amneal

We make healthy possible.

Q3 2020 Earnings Call

AMRX

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NYSE

Strategic Priorities and Financial Results

November 6, 2020

Safe Harbor Statement

Certain statements contained in this presentation, regarding matters that are not historical facts, may be forward-looking statements (as defined in the Private Securities Litigation Reform Act of 1995). Such forward-looking statements include statements regarding management's intentions, plans, beliefs, expectations or forecasts for the future, including, among other things, future operating results and financial performance, product development and launches, integration strategies and resulting cost reduction, market position and business strategy. Words such as "may," "will," "could," "expect," "plan," "anticipate," "intend," "believe," "estimate," "assume," "continue," and similar words are intended to identify estimates and forward-looking statements. The reader is cautioned not to rely on these forward-looking statements. These forward-looking statements are based on current expectations of future events. If the underlying assumptions prove inaccurate or known or unknown risks or uncertainties materialize, actual results could vary materially from the expectations and projections of the Company. Such risks and uncertainties include, but are not limited to: the potential impact of the COVID-19 pandemic on our business, manufacturing, supply chain, financial results, financial condition, and planned capital expenditures and national and international economies; the risk that our goodwill may become impaired, which could adversely affect our financial condition and results of operations, the impact of global economic conditions; our ability to successfully develop, license, acquire and commercialize new products on a timely basis; our ability to obtain exclusive marketing rights for our products; the competition we face in the pharmaceutical industry from brand and generic drug product companies, and the impact of that competition on our ability to set prices; our ability to manage our growth through acquisitions and otherwise; our dependence on the sales of a limited number of products for a substantial portion of our total revenues; the risk of product liability and other claims against us by consumers and other third parties; risks related to changes in the regulatory environment, including United States federal and state laws related to healthcare fraud abuse and health information privacy and security and changes in such laws; changes to FDA product approval requirements; risks related to federal regulation of arrangements between manufacturers of branded and generic products; the impact of healthcare reform and changes in coverage and reimbursement levels by governmental authorities and other third-party payers; the continuing trend of consolidation of certain customer groups; our reliance on certain licenses to proprietary technologies from time to time; our dependence on third-party suppliers and distributors for raw materials for our products and certain finished goods; our dependence on third-party agreements for a portion of our product offerings; our ability to identify and make acquisitions of or investments in complementary businesses and products on advantageous terms; legal, regulatory and legislative efforts by our brand competitors to deter competition from our generic alternatives; the significant amount of resources we expend on research and development; our substantial amount of indebtedness and our ability to generate sufficient cash to service our indebtedness in the future, and the impact of interest rate fluctuations on such indebtedness; and the high concentration of ownership of our Class A Common Stock and the fact that we are controlled by the Amneal Group. The forward-looking statements contained herein are also subject generally to other risks and uncertainties that are described from time to time in the Company's filings with the Securities and Exchange Commission, including under Item 1A, "Risk Factors" in the Company's most recent Annual Report on Form 10-K and in its subsequent reports on Forms 10-Q and 8 K. Investors are cautioned not to place undue reliance on any such forward-looking statements, which speak only as of the date they are made. Forward-looking statements included herein speak only as of the date hereof and we undertake no obligation to revise or update such statements to reflect the occurrence of events or circumstances after the date hereof.

Non-GAAP Financial Measures

This presentation includes certain non-GAAP financial measures, including adjusted EBITDA, adjusted net income, adjusted net income per diluted share, adjusted gross profit, adjusted gross margin, adjusted operating income and adjusted cost of goods sold, which are intended as supplemental measures of the Company's performance that are not required by or presented in accordance with U.S. General Accepted Accounting Principles ("GAAP"). All business results presented in this presentation are not prepared in accordance with Article 11 of Regulation S-X. The calculation of non-GAAP adjusted diluted earnings per share assumes the conversion of all outstanding shares of Class B Common Stock to shares of Class A Common Stock. All combined business results presented in this presentation are not prepared in accordance with Article 11 of Regulation S-X. Adjusted gross profit is calculated as total revenues less adjusted cost of goods sold. Adjusted gross margin is calculated as adjusted gross profit divided by total revenues. The calculation of Non-GAAP adjusted diluted earnings per share assumes the conversion of all outstanding shares of Class B Common Stock to shares of Class A Common Stock.

These non-GAAP measures are subject to limitations. The non-GAAP measures presented in this presentation may not be comparable to similarly titled measures used by other companies because other companies may not calculate one or more in the same manner. Additionally, the non-GAAP performance measures exclude significant expenses and income that are required by GAAP to be recorded in the Company's financial statements; do not reflect changes in, or cash requirements for, working capital needs; and do not reflect interest expense, or the requirements necessary to service interest or principal payments on debt. Further, our historical adjusted results are not intended to project our adjusted results of operations or financial position for any future period. To compensate for these limitations, management presents and considers these non-GAAP measures in conjunction with the Company's GAAP results; no non-GAAP measure should be considered in isolation from or as alternatives to net income, diluted earnings per share or any other measure determined in accordance with GAAP. Readers should review the reconciliations included in this Appendix to the presentation, and should not rely on any single financial measure to evaluate the Company's business.

