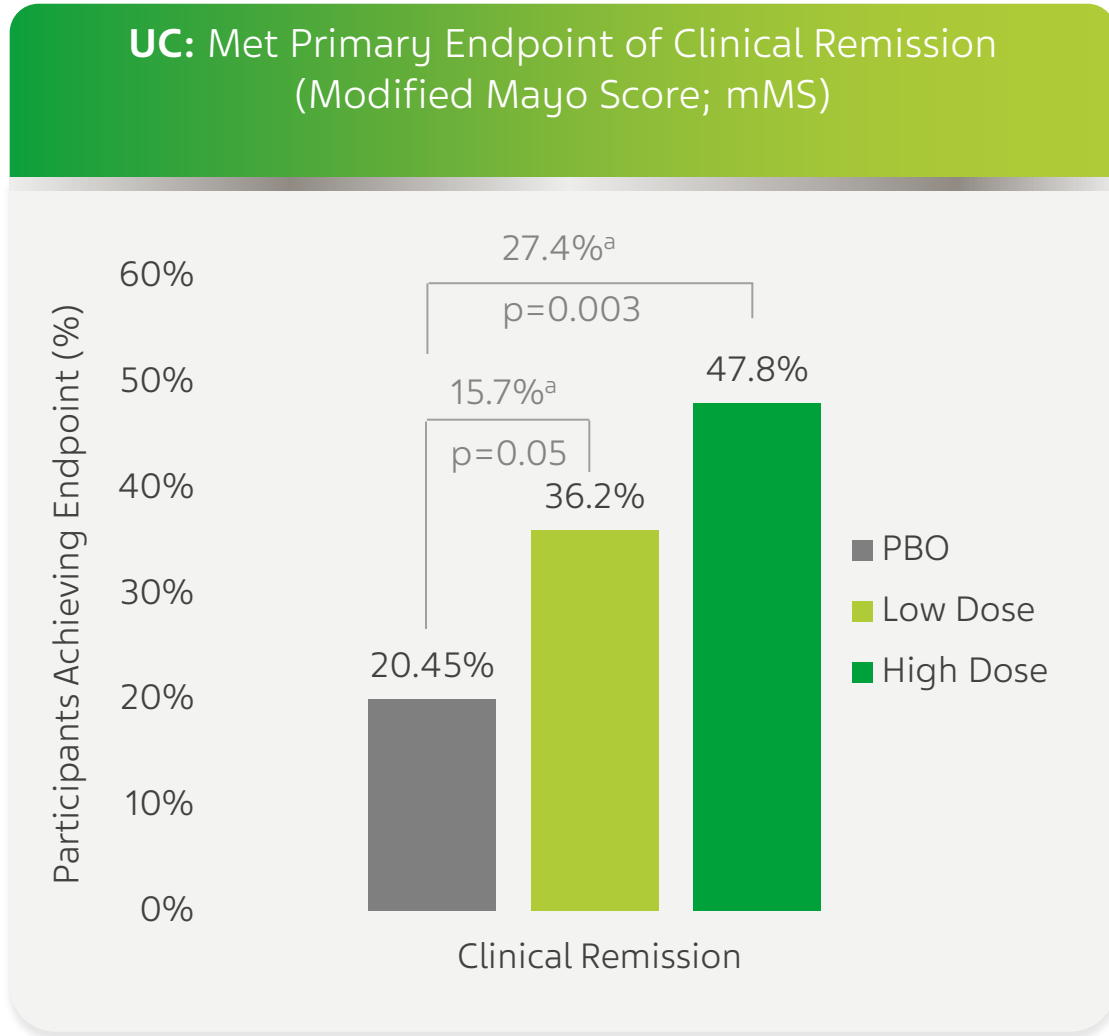
Approval in UC and CD will open up duvakitug to the IBD market opportunity

Positive results underscore Teva's ability to discover, develop and accelerate access to innovative medicines

Phase 3 initiation pending regulatory discussions



Statistically Significant and Clinically Meaningful Responses Observed in Both UC and CD



