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"We make healthy possible"

Leadership Transition & Q2 2019 Earnings Call

AMRX
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Strategic Priorities and Financial Results

August 5, 2019

Safe Harbor Statement

Safe Harbor Statement

Certain statements contained herein, 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 Amneal Pharmaceuticals, Inc. (the "Company"). Such risks and uncertainties include, but are not limited to: risks relating to the management changes discussed in this presentation, including that our failure to effect a smooth transition process could hinder our strategic planning, execution and future performance; the impact of global economic conditions; our ability to integrate the operations of Amneal Pharmaceuticals LLC and Impax Laboratories, LLC pursuant to the business combination completed on May 4, 2018, and our ability to realize the anticipated synergies and other benefits of the combination; our ability to successfully develop and commercialize new products; our ability to obtain exclusive marketing rights for our products and to introduce products on a timely basis; 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; 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 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; the high concentration of ownership of our Class A Common Stock and the fact that we are controlled by a group of stockholders. A further list and descriptions of these risks, uncertainties and other factors can be found in the Company's most recently filed Annual Report on Form 10-K for the fiscal year ended December 31, 2018 and in the Company's subsequent filings with the Securities and Exchange Commission, including its Quarterly Reports on Form 10-Q. Copies of these filings are available online at www.sec.gov, www.amneal.com or on request from the Company.

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, which are intended as supplemental measures of the Company's performance that are not required by or presented in accordance with GAAP. In addition, this presentation includes these Non-GAAP measures and our reported results on a Non-GAAP combined basis to include the historical results of Impax and Gemini, not adjusted for financing or acquisition accounting impacts of the combination, as if the transaction closing dates had occurred on the first day of all periods presented herein. Management uses these Non-GAAP historical and combined 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, and doing so on a combined basis 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.

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, the combined results may not represent what our combined results of operations and financial position would have been had the transactions occurred on the dates indicated, nor are they intended to project our combined 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.

Net debt and gross debt are non-GAAP measures. Management uses net debt and gross debt as several of the means by which it assesses financial leverage, and they are therefore useful to investors in evaluating the Company's business and financial position using the same tools as management. Net debt and gross debt are also useful to investors because they are often used by securities analysts and other interested parties in evaluating the Company. Net debt and gross debt do however have limitations and should not be considered as alternatives to or in isolation from current portion of long-term debt, net, long-term-debt, net or any other measure calculated in accordance with GAAP. Additionally, other companies, including those in the Company's industry, may not use net debt or gross debt in the same way or may calculate it differently than as presented herein.

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

Agenda

1 **Strategic Priorities**
Chirag Patel and Chintu Patel, Co-CEOs

2 **Q2 Financial Results & Guidance**
Todd Branning, SVP & CFO

3 **Closing Remarks**
Chirag Patel

4 **Q&A**

Strategic Priorities

Chirag and Chintu Patel

Co-CEOs

Building on Strong Foundation

Founded Amneal in 2002 with the goal of providing affordable medicine to patients

- Transformed Company to vertically integrated, multi-billion dollar generic pharmaceutical company with global operations
- Built one of the largest and most diversified ANDA pipelines in the industry
- Recognized as fasted growing generics company for over 10 years
- Established best-in-class global workforce driven by passion and talent

Completed transaction with Impax Laboratories in 2018, creating scalable public company infrastructure and acquiring growing specialty franchise

- Recognize industry dynamics have changed substantially
- Refocus energies and revitalize platform

Chirag Patel and Chintu Patel return as Co-CEOs

Paul Meister joins as Chairman of the Board

Vision for the Future

High-Level Near-Term Goals; Update on Q3 2019 Earnings Call

Revitalize Generics Platform

Enhance Operations to Position Amneal for Growth

- Utilize best-in-class internal manufacturing capabilities
- Drive operational efficiencies to improve gross margins through cost rationalization and supply chain management
- Improve financial and resource planning
- Maximize opportunities with key customers

Reinvigorate Organic Growth

Continue investing in complex Generics and Specialty

- Respond to competition in retail generics sector by refocusing R&D on highest return projects
- Grow our hospital-based, sterile injectable franchise
- Invest in additional projects to drive future growth in Specialty business