Management uses these non-GAAP measures internally to evaluate and manage the Company's operations and to better understand its business because they facilitate a comparative assessment of the Company's operating performance relative to its performance based on results calculated under GAAP. These non-GAAP measures also isolate the effects of some items that vary from period to period without any correlation to core operating performance and eliminate certain charges that management believes do not reflect the Company's operations and underlying operational performance. The compensation committee of the Company's board of directors also uses certain of these measures to evaluate management's performance and set its compensation. The Company believes that these non-GAAP measures also provide useful information to investors regarding certain financial and business trends relating to the Company's financial condition and operating results facilitates an evaluation of the financial performance of the Company and its operations on a consistent basis. Providing this information therefore allows investors to make independent assessments of the Company's financial performance, results of operation and trends while viewing the information through the eyes of management.

This presentation also includes certain non-GAAP guidance. The Company cannot, however, provide a reconciliation between non-GAAP projections and the most directly comparable GAAP measures without unreasonable efforts because it is unable to predict with reasonable certainty the ultimate outcome of certain significant items required for the reconciliation. The items include, but are not limited to, acquisition-related expenses, restructuring expenses and benefits, asset impairments and other gains and losses. These items are uncertain, depend on various factors, and could have a material impact on GAAP reported results.

A reconciliation of each historical Non-GAAP measure to the most directly comparable GAAP measure is set forth in the Appendix to this presentation.

Agenda

1. **Strategic Execution**
   Chirag and Chintu Patel, Co-CEOs
2. **Q3 2020 Financial Results**
   Tasos Konidaris, EVP & CFO
3. **Closing Remarks**
   Chirag Patel, Co-CEO
4. **Q&A**

Continued Growth & Operational Excellence

Chirag and Chintu Patel

Co-CEOs

Executing on Our Strategic Priorities

Solid Financial Performance

Revenue: $519.3 Million; +37%

Adjusted EBITDA: $113.6 Million; +60%

Adjusted EPS: $0.16; +300%

Grow our Base Business

Revitalize Generics with new product launches and increasing market share in base business

Grow Specialty by focusing on Rytary and Unithroid

Manage COVID-19 related Headwinds

Improving operational execution

Ensuring resilient supply chain and addressing inefficiencies, despite COVID impact

Reigniting the R&D engine

Significantly increasing the complex generic pipeline

Advancing specialty pipeline with IPX203 and K127

Continue to explore new oppotunities

Operational and financial performance in Q3 2020 demonstrates our success in readying the Company's foundation for Amneal 2.0

Focused on Patients While Managing Through COVID-19

Strategic Task Force of Top Leaders Guiding Our Preparedness, Response, Mitigation & Continuity

Generics / Specialty

- Volume of patient visits to physician and health facilities is improving compared to the 2nd Quarter, but still lagging normal trends
- Continued our success in achieving a steady flow of product approvals, with Fluphenazine Hydrocholoride and Lidocaine Patch, 5% receiving approvals in the third quarter.
- Strength of Rytary, Nizatidine (Axid Oral Solution), Unithroid offset COVID-19 impacts in our Specialty Business
- Advancing IPX-203 as clinical sites continue to re-open

Supply Chain

- As expected, many of our manufacturing sites were impacted by COVID-19 but we have seen some stabilization
- Good preparation and ongoing, strong collaboration between Commercial and Supply Chain Teams has met majority of customer demand
- Geographic distribution, redundancy and investments are strengthening our supply chain with focus on increasing APIs and finished goods inventory to moderate any future impact from COVID-19

Generics – Driving Improvement and Diversification

Working Aggressively To Expand Sales and Improve Profitability, With ~ 250 Currently Marketed Products

New Product Launches and Markets

- Grow market share as we plan to **launch 8 additional new high value products** by August 2021
- Recently launched 8 new complex products, including generic **Butrans® Transdermal System, NuvaRing®** & **Carafate®**
- Expand China presence by leveraging Fosun
- Expand distribution by leveraging AvKARE

Robust Pipeline

- Expecting to file **30** products in 2020, including first-to-market products
- **86** products in the pipeline awaiting FDA approval
- **104** products in development
- Growing **injectables business**
- Building **inhalation portfolio and ophthalmics business**

Margin Expansion

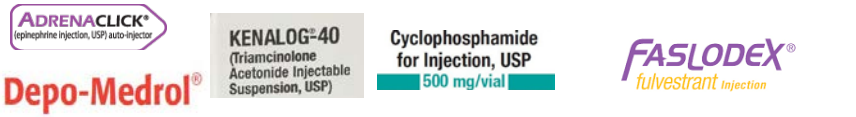
- Over time, we see gross margin approaching 40%+
- New products expand margins and increase durability
- Streamline internal operations, leverage purchasing, and reduce inefficiencies
- Drive Cash generation via working capital improvements and growing sales

Continuing Generic Pipeline Execution

Generics[1]