UC = Ulcerative Colitis; CD = Crohn's Disease



duvakitug: Potential Best-In-Class Profile, *by Design*

High Potency¹

High Selectivity¹

Low Anti-Drug Antibodies²

Rapid, Profound, and Prolonged Suppression of Free TL1A²

Consistent Favorable Safety and Tolerability To Date

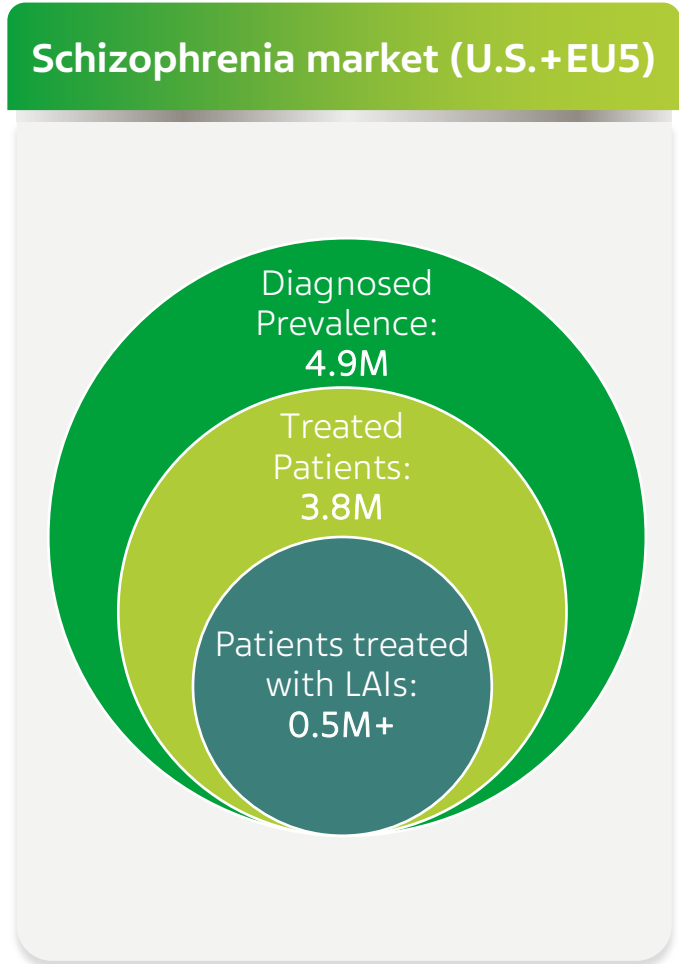
Detailed results to be presented at ECCO on February 22, 2025 in Berlin



Statistically
Significant and
Clinically
Meaningful
Responses
Observed in Phase
2 for Both
Ulcerative Colitis
and Crohn's
Disease



Olanzapine LAI: SOLARIS Met its Primary Endpoint Through Period 1 (8 Weeks) with no PDSS



Controlled release properties without bursts in plasma concentrations



Subcutaneous for easy administration



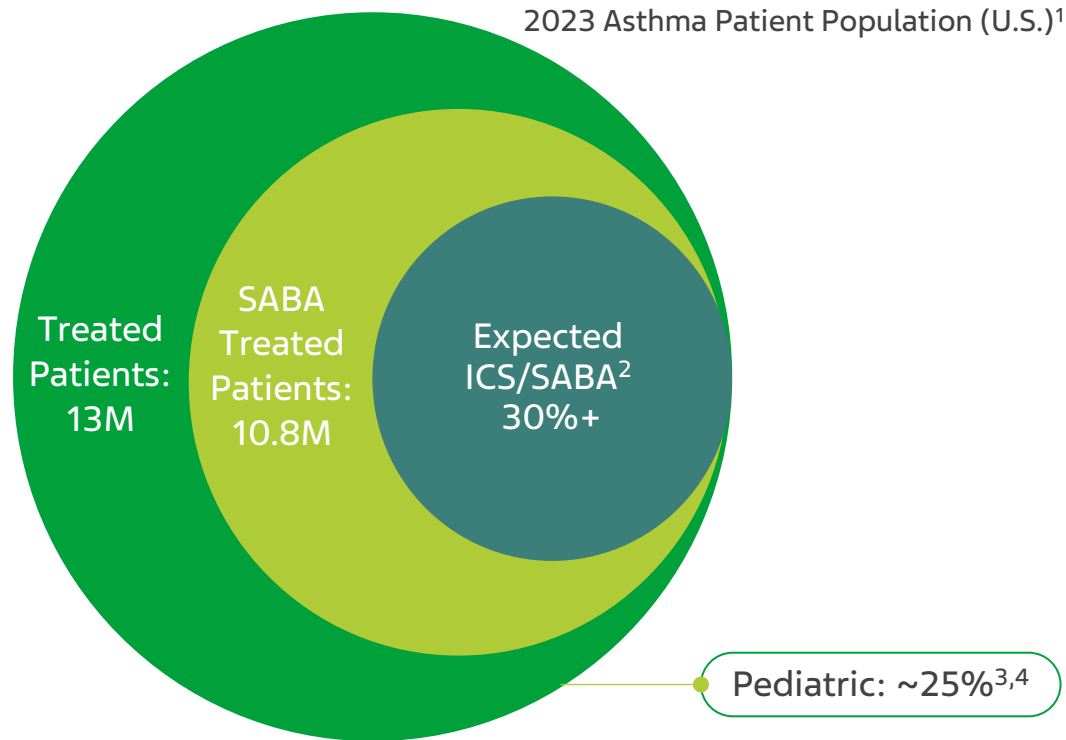
Formulated to address PDSS risk;
>100% of targeted injections completed with no PDSS



Dual-Action Asthma Rescue Inhaler (DARI): ICS/SABA

11M of 13M Asthma patients in U.S. are treated on SABA

TEV-'248 expected to be a unique asset



ICS/SABA class expected to surpass \$2Bn

GINA guidelines recommend use of **dual action inhalers** instead of single-action inhalers

DARI is ideally suitable for the entire patient population, but uniquely positioned as the only product to be able to serve the pediatric population