Accelerate Inorganic Growth

Further diversify business through business development and M&A

- Pursue accretive in-licensing and business development deals
- Accelerate migration of generics portfolio to key focus areas (e.g. Specialty, biosimilars)
- Capitalize on emerging direct-to-consumer sales channel
- Evaluate opportunities for transformational transactions

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Superb Track Record of Bringing Products to Market

Generics[1]

What We've Done:
Excellence in Complex Generics and Growing Specialty Franchise

What's Next:
Pipeline Execution and Focus on Specialty[1]

Injectables

ADRENACLICK® (epinephrine injection, USP) auto-injector
KENALOG®-40 (Triamcinolone Acetonide Injectable Suspension, USP)
Cyclophosphamide for Injection, USP 500 mg/vial
Depo-Medrol®
FASLODEX® fulvestrant injection

Cubicin® RF (daptomycin for injection) 500 mg per vial
COPAXONE® (glatiramer acetate injection)
Vasostrict® (Vasopressin Injection, USP)

Transdermal Topical/Ring

EXELON® transdermal patch rivastigmine
VIVELLE dot® (estradiol transderma system)
Voltaren® Gel (diclofenac sodium topical gel) 1% For Topical Use Only
Yuvafem
AndroGel® (testosterone gel) 1.62%

NUVARING™
Butrans® (buprenorphine) Transdermal System 5, 7.5, 10, 15, and 20 mcg/hour
Lidoderm® LIDOCAINE PATCH 5%
Aczone® (dapsone) Gel, 7.5%

Oral Solids

Aggrenox® 25 mg/200 mg capsules
Synthroid® (levothyroxine sodium tablets, USP)
Skelaxin® (metaxalone) tablets 800 mg
CONCERTA® (methylphenidate HCl) Extended-release tablets
ARTHROTEC®

INVEGA® PALIPERIDONE
Truvada® emtricitabine 200 mg/tenofovir disoproxil fumarate 300 mg tablets
Lialda® (mesalamine) 1.2g
Tecfidera® (dimethyl fumarate)

Liquid/Nasal Ophthalmic

ATOVAQUONE Oral Suspension, USP 750 mg/5 mL
NASONEX®
Potassium Chloride for Oral Solution, USP

Restasis® (Cyclosporine Ophthalmic Emulsion) 0.05%

Biosimilars[1] & Specialty

ALBENZA® 200MG (albendazole) tablets
Emverm™ (mebendazole) chewable tablet, USP 100 mg
Rytary® (Carbidopa and Levodopa) Extended-Release Capsules
UNITHROID® (Levothyroxine Sodium Tablets, USP)
Zomig® Nasal Spray ZOLMITRIPTAN 2.5 mg 5 mg

NEUPOGEN® (FILGRASTIM)[2]
Neulasta® (pegfilgrastim)[2]
AVASTIN® bevacizumab[3]

IPX203 Parkinson's Disease Symptoms

Actively pursuing opportunities to expand our Specialty portfolio in key focus areas including neurology and endocrinology

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1. Generic and Biosimilar versions of innovator products.
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.

Long-Term Growth Drivers

Complex Generics & Biosimilars

- Expect to launch ~15 complex generic products over the next 24 months
- Continue to find biosimilar development partners to complement their R&D capabilities with our regulatory and commercial expertise
- Refocus portfolio from retail generics to complex products with more durable revenue streams and largely institutional customers

Specialty

- Augment Specialty with both internally developed and in-licensed products
- Leverage commercial infrastructure within neurology and endocrinology
- Pursue 505(b)(2) opportunities with lower development cost and shorter timeline to market

Financial Review

Todd Branning

SVP & CFO

Q2 2019 Results

Combined Adjusted[1]

$ millions	Q2 2019	Q2 2018	Q1 2019	Variance YOY	Variance Sequential
Net Revenue	**$405**	$462	$446	(12%)	(9%)
Gross Margin	**43%**	54%	48%	(1100)bps	(570)bps
R&D Expense[3]	**$42**	$59	$50	(28%)	(15%)
SG&A Expense	**$55**	$72	$71	(23%)	(23%)
EBITDA	**$92**	$139	$112	(34%)	(18%)
Diluted EPS	**$0.09**	$0.23	$0.14	(61%)	(36%)