What We've Done:
Notable Complex Generic Launches

Injectables



Transdermal Topical/Ring

Oral Solids

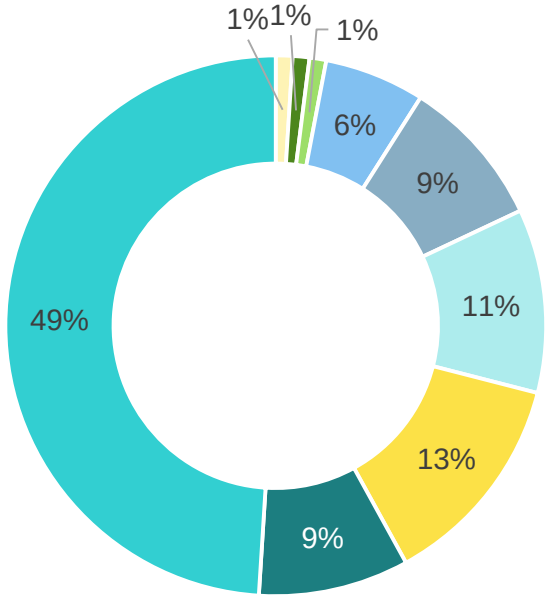
Liquid/Nasal Ophthalmic

What's Next:
Continued Pipeline Execution

(1) Generic versions of innovator products. All trademarks are the property of their respective owners.

Generics Pipeline Focused on Complex & Differentiated Dosage

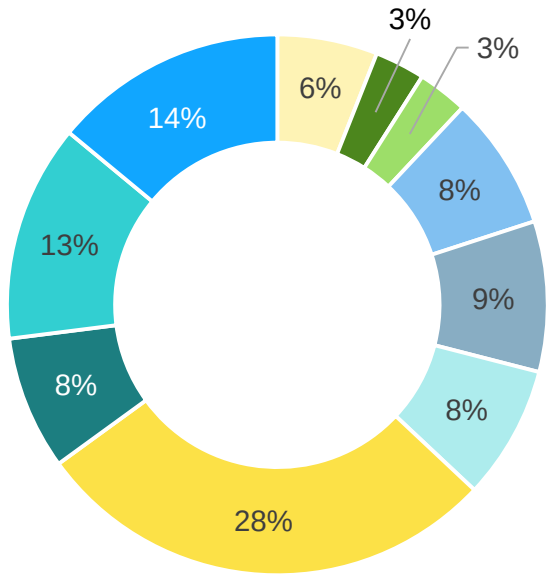
ANDAs Submitted (Pending + TA): 86 Projects



Inhalation | Nasal Spray | Transdermal
Oral liquid | Ophthalmic | Topical
Injection | ER Tabs/Caps | IR Tabs/Caps

57% Solid dose | **43% other dosage forms**

Development Pipeline: 104 projects



Inhalation | Nasal Spray | Transdermal | Oral liquid
Ophthalmic | Topical | Injection | ER Tabs/Caps
IR Tabs/Caps | Injectable Bag

21% Solid dose | **79% other dosage forms**

Maximizing Well-Established Specialty Footprint & Infrastructure

Neurology

Building a Leading Position in Movement Disorders

RYTARY (carbidopa and levodopa) EXTENDED-RELEASE CAPSULES
23.75 mg/95 mg • 36.25 mg/145 mg
48.75 mg/195 mg • 61.25 mg/245 mg

Offering Proven Options for Migraine Patients

Zomig® ZOLMITRIPTAN Nasal Spray 2.5 mg 5 mg

Endocrinology & Primary Care

UNITHROID® (Levothyroxine Sodium Tablets, USP)

Emverm™ (mebendazole) chewable tablet, USP 100 mg

Growing franchise by focusing on marketing execution, building KOL relationships, and rapidly adapting to the changing healthcare landscape

- **Strong performance** of Rytary and Unithroid, offsetting weakness in non-promoted brands.
- Successful strategic targeting of patient segments led to improved gross to net.

Marketing initiatives are gaining traction and driving topline revenue and prescription growth in key brands

- Total prescription growth **for Rytary and Unithroid up 6%** in Q3 2020 compared to Q3 2019
- Total net revenue growth of **12% for Rytary** and **29% for Unithroid** in Q3 2020 compared to Q3 2019

Evaluating Add-on Opportunities that Leverage Our Existing Development & Commercialization Capabilities

Specialty – Growth Engine

Program	Therapeutic Area	Preclinical	Phase 1	Phase 2	Phase 3	Estimated Launch / Major Catalyst	
IPX-203 for PD	Neurology					2023	Topline data expected 2H 2021
K127 for MG[1]	Neurology					2023	Expect to file in 2022
bNeupogen[2]	Oncology					Filed; Awaiting FDA Correspondence	
bNeulasta[2]	Oncology					Filed; Awaiting FDA Correspondence	
bAvastin[3]	Oncology					Phase 3 Completed; Expect to File Soon	

Allocating increased share of R&D budget to Specialty products

Goal of allocating capital toward mid- and late-stage assets through partnerships and M&A

Over time, Specialty products will contribute an increasing percentage of Amneal's revenue

(1) Starting Phase 2 2H 2020
(2) In-licensed from Kashiv Biosciences, LLC (f.k.a. Adello Biologics, LLC).
(3) In-licensed from mAbxience, a subsidiary of Spanish healthcare firm Insud Pharma.