Differentiated and easy-to-use breath-actuated dry powder inhaler (DPI), compared to measured dose inhaler (MDI) which requires many more steps to use

Accelerating development: 91% of phase III clinical trial sites active⁵

Generics
Deliver
Profitable
Cash
Conversion to
Fund Growing,
Margin
Accretive
Innovative
Portfolio



Global business now growing, providing fuel for accelerating higher return opportunities



Substantial improvements in our **launch and supply performance metrics in 2024**



Productivity program with targeted cost savings underway



Growing Biosimilar Portfolio Footprint

Recent expansion brings pipeline to 18 assets across multiple therapeutic areas with >\$60B originator value


2024 - 2025 In-line products, launches & expected regulatory approvals




	
	
	
	
	
 <i>New</i>	

2026 & beyond

	
	
	
	
	
 <i>New</i>	+7 additional Pre-clinical assets

Trademarks mentioned are the property of their respective owners
b- Targeted Brand Names for biosimilars
Originator value is based on IQVIA U.S. net sales 2023

 In-line products, launched

-  In collaboration with Alvotech for the U.S. market
-  In collaboration with Klinge Biopharma and Formycon, announced January 13, 2025
-  In collaboration with Samsung Bioepis, announced January 10, 2025



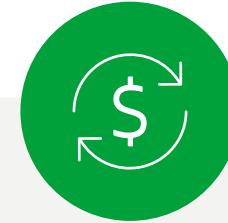
Teva api Divestiture Completion Remains on Target for H1 2025



Continued revenue growth +4% Q3 '24 vs. Q3 '23



Continued strong traction on CDMO business



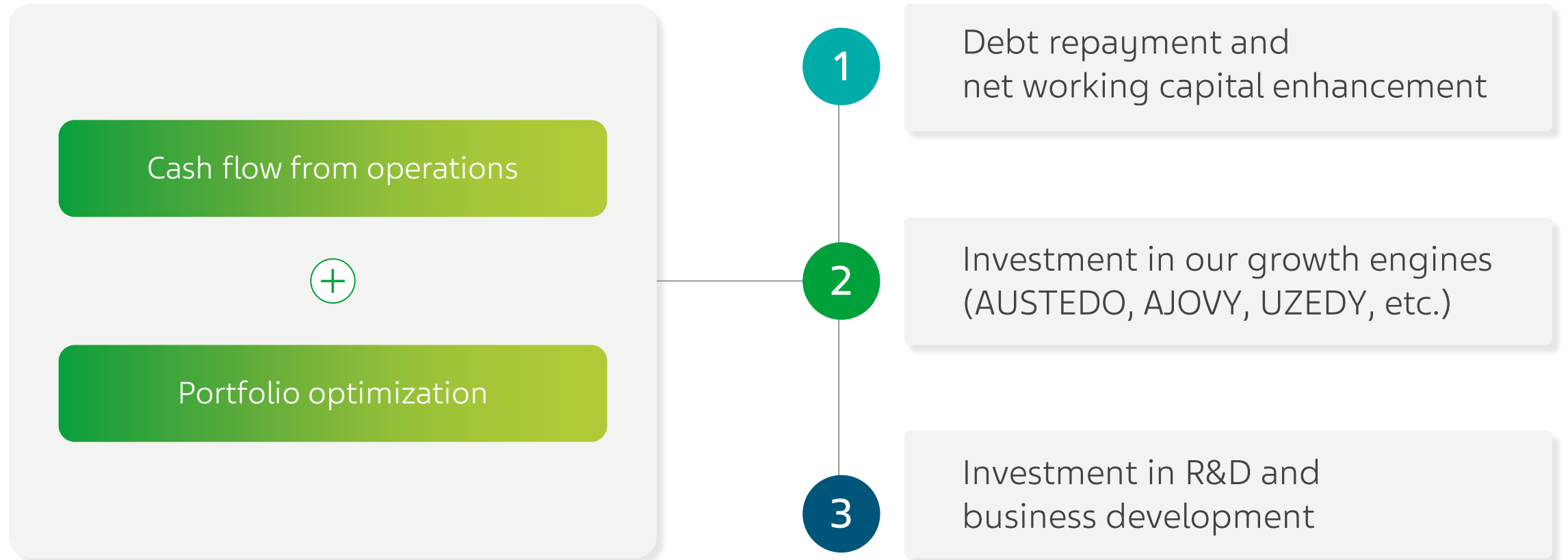
Divestment process on track, targeting completion by H1 2025

TAPI divestiture will represent a major milestone in Focusing the Business



Capital Allocation

Meeting our commitments while funding growth



2027 Financial Targets On-Track

Revenue growth
(CAGR '23 – '27)



**Mid-single
digit %**

Operating
income margin^{1,2}



30%

Net debt/
adjusted EBITDA²



2.0x

Cash-to-
earnings^{2,3,4}



80%

1. Operating income margin = Non-GAAP operating income divided by net revenues; excluding potential impact of business development deals depending on timing 2. All measures including operating income, Adjusted EBITDA and cash-to-earnings are presented on a non-GAAP basis 3. Cash-to-earnings reflects free cash flow divided by non-GAAP net income attributable to ordinary shareholders 4. 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.