Revenue and Gross Margin decline due to:

- Greater than expected effects of additional competition on key generic products after prolonged periods of limited competition
- Ongoing pressure on base generics business from the limited number of buyers
- Loss of exclusivity of Albenza®
- 17 new generic products launched first six months 2019
- Gross Margin impacted by product sales mix, generic price erosion and inventory obsolescence charges

R&D and SG&A favorably impacted by:

- Lower operating expenses due to cost synergies from the combination with Impax and controlled spending
- Focused on further improving efficiencies across organization
  - $50 million restructuring and cost savings plan[2]
  - Reduce cost base, further right size organization and optimize global manufacturing infrastructure

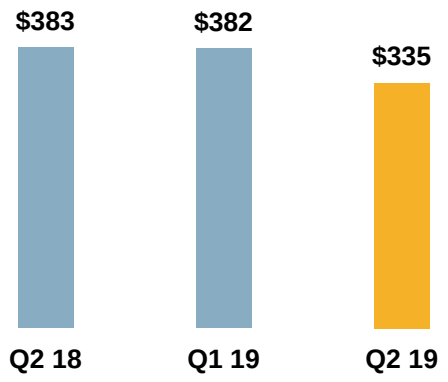
(1) For Q2 2018, assumes the combination between Amneal Pharmaceuticals LLC and Impax Laboratories, LLC occurred on January 1, 2018. See the Non-GAAP Financial Measures page of this presentation for a discussion of these Non-GAAP measures and the Appendix to this presentation for a reconciliation thereof to the most directly comparable GAAP measures.
(2) Announced on July 10, 2019.
(3) Includes intellectual property legal development expenses.

Generics Segment

Combined Adjusted Results[1]

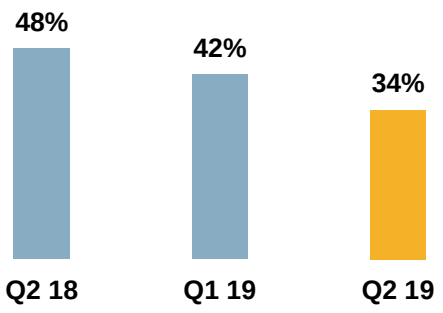
$ millions

Net Revenue



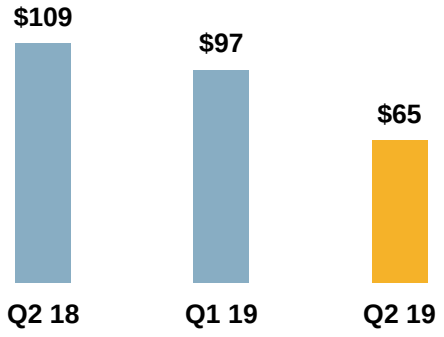
- YOY decrease: additional competition on key products including Aspirin-Dipyridamole, Yuvafem®, Diclofenac Gel and sale of International businesses, partially offset by sales of Levothyroxine and Guanfacine HCL and new launches in 2019
- Sequential decrease: pricing pressures and sale of International businesses, partially offset by new launches
- $12 million revenue contribution in Q2 from new product launches during first six months of 2019

Gross Margin



- YOY and sequential decreases: impact of competition, product sales mix, higher failure to supply penalties, the impact of underutilized plant capacity and inventory obsolescence charges
- Currently expect margin improvement from improvements in plant capacity utilization, restructuring cost savings and further efficiencies

Operating Income



- Year-over-year and sequential decreases: lower revenue and gross margin compression, partially offset by reduced operating expenses

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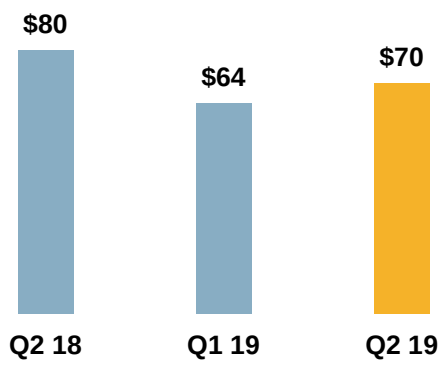
(1) For Q2 2018, assumes the combination between Amneal Pharmaceuticals LLC and Impax Laboratories, LLC occurred on January 1, 2018. See the Non-GAAP Financial Measures page of this presentation for a discussion of these Non-GAAP measures and the Appendix to this presentation for a reconciliation thereof to the most directly comparable GAAP measures.