IPX203: Long-Acting Controlled-Release CD/LD Studied

IPX-203 is being studied as a possible improvement in efficacy and dosing convenience beyond Rytary. If approved, it would provide an expanded market opportunity for Amneal in PD

Possible Indication & Product Profile for IPX-203

- Carbidopa-levodopa (CD/LD) is a core treatment for Parkinson's disease but most patients with PD develop motor fluctuations over time with this treatment
- IPX203 is a combination of carbidopa and levodopa, being investigated for the treatment of Parkinson's disease, post-encephalitic parkinsonism, and parkinsonism that may follow carbon monoxide intoxication or manganese intoxication
- **Product Profile: Long-acting carbidopa/levodopa formulation being studied for possible improvement in Good ON time (without troublesome dyskinesia) and reduction of OFF time, as well as improvement in MDS-UPDRS compared to immediate release CD/LD therapy**

Existing Treatments & Unmet Need

- **Unmet need is long lasting oral CD/LD formulation that can reduce motor fluctuations by providing continuous dopaminergic stimulation**
- Most existing treatments are formulations of carbidopa-levodopa. Rytary is an extended release form of this drug.

How IPX-203 May Differ From Rytary

- Being investigated for:
  - Possible superior profile in terms of ON time
  - Easier dose conversion from IR CD/LD
  - 2-3x per day dosing instead of 4-5x

Patient Population

- ~1 million patients are living with PD in the U.S. and about 60% are on some form of levodopa therapy.
- ~60,000 Americans are diagnosed with PD each year

K127: Pyridostigmine GRANDE™* Being Studied

In-licensed complementary CNS asset that expands portfolio into neuromuscular disorders, broadening Amneal's reach in neurology

Possible Indication & Product Profile for K127

- Myasthenia Gravis (MG) is a rare autoimmune neuromuscular disease that causes extreme muscle weakness, double vision, droopy eyelids, and difficulties with speech & swallowing
- **Product Profile: Being studied as a once-daily dose with rapid onset and 24-hour coverage with potential for improved quality of life scores**

Existing Treatments & Unmet Need

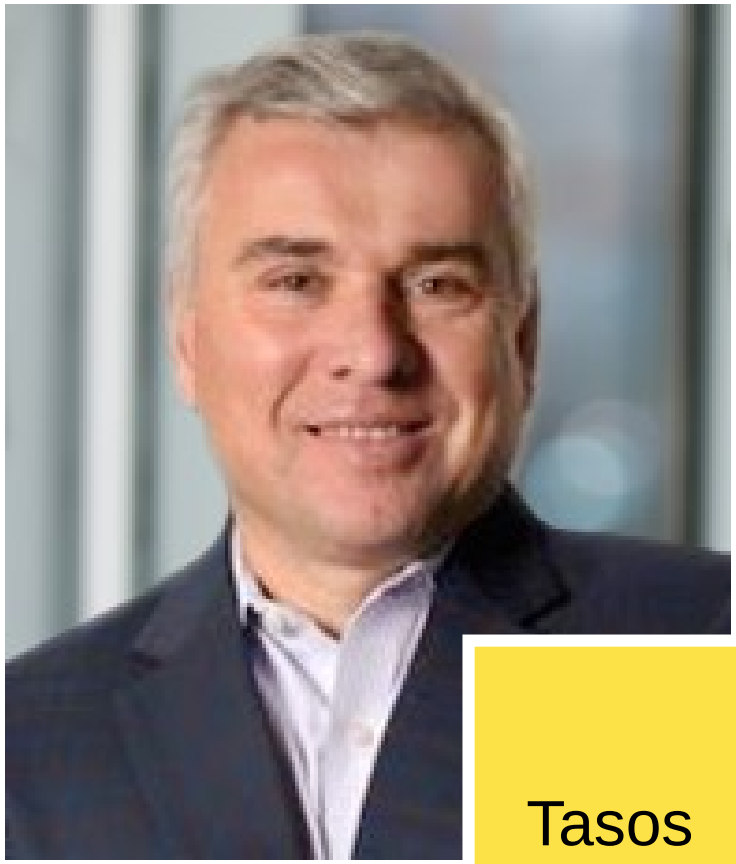
- **Unmet Need: Current treatments need to be taken frequently and have poor tolerability**
- MG Treatment – most are generics except for 4th line.
  - 1st line: Pyridostigmine (mestinon)
  - 2nd & 3rd line: steroids and immunosuppressants
  - 4th line: IVIG, plasma exchange, Soliris (eculizumab, $39K-$52K/month (WAC))
- Mestinon: Frequent dosing (3 to 5 times/day) and high rate of adverse effects (e.g. diarrhea, muscle cramps, hyperhidrosis)
- Mestinon Timespan: Delivery technology requires 3 times a day dosing

Potential Product Benefits & Patient Population

- Once daily dosing
- Potential for improved quality of life and/or tolerability
- There are ~36,000-60,000 cases of MG in the U.S.