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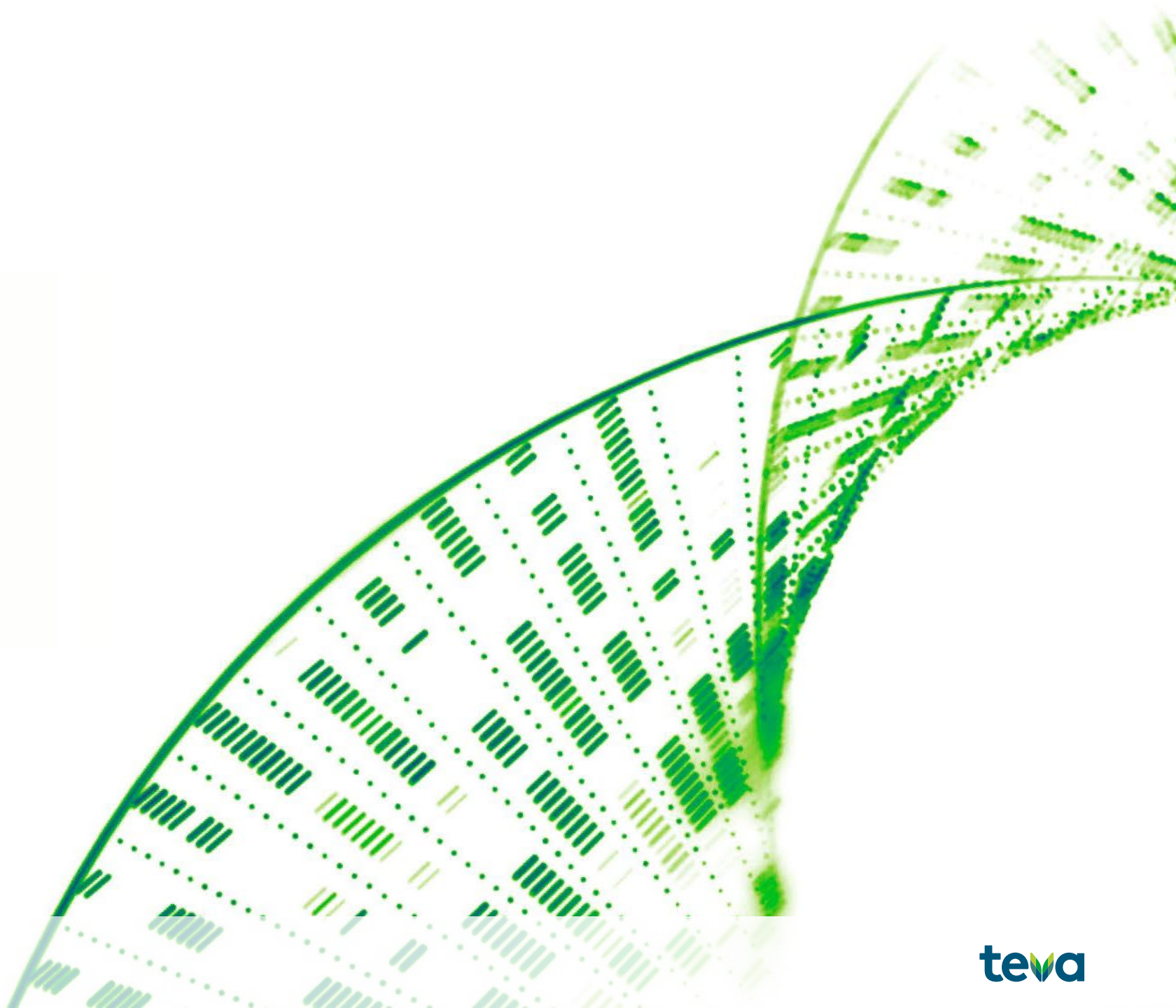
2028+