Specialty Segment

Combined Adjusted Results[1]

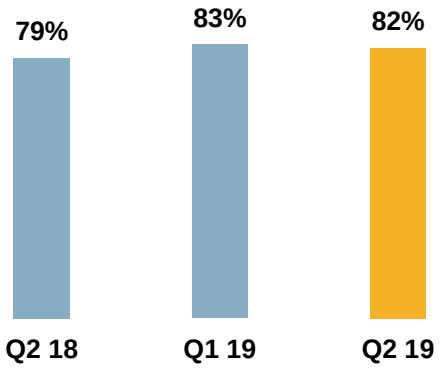
$ millions

Net Revenue



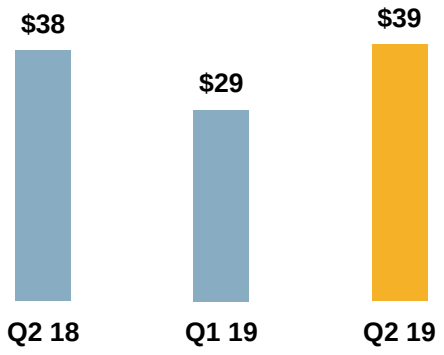
- Year-over-year decrease: lower sales of Albenza® due to loss of exclusivity in Q3 2018, partially offset by higher sales of Rytary® ,Unithroid® and Zomig®
- Sequential increase: higher sales of Rytary and Zomig

Gross Margin



- Year-over-year (increase) and sequential (slight decrease): primarily driven by product sales mix

Operating Income



- Year-over-year increase: primarily due to operating expense reductions and favorable product sales mix
- Sequential increase: driven by higher revenue and lower operating expenses

(1) For Q2 2018, assumes the combination between Amneal Pharmaceuticals LLC and Impax Laboratories, LLC occurred on January 1, 2018. See the Non-GAAP Financial Measures page of this presentation 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.

Cash Flow and Balance Sheet Information

$ millions	Q2 2019	Q1 2019	Change
Cash and cash equivalents(5)	**$57**	$67	($10)
Accounts receivable	**$635**	$640	($5)
Current portion and long-term debt(1)	**$2,641**	$2,647	($6)
Cash flow from operations	**$21**	($108)	---
Gross Debt to LTM Adjusted EBITDA(2)	**4.8x**	4.4x	
Net Debt to LTM Adjusted EBITDA(3)	**4.7x**	4.3x	

- $38 million received from sale of UK and German businesses
- $50 million payment to Jerome Stevens in April for Levothyroxine license and supply agreement
- $32 million cash outflow for restructuring, integration and other expenditures

- Generated positive cash flow from operations of $21 million in Q2 as accounts receivable collections normalized
  - Currently expect cash flow from operations to improve throughout 2019
- Leverage ratios increased due to lower LTM Adjusted EBITDA
  - Sufficient cash flow to fund debt payments
  - Term loan is debt covenant light

(1) Current portion of long-term debt, net and long-term debt, net
(2) Gross debt = Current portion and long-term debt. See the Non-GAAP Financial Measures page of this presentation for a discussion of these Non-GAAP measures and the Appendix to this presentation for a reconciliation of adjusted EBITDA to the most directly comparable GAAP measures.
(3) Net debt = Current portion and long-term debt less cash and cash equivalents. See the Non-GAAP Financial Measures page of this presentation for a discussion of these Non-GAAP measures and the Appendix to this presentation for a reconciliation of adjusted EBITDA to the most directly comparable GAAP measures.
(4) Includes cash payments for integration / restructuring charges.
(5) Includes restricted cash/