*Kashiv BioSciences proprietary gastric retention delivery platform

Financial Review



Tasos Konidaris

EVP & CFO

Q3 2020 Results

Adjusted Results[1]

$ in millions	Q3 2020	Q3 2019	Q2 2020	Variance YOY	Variance Sequential
Revenue	**519**	378	465	141	54
Gross Profit	**206**	151	191	55	15
Gross Margin	**39.7%**	40.0%	41.1%	(30) Bps	(140) Bps
R&D Expense	**39**	39	41	(0)	2
SG&A Expense	**68**	57	65	(11)	(3)
Adjusted EBITDA	**114**	71	101	43	13
Diluted EPS	**0.16**	0.04	0.13	0.12	0.03
Operating Cash Flow	**45**	140	179	(95)	(134)

The addition of AvKARE, new product launches and cost management drive EBITDA growth versus prior-year

- Revenue YOY growth due to: AvKARE[2] ($90 million), new product launches including EluRyng and Sucralfate, growth in the generics base business; partially offset by competition to Levothyroxine Sodium Tabs and Diclofenac Gel 1%
- Revenue sequential growth driven by AvKARE volume and a rebound in generic volume as Q2 was negatively impacted by COVID
- Gross margin YOY due to: AvKARE (~-500 Bps) offset by the contribution of new launches and operational efficiencies / product mix
- Gross Margin sequential due to the growth in AvKARE revenues
- R&D reflects focus on rebuilding Generics Pipeline, Advance IPX-203, and timing of project spend
- SG&A YOY increase due to AvKARE ($7 million) and timing of expenses as certain costs were delayed due to COVID
- EPS growth reflects Adjusted EBITDA growth, lower interest expense, offset by higher minority interest expense and taxes
- Operating Cash Flow is inherently variable mostly due to timing of collections, and taxes; 2020 YTD of $273 million compares to $53 million 2019 YTD; Finally Q3 2019 includes ~$110 million of discrete tax refund.

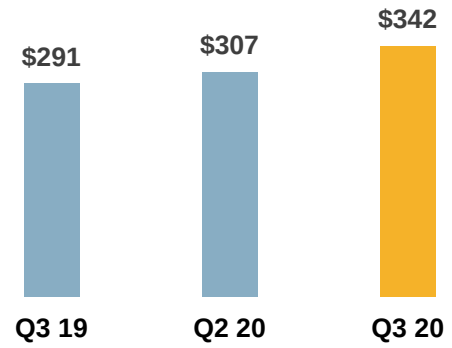
(1) Please see the language under the heading "Non-GAAP Financial Measures" in our press release dated November 6, 2020 for a discussion of these Non-GAAP measures and the Appendix to this presentation for a reconciliation thereof to the most directly comparable GAAP measures.
(2) AvKARE amounts exclude net revenues, cost of goods sold and gross profit from sales of Amneal products. Those results are included within the Generics segment.

Generics Segment

Adjusted Results[(1)]

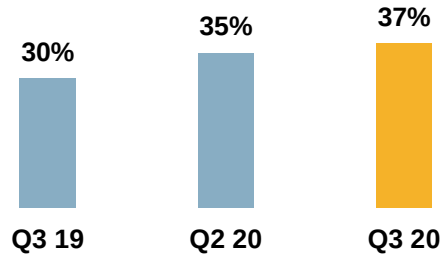
$ millions

Net Revenue



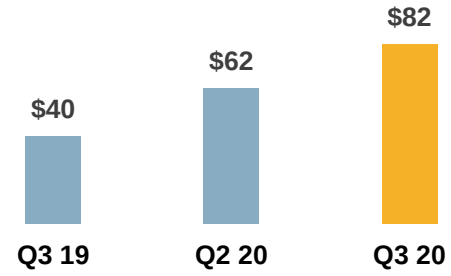
- Year-over-year increase: volume increases, including NPLs such as Sucralfate and EluRyng, and growth in base business volume offset by price erosion due to additional competition on existing product portfolio
- Sequential increase: volume increases including higher supply due to COVID ordering patterns and seasonal trends for certain products

Gross Margin



- Year-over-year operating efficiencies and product mix, including new launches made in-house, offset price erosion.
- Sequential increase: revenue growth and product mix

Operating Income



- Year-over-year: operating expense remain flat while achieving gross margin growth
- Sequential increase: gross margin growth

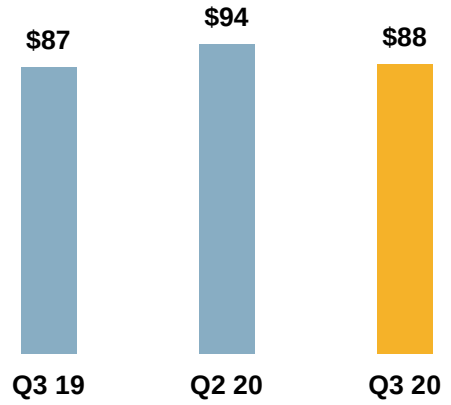
(1) Please see the language under the heading "Non-GAAP Financial Measures" in our press release dated November 6, 2020 for a discussion of these Non-GAAP measures and the Appendix to this presentation for a reconciliation thereof to the most directly comparable GAAP measures.