Sustain growth

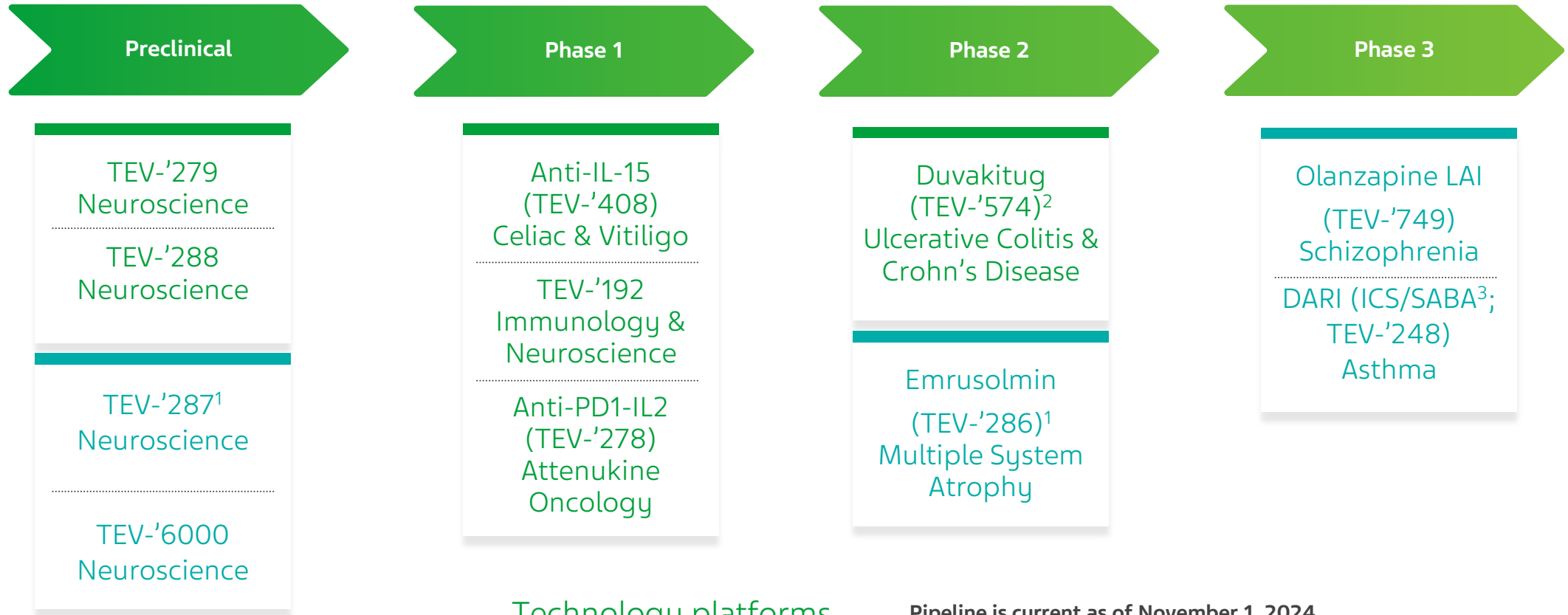
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teva

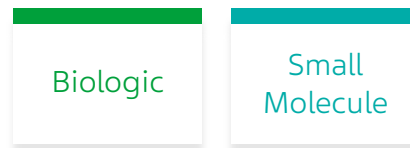
Innovative Pipeline



Teva Innovative Medicine Pipeline



Technology platforms



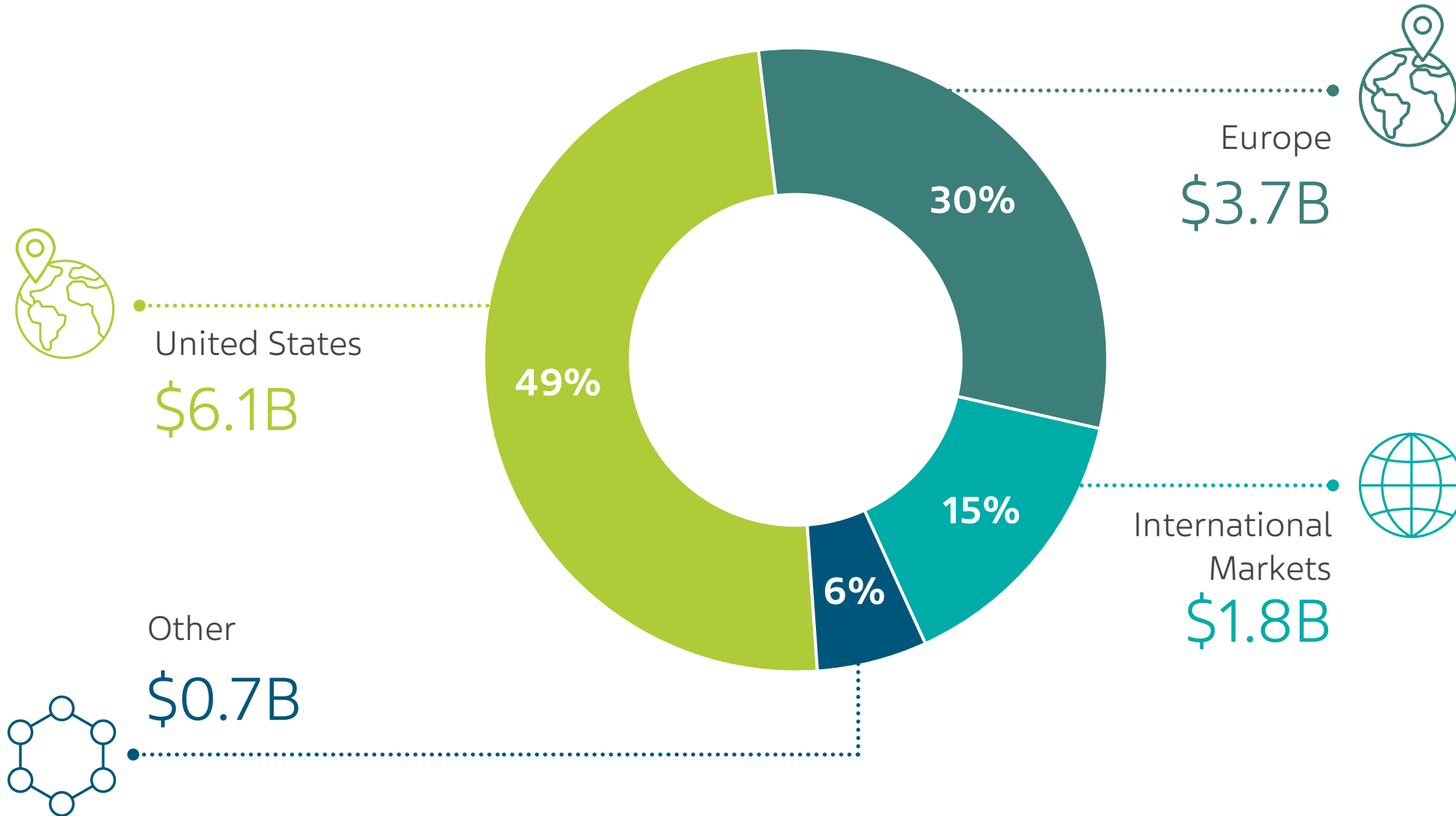
Pipeline is current as of November 1, 2024