Revised 2019 Financial Guidance[1]

	Prior	Updated
Adjusted Gross Margin	47% - 50%	No change
Adjusted R&D as a % of net revenues	9% - 10%	9.5% - 10.5%
Adjusted SG&A as a % of net revenues	11% - 12%	14% - 15%
Adjusted EBITDA	$600 million - $650 million	$425 million - $475 million[2]
Adjusted Diluted EPS	$0.94 - $1.04	$0.52 - $0.62
Adjusted Tax Rate	19% - 21%	No change
Capital Expenditures	Approximately $100 million	$65 million - $85 million
Weighted Average Diluted Shares Outstanding[3]	Approximately 300 million	No change

[1] Amneal's full year 2019 estimates 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. The Company cannot 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, asset impairments and certain and other gains and losses. These items are uncertain, depend on various factors, and could have a material impact on U.S. GAAP reported results for 2019.
[2] Revised Adjusted EBITDA range was issued on July 10, 2019 as part of a restructuring announcement.
[3] Under the if-converted method, weighted average diluted shares outstanding consists of Class A and Class B shares. See the Non-GAAP Financial Measures page of this presentation of these Non-GAAP measures.

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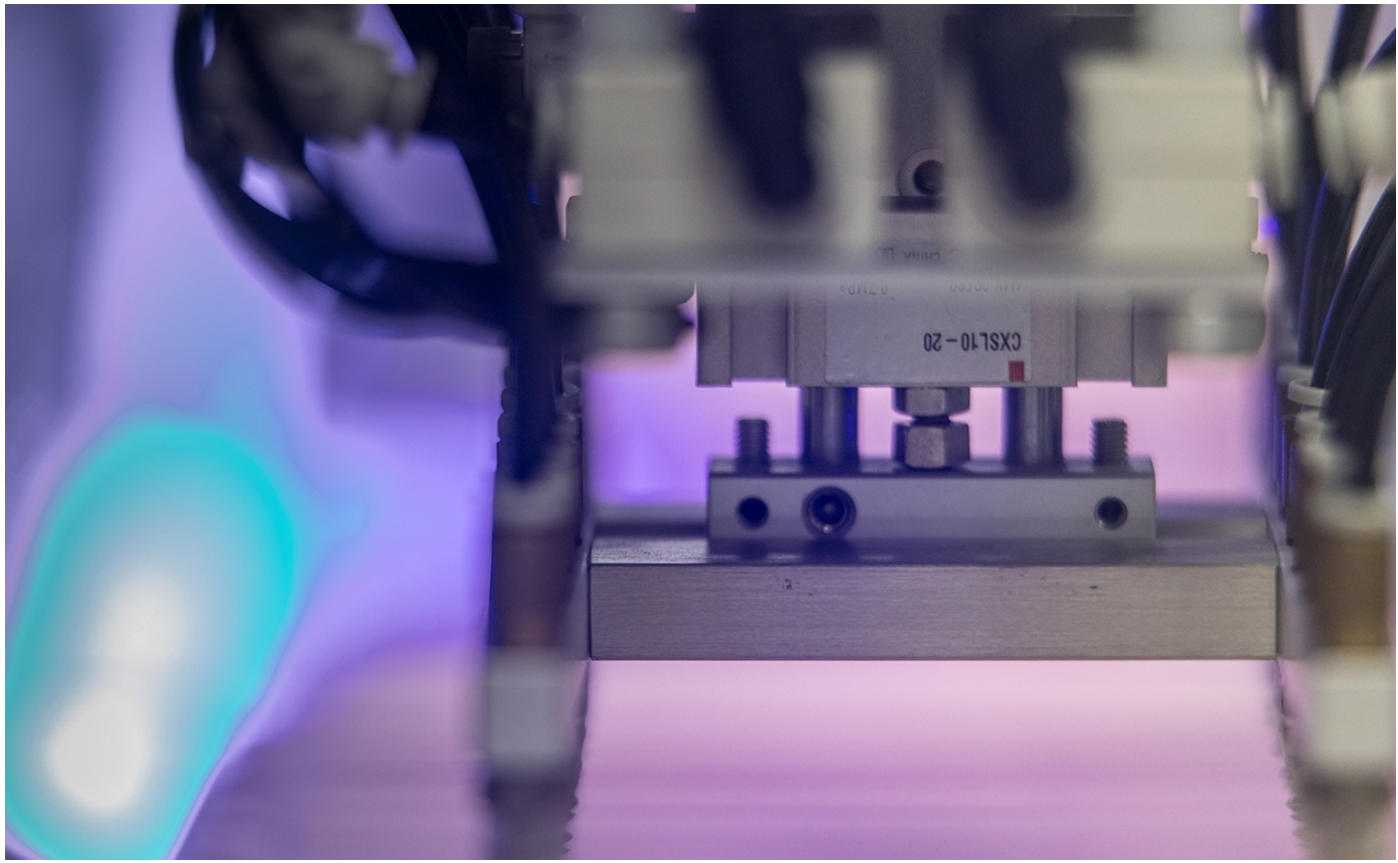
Closing Remarks