Specialty Segment

Adjusted Results[(1)]

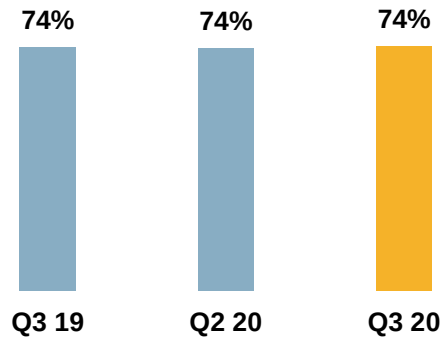
$ millions

Net Revenue



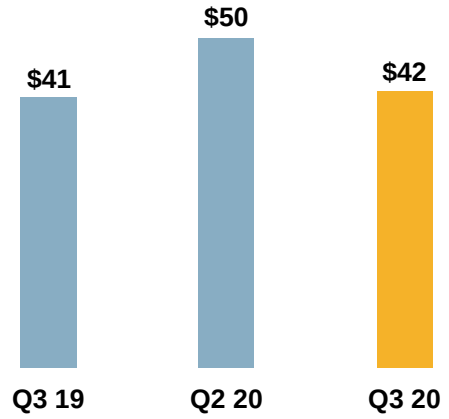
- Year-over-year slight increase: growth in Rytary and Unithroid were offset by declines in Zomig and non-promoted products
- Sequential decrease: driven by less unit sales for Oxymorphone and unfavourability in non-promoted products

Gross Margin



- Year-over-year and Sequential: in line with prior year and sequential

Operating Income



- Year-over-year increase: driven by increased revenues and gross margin
- Sequential decrease: primarily due to gross margin decline along with increased spend on marketing expense due to timing

(1) Please see the language under the heading "Non-GAAP Financial Measures" in our press release dated November 6, 2020 for a discussion of these Non-GAAP measures and the Appendix to this presentation for a reconciliation thereof to the most directly comparable GAAP measures.

Balance Sheet and Liquidity

$ millions

Liquidity at September 30, 2020

- **Cash and cash equivalents** **$284**
- **ABL Available(6)** **$498**

➢ **Total Liquidity** **$782**

➢ Includes substantially all of the $110 million tax refund received

	As of Sept 30, 2020	As of December 31, 2019
Current portion and long-term debt(1)	2,787	2,631
Cash and cash equivalents(2)	284	153
Net Debt(3)	2,503	2,478
Gross Debt to LTM Adjusted EBITDA(4)(5)	6.2x	7.4x
Net Debt to LTM Adjusted EBITDA(3)(5)	5.6x	7.0x

- Net Debt to LTM Adjusted EBITDA as of September 30, 2020 was 5.6X
- LTM EBITDA as of Sept 30, 2020, includes twelve months of AvKARE (8 months actual and 4 months pro forma at the $63 million annual rate previously disclosed for periods prior to January 31, 2020)
- Reduction in leverage driven by operational performance and AvKARE

(1) Current portion of long-term debt, net and long-term debt, net including revolving credit facilities, but excluding seller's notes due to the AvKARE acquisition
(2) Includes restricted cash.
(3) Net debt = Current portion and long-term debt less cash and cash equivalents.
(4) Gross debt = Current portion and long-term debt.
(5) Please see the language under the heading "Non-GAAP Financial Measures" in our press release dated November 6, 2020 for a discussion of these Non-GAAP measures and the Appendix to this presentation for a reconciliation thereof to the most directly comparable GAAP measures for Amneal. LTM EBITDA as of Sept 30, 2020 also includes the pro forma impact of the AvKARE acquisition.
(6) Access to borrowing base availability is subject to certain covenants

Updating 2020 Financial Outlook(1)

(in $ millions except for Adjusted Diluted EPS)	2020 Current Guidance	2020 Revised Guidance
Net Revenues	$1,875 - $1,975	$1,950 - $2,000
Adjusted Gross Margin	44% - 46%	41% - 42%
Adjusted EBITDA	$400 - $450	$430 - $460
Adjusted Diluted EPS	$0.45 – $0.60	$0.55 – $0.65
Weighted Average Diluted Shares Outstanding(2)	~300 million	~300 million
Operating Cash Flow(3)	$150 - $200	$170 - $220
Capital Expenditures	$60 - $70	$60 - $70

(1) Amneal's full year 2020 estimates, which include the January 31, 2020 transaction with AvKARE Inc. and its related affiliate doing business as R&S Northeast, are based on management's current expectations, including with respect to prescription trends, pricing levels, inventory levels, and the anticipated timing of future product launches and events. Please see the language under the headings "Cautionary Statement on Forward-Looking Statements" and "Non-GAAP Financial Measures" in our press release dated November 6, 2020 for information regarding our expectations and use of Non-GAAP financial measures.

(2) Under the if-converted method, weighted average diluted shares outstanding consists of Class A and Class B shares. Please see the language under the heading "Non-GAAP Financial Measures" in our press release dated November 6, 2020 for more information and the Appendix to this presentation for a reconciliation thereof to the most directly comparable GAAP measures.