1. In collaboration with MODAG
2. In collaboration with Sanofi
3. In collaboration with Launch Therapeutics

Teva innovative medicine pipeline by development stage, excluding country / regional launches of products submitted or under review in new markets.

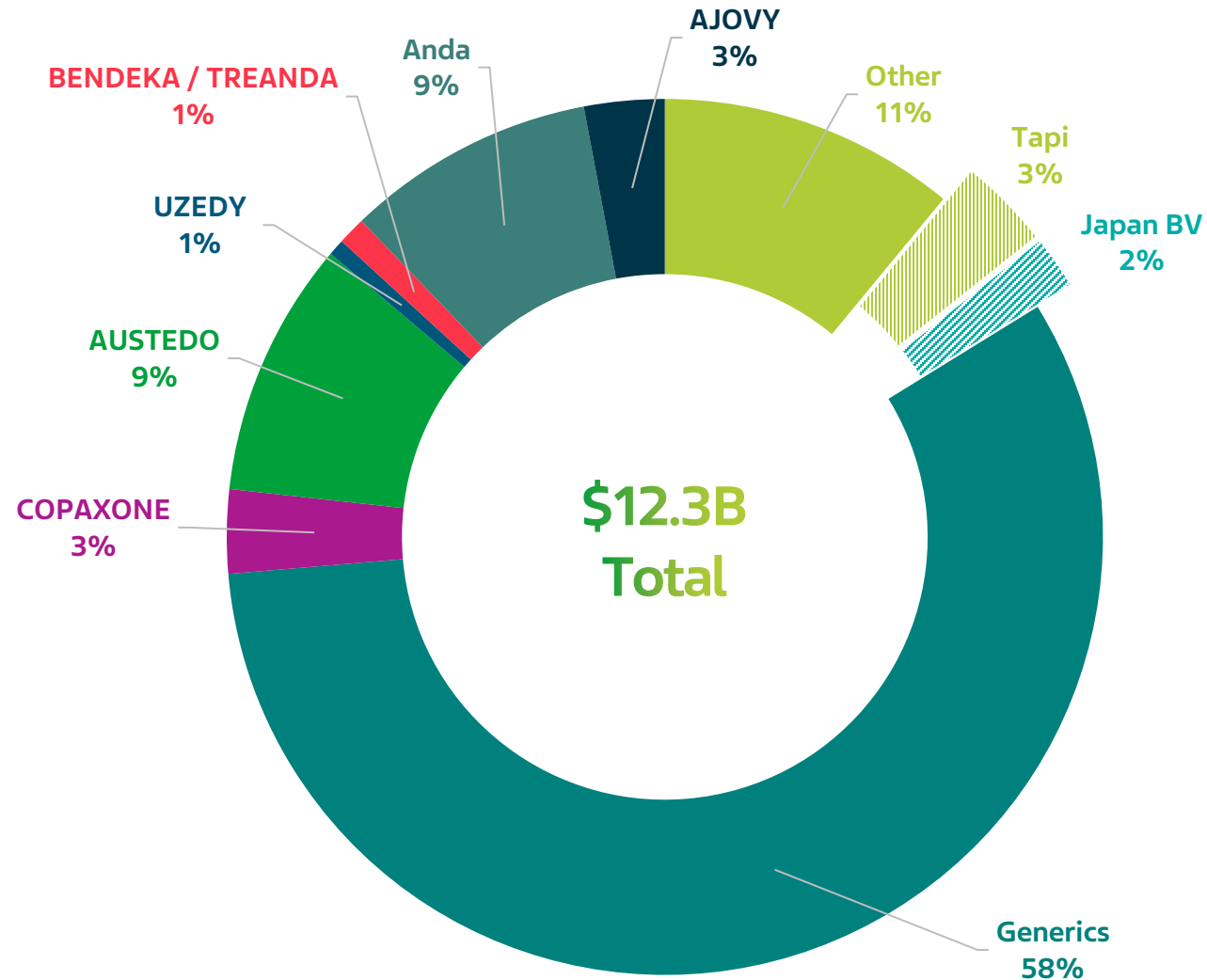
Additional Information

Our Revenues Span Global Markets



Data from Q3 YTD'24 results in billions of U.S. dollars

Revenues by Product (3Q 2024 YTD)