Chirag Patel

Co-CEO

Q&A



Appendix: Non-GAAP Reconciliations

Reconciliation of Non-GAAP Combined Revenue

(Unaudited: In thousands)

	Three months ended June 30, 2019			Three months ended June 30, 2018			Three months ended March 31, 2019		
	Actual	Add: Impax/ Gemini	(Non-GAAP) Combined	Actual	Add: Impax/ Gemini	(Non-GAAP) Combined	Actual	Add: Impax/ Gemini	(Non-GAAP) Combined
Net revenue:									
Generics	$ 335,064	$ —	$ 335,064	$ 361,770	$ 20,995	$ 382,765	$ 382,477	$ —	$ 382,477
Specialty	69,578	—	69,578	52,017	27,546	79,563	63,643	—	63,643
Total net revenue	404,642	—	404,642	413,787	48,541	462,328	$ 446,120	—	$ 446,120

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

(Unaudited: In thousands)

	Three months ended June 30, 2019			Three months ended June 30, 2018		
	Actual	Add: Impax/ Gemini	(Non-GAAP) Combined	Actual	Add: Impax/ Gemini	(Non-GAAP) Combined
Net loss	$ (50,526)	$ —	$ (50,526)	$ (250,090)	$ (23,006)	$ (273,096)
Adjusted to add (deduct):						
Interest expense, net	43,886	—	43,886	36,622	4,539	41,161
Income tax (benefit) expense	(5,701)	—	(5,701)	(12,416)	1,017	(11,399)
Depreciation and amortization	50,706	—	50,706	32,147	6,925	39,072
EBITDA (Non-GAAP)	$ 38,365	$ —	$ 38,365	$ (193,737)	$ (10,525)	$ (204,262)
Adjusted to add (deduct):						
Stock-based compensation expense	$ 6,224	$ —	$ 6,224	$ 1,644	$ —	$ 1,644
Acquisition and site closure expenses	19,056	—	19,056	207,507	4,381	211,888
Restructuring and other charges	2,835	—	2,835	44,465	223	44,688
Loss on extinguishment of debt	—	—	—	19,667	—	19,667
Inventory related charges	21,443	—	21,443	32,519	3,005	35,524
Loss on sale of assets	—	—	—	878	—	878
Asset impairment charges	4,408	—	4,408	—	—	—
Foreign exchange (gain) loss	(8,311)	—	(8,311)	25,946	—	25,946
Loss on sale of international businesses	1,888	—	1,888	—	—	—
R&D milestone payments	5,614	—	5,614	1,424	—	1,424
Other	559	—	559	1,225	—	1,225
Adjusted EBITDA (Non-GAAP)	$ 92,081	$ —	$ 92,081	$ 141,538	$ (2,916)	$ 138,622