(3) Excludes the $110 million of discrete cash tax refund.

Key Takeaways

Strong operational and financial performance in Q3 despite COVID

- Sound strategic focus with momentum in execution
- Broad, relevant product portfolio
- Significant Commercial, R&D and Manufacturing capabilities

Highly adaptive to COVID-19

- Proactive planning
- Resiliency and dedication of our employees
- Strong cross functional work
- Diversified and redundant supply chain

Relentless focus on reinvigorating the company

- Building on our recent success, we continue to evolve our generics business, grow our specialty franchise and strategically diversify the business in support of our vision for Amneal 2.0

Raising our 2020 full-year guidance and continue to focus on driving long-term growth

Appendix: Non-GAAP Reconciliations

Reconciliation of Net (Loss) Income to Adjusted Net Income and Calculation of Adjusted Diluted EPS

($) in thousands	Three months ended		
	September 30, 2020	September 30, 2019	June 30, 2020
Net loss	$ (22,033)	$ (363,392)	$ (23,944)
Adjusted to add (deduct):			
Non-cash interest	2,021	1,631	1,998
GAAP Income tax expense	144	389,668	2,186
Gain from reduction of tax receivable agreement liability	—	(192,844)	—
Amortization	41,514	38,015	41,181
Stock-based compensation expense	5,415	6,095	5,663
Acquisition and site closure expenses	3,979	11,230	5,650
Restructuring and other charges	276	20,937	333
Inventory related charges	1,054	(2,038)	5,125
Charges related to legal matters	60	15,000	3,050
Asset impairment charges	33,350	79,547	2,299
Foreign exchange (gain) loss	(9,673)	12,531	(3,466)
Gain on sale of international businesses, net	—	—	(123)
R&D milestone payments	6,304	—	6,841
Other	468	(1,387)	2,431
Income tax at 21%	(13,886)	(3,149)	(10,969)
Net loss attributable to NCI not associated with our Class B shares	393	(91)	(305)
Adjusted net income (Non-GAAP)	$ 49,386	$ 11,753	$ 37,950
Adjusted diluted EPS (Non-GAAP)	$ 0.16	$ 0.04	$ 0.13

Reconciliation of Net (Loss) Income to EBITDA and Adjusted EBITDA

($) in thousands

	Three months ended						
	September 30, 2020	**June 30, 2020**	**March 31, 2020**	**December 31, 2019**	**September 30, 2019**	**June 30, 2019**	**March 31, 2019**
Net (loss) income	$ (22,033)	$ (23,944)	$ 121,517	$ (64,903)	$ (363,392)	$ (50,526)	$ (124,752)
Adjusted to add (deduct):							
Interest expense, net	34,895	36,669	39,899	38,829	42,209	43,886	43,281
Income tax (benefit) expense	144	2,186	(108,173)	7,792	389,668	(5,701)	(8,428)
Depreciation and amortization	59,359	58,072	58,083	54,303	53,358	50,706	48,868
EBITDA (Non-GAAP)	$ 72,365	$ 72,983	$ 111,326	$ 36,021	$ 121,843	$ 38,365	$ (41,031)
Adjusted to add (deduct):							
Gain from reduction of tax receivable agreement liability	$ —	$ —	$ —	$ —	$ (192,844)	$ —	$ —
Stock-based compensation expense	5,415	5,663	4,539	5,013	6,095	6,224	4,347
Acquisition and site closure expenses	3,979	5,650	6,978	14,983	11,230	19,056	28,202
Restructuring and other charges	276	333	2,048	4,412	20,937	2,835	6,161
Inventory related charges	1,054	5,125	—	5,938	(2,038)	21,443	334
Charges (gains) related to legal matters, net	60	3,050	2,500	(2,409)	15,000	—	—
Asset impairment charges	33,350	2,299	2,475	14,655	79,547	4,408	76,600
Amortization of upfront payment	—	—	—	—	—	—	36,393
Foreign exchange (gain) loss	(9,673)	(3,466)	5,181	(4,722)	12,531	(8,311)	5,464
(Gain) loss on sale of international businesses, net	—	(123)	—	(328)	—	1,888	(8,818)
R&D milestone payments	6,304	6,841	2,000	6,650	—	5,614	4,315
Other	468	2,431	(2,669)	342	(1,387)	559	—
Adjusted EBITDA (Non-GAAP)	$ 113,598	$ 100,786	$ 134,378	$ 80,555	$ 70,914	$ 92,081	$ 111,967

Gross Debt and Net Debt to LTM Adjusted EBITDA

($) in thousands	Last Twelve Months	
	September 30, 2020	December 31, 2019
Current portion of long-term debt, net	$ 29,776	$ 21,479
Long-term debt, net	2,757,139	2,609,046
Cash and cash equivalents and restricted cash	283,650	152,822
Net debt	2,503,265	2,477,703
Adjusted EBITDA		
Q1 2019	-	111,967
Q2 2019	-	92,081
Q3 2019	-	70,914
Q4 2019	80,555	80,555
Q1 2020	134,378	-
Q2 2020	100,786	-
Q3 2020	113,598	-
LTM (last 12 months)	$ 429,317	$ 355,517