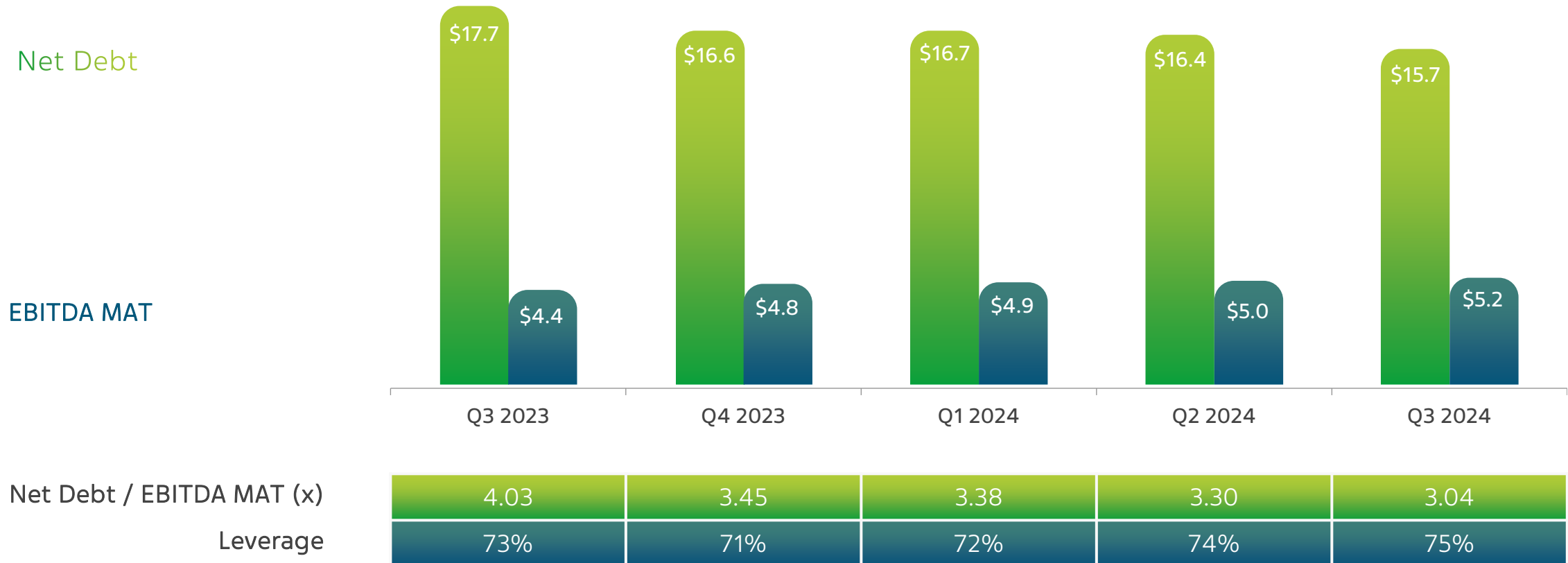


Data from Q3 YTD'24 results in billions of U.S. dollars

Other: primarily the sale of APIs to third parties (Teva api), certain contract manufacturing services and Medis, an out-licensing platform offering a portfolio of products to other pharmaceutical companies

Ongoing Debt Reduction

\$ billions



Debt Rating Improves

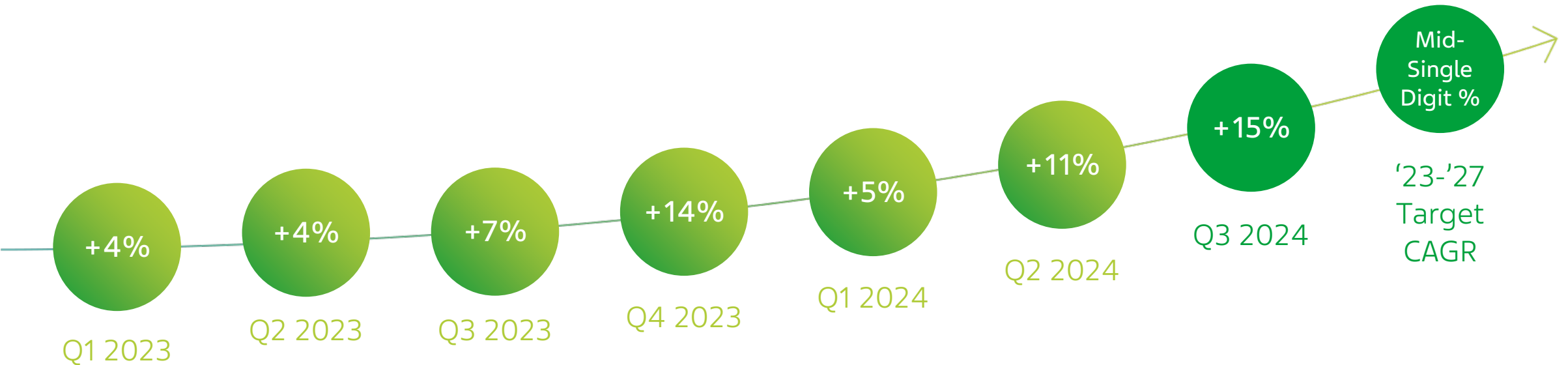
Consistent focus on deleveraging with sound execution on our Pivot To Growth strategy, paving the way for investment grade rating in the mid-term