	Three months ended March 31, 2019		
	Actual	Add: Impax/ Gemini	(Non-GAAP) Combined
Net (loss) income	$ (124,752)	$ —	$ (124,752)
Adjusted to add (deduct):			
Interest expense, net	43,281	—	43,281
Income tax (benefit) expense	(8,428)	—	(8,428)
Depreciation and amortization	48,868	—	48,868
EBITDA (Non-GAAP)	$ (41,031)	$ —	$ (41,031)
Adjusted to add (deduct):			
Stock-based compensation expense	$ 4,347	$ —	$ 4,347
Acquisition and site closure expenses	28,202	—	28,202
Restructuring and other charges	6,161	—	6,161
Inventory related charges	334	—	334
Litigation, settlements and related charges	—	—	—
Asset impairment charges	76,600	—	76,600
Amortization of upfront payment	36,393	—	36,393
Foreign exchange loss (gain)	5,464	—	5,464
Gain on sale of international business	(8,818)	—	(8,818)
R&D milestone payments	4,315	—	4,315
Other	—	—	—
Adjusted EBITDA (Non-GAAP)	$ 111,967	$ —	$ 111,967

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

(Unaudited: In thousands)

	Three months ended December 31, 2018		
			(Non-GAAP)
	Actual	Add: Impax/ Gemini	Combined
Net (loss)	$ (20,330)	$ —	$ (20,330)
Adjusted to add (deduct):			
Interest expense, net	42,880	—	42,880
Income tax expense (benefit)	5,524	—	5,524
Depreciation and amortization	47,494	—	47,494
EBITDA (Non-GAAP)	$ 75,568	$ —	$ 75,568
Adjusted to add (deduct):			
Stock-based compensation expense	$ 3,606	$ —	$ 3,606
Acquisition and site closure expenses	28,966	—	28,966
Restructuring and asset-related charges	14,104	—	14,104
Inventory related charges	9,317	—	9,317
Litigation, settlements and related charges	(497)	—	(497)
Asset impairment charges	39,119	—	39,119
Amortization of upfront payment	10,423	—	10,423
Foreign exchange gain	(2,817)	—	(2,817)
Loss on sale of international operations	146	—	146
R&D milestone payments	5,300	—	5,300
Other	3,412	—	3,412
Adjusted EBITDA (Non-GAAP)	$ 186,647	$ —	$ 186,647

	Three months ended Sept. 30, 2018		
	Actual	Add: Impax/ Gemini	Combined
Net income	$ 17,465	$ —	$ 17,465
Adjusted to add (deduct):			
Interest expense, net	43,018	—	43,018
Income taxes	5,109	—	5,109
Depreciation and amortization	43,013	—	43,013
EBITDA (Non-GAAP)	108,605	—	108,605
Adjusted to add (deduct):			
Share-based compensation expense	3,590	—	3,590
Acquisition, transaction and integration	2,231	—	2,231
Restructuring and severance charges	(2,156)	—	(2,156
Inventory related charges	17,422	—	17,422
Litigation, settlements and related charges	2,589	—	2,589
Asset impairment charges	8,541	—	8,541
Plant closure	10,199	—	10,199
Exchange loss	5,137	—	5,137
Loss on sale of international operations	2,812	—	2,812
Other	3,947	—	3,947
Adjusted EBITDA (Non-GAAP)	$ 162,917	$ —	$ 162,917

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Gross Debt and Net Debt to Combined Adjusted EBITDA

($ in thousands)	LTM June 30, 2019	LTM March 31, 2019
Current portion of long-term debt, net	$ 21,445	$ 21,445
Long-term Debt , net	2,619,788	2,625,152
Cash and cash equivalents	54,893	63,946
Net debt	2,586,340	2,582,651
Combined Adjusted EBITDA		
Q2 2018		138,622
Q3 2018	162,917	162,917
Q4 2018	186,647	186,647
Q1 2019	111,967	111,967
Q2 2019	92,081	
LTM (last 12 months)	$553,612	$ 600,153
Gross debt to LTM Adjusted EBITDA	**4.8**	**4.4**
Net debt to LTM Adjusted EBITDA	**4.7**	**4.3**

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

(Unaudited; In thousands, except per share amounts)