Reconciliation of Cost of Goods Sold to Adjusted Cost of Goods Sold

($) in thousands	Three months ended		
	September 30, 2020	**September 30, 2019**	**June 30, 2020**
Cost of goods sold	$ 353,345	$ 267,717	$ 319,666
Cost of goods sold impairment charges	32,364	56,132	759
Adjusted to deduct (add):			
Amortization	35,854	38,014	35,966
Inventory related charges	436	(2,038)	4,630
Acquisition and site closure expenses	2,262	2,932	2,540
Asset impairment charges	32,647	56,132	1,718
Stock-based compensation expense	1,151	712	1,085
Other	334	1,024	782
Adjusted cost of goods sold (Non-GAAP)	$ 313,025	$ 227,073	$ 273,704

Reconciliation of Research and Development to Adjusted Research and Development

($) in thousands	Three months ended		
	September 30, 2020	**September 30, 2019**	**June 30, 2020**
Research and development	$ 44,519	$ 38,125	$ 45,572
IPR&D impairment charges	—	23,382	—
Intellectual property legal development expenses	2,134	2,586	3,550
Adjusted to deduct:			
Stock-based compensation expense	886	694	1,007
Acquisition and site closure expenses	—	1,062	—
R&D milestone payments	6,304	—	6,841
Asset impairment charges	—	23,382	343
Other	231	—	400
Adjusted research and development (Non-GAAP)	$ 39,232	$ 38,955	$ 40,531

Reconciliation of Selling, General & Administrative to Adjusted Selling, General, & Administrative

($) in thousands	Three months ended		
	September 30, 2020	**September 30, 2019**	**June 30, 2020**
Selling, general and administrative	$ 83,120	$ 63,797	$ 80,944
Adjusted to deduct (add):			
Amortization	8,694	—	8,010
Stock-based compensation expense	3,378	4,692	3,571
Acquisition and site closure expenses	676	3,081	1,323
Inventory related charges	618	—	495
Asset impairment charges	703	32	237
Other	889	(617)	1,831
Adjusted selling, general and administrative (Non-GAAP)	$ 68,162	$ 56,609	$ 65,477

Reconciliation of Generics Operating Income to Generics Adjusted Operating Income

($) in thousands	Three months ended		
	September 30, 2020	September 30, 2019	June 30, 2020
Operating income (loss)	$ 26,448	$ (80,361)	$ 26,516
Adjusted to add (deduct):			
Acquisition and site closure expenses	2,849	5,941	4,188
Amortization	10,728	10,912	10,521
Inventory related charges	1,053	(2,038)	4,630
Stock-based compensation expense	2,174	3,982	2,219
Asset impairment charges	32,716	72,530	2,299
Restructuring and other charges	(536)	14,702	332
Charges related to legal matters, net	60	15,000	3,050
R&D milestone payment	6,304	—	6,841
Other	640	(975)	1,239
Adjusted operating income (Non-GAAP)	$ 82,436	$ 39,693	$ 61,835

Reconciliation of Generics Cost of Goods Sold to Generics Adjusted Cost of Goods Sold

($) in thousands	Three months ended		
	September 30, 2020	**September 30, 2019**	**June 30, 2020**
Cost of goods sold	$ 229,067	$ 217,773	$ 218,909
Cost of goods sold impairment charges	32,364	49,115	759
Adjusted to deduct:			
Amortization	10,728	10,912	10,521
Inventory related charges	435	(2,038)	4,630
Acquisition and site closure expenses	2,262	3,956	2,540
Asset impairment charges	32,648	49,115	1,718
Stock-based compensation expense	1,151	711	1,085
Other	334	—	782
Adjusted cost of goods sold (Non-GAAP)	$ 213,873	$ 204,232	$ 198,392

Reconciliation of Specialty Operating Income to Specialty Adjusted Operating Income

($) in thousands	Three months ended		
	September 30, 2020	**September 30, 2019**	**June 30, 2020**
Operating income	$ 15,662	$ 3,596	$ 23,569
Adjusted to add:			
Amortization	25,126	27,103	25,445
Acquisition and site closure expenses	—	2,522	83
Stock-based compensation expense	707	456	717
Restructuring and other charges	—	213	—
Asset impairment charges	—	7,017	—
Other	51	—	(16)
Adjusted operating income (Non-GAAP)	$ 41,546	$ 40,907	$ 49,798

Reconciliation of Specialty Cost of Goods Sold to Specialty Adjusted Cost of Goods Sold

($) in thousands	Three months ended		
	September 30, 2020	**September 30, 2019**	**June 30, 2020**
Cost of goods sold	$ 47,735	$ 49,944	$ 50,229
Cost of goods sold impairment charges	—	7,017	—
Adjusted to deduct:			
Amortization	25,126	27,103	25,445
Asset impairment charges	—	7,017	—
Adjusted cost of goods sold (Non-GAAP)	$ 22,609	$ 22,841	$ 24,784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