FitchRatings	MOODY'S INVESTORS SERVICE	S&P Global Ratings
September 2024	October 2024	November 2024
Upgraded rating to BB , with positive outlook	Affirmed Ba2 rating Upgraded outlook to positive	Upgraded rating to BB Maintained positive outlook

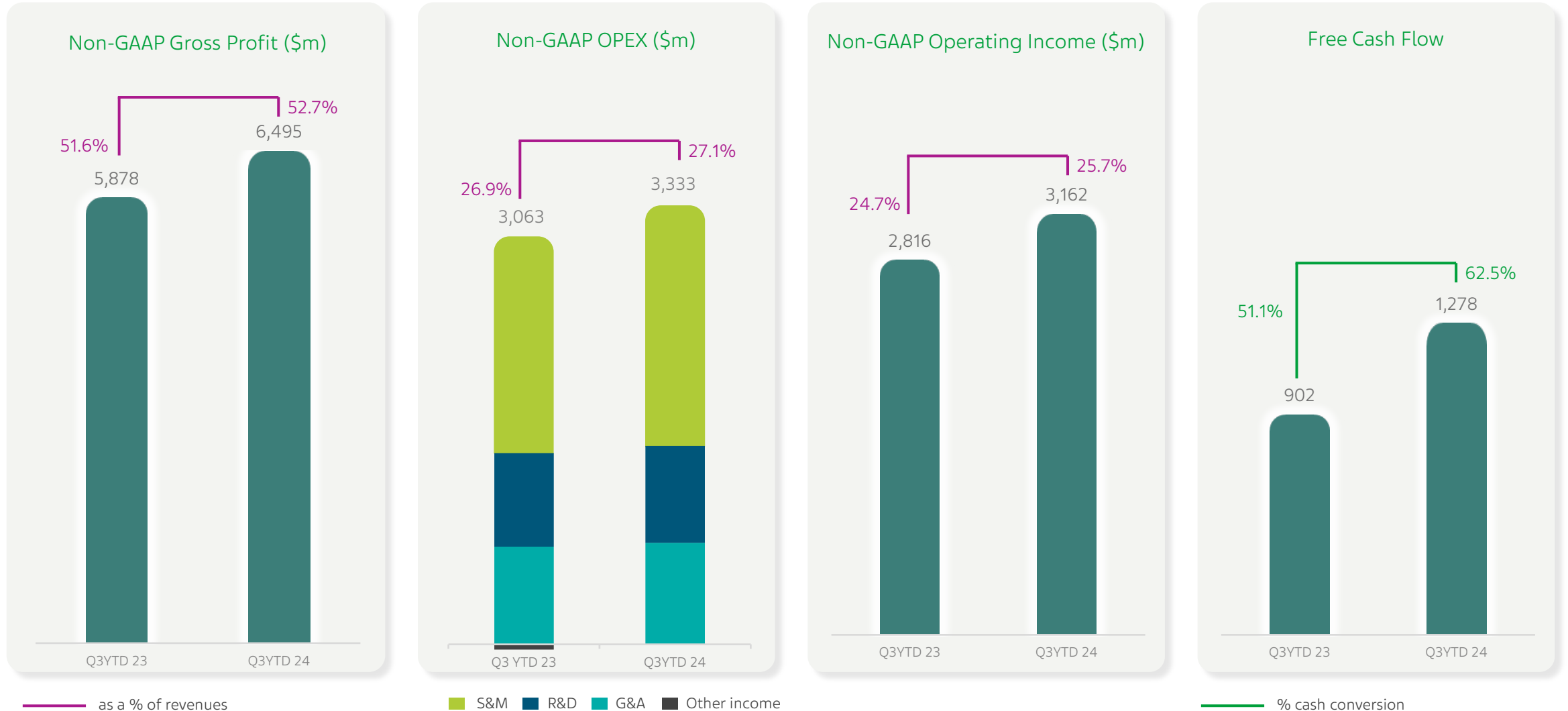
Gross Debt **\$19B** Net Debt **\$15.7B** Duration **5.5** yrs WAC **4.5%**

Consistent Growth since Q1 2023

Quarterly Revenue Growth vs. Previous Year



Profitability Expansion Supports Growth



teva