	Three months ended June 30, 2019			Three months ended June 30, 2018		
			(Non-GAAP)			(Non-GAAP)
	Actual	Add: Impax/ Gemini	Combined	Actual	Add: Impax/ Gemini	Combined
Net loss	$ (50,526)	$ —	$ (50,526)	$ (250,090)	$ (23,006)	$ (273,096)
Adjusted to add (deduct):						
Non-cash interest	1,617	—	1,617	4,407	2,549	6,956
GAAP Income tax (benefit) expense	(5,701)	—	(5,701)	(12,416)	1,017	(11,399)
Amortization	34,796	—	34,796	16,694	5,462	22,156
Stock-based compensation expense	6,224	—	6,224	1,644	—	1,644
Acquisition and site closure expenses	19,056	—	19,056	207,507	4,381	211,888
Restructuring and other charges	2,835	—	2,835	44,465	223	44,688
Loss on extinguishment of debt	—	—	—	19,667	—	19,667
Inventory related charges	21,443	—	21,443	32,519	3,005	35,524
Loss on sale of assets	—	—	—	878	—	878
Asset impairment charges	4,408	—	4,408	—	—	—
Foreign exchange (gain) loss	(8,311)	—	(8,311)	25,946	—	25,946
Loss on sale of international business	1,888	—	1,888	—	—	—
R&D milestone payments	5,614	—	5,614	1,424	—	1,424
Other	491	—	491	1,225	1,300	2,525
Income tax at 21%	(7,104)	—	(7,104)	(19,943)	1,064	(18,879)
Net income attributable to NCI not associated with our Class B shares	(61)	—	(61)	(27)	—	(27)
Adjusted net income (Non-GAAP)	$ 26,669	$ —	$ 26,669	$ 73,900	$ (4,005)	$ 69,895
Adjusted diluted EPS (Non-GAAP)[1]			$ 0.09			$ 0.23

	Three months ended March 31, 2019		
			(Non-GAAP)
	Actual	Add: Impax/ Gemini	Combined
Net (loss) income	$ (124,752)	$ —	$ (124,752)
Adjusted to add (deduct):			
Non-cash interest	1,601	—	1,601
GAAP Income tax (benefit) expense	(8,428)	—	(8,428)
Amortization	30,963	—	30,963
Stock-based compensation expense	4,347	—	4,347
Acquisition and site closure expenses	28,202	—	28,202
Restructuring and other charges	6,161	—	6,161
Inventory related charges	334	—	334
Litigation, settlements and related charges	—	—	—
Asset impairment charges	76,600	—	76,600
Amortization of upfront payment	36,393	—	36,393
Foreign exchange loss (gain)	5,464	—	5,464
Gain on sale of international business	(8,818)	—	(8,818)
R&D milestone payments	4,315	—	4,315
Other	1,092	—	1,092
Income tax at 21%	(11,230)	—	(11,230)
Net income attributable to NCI not associated with our Class B shares	(79)	—	(79)
Adjusted net income (Non-GAAP)	$ 42,165	$ —	$ 42,165
Adjusted diluted EPS (Non-GAAP)[1]			$ 0.14

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[1] Utilizes weighted average diluted shares outstanding of 298,957, which consists of Class A, Class B & Class B-1 shares.

Reconciliation of Generics Operating Income to Generics Combined Operating Income

(Unaudited; In thousands)

	Three months ended June 30, 2019			Three months ended June 30, 2018		
	Actual	Add: Impax/ Gemini	(Non-GAAP) Combined	Actual	Add: Impax/ Gemini	(Non-GAAP) Combined
Net revenue - Generics	$ 335,064	$ —	$ 335,064	$ 361,770	$ 20,995	$ 382,765
Cost of goods sold	263,423	—	263,423	211,534	29,624	241,158
Cost of goods sold impairment charges	3,012	—	3,012	—	—	—
Gross profit	68,629	—	68,629	150,236	(8,629)	141,607
Selling, general, and administrative	14,379	—	14,379	19,621	4,340	23,961
Research and development	45,448	—	45,448	47,206	3,984	51,190
Restructuring and other charges	418	—	418	24,797	—	24,797
Legal settlement gains	—	—	—	(3,000)	—	(3,000)
Intellectual property legal development expenses	2,511	—	2,511	4,004	—	4,004
Acquisition, integration and transaction related expenses	987	—	987	114,622	—	114,622
Operating income (loss)	$ 4,886	$ —	$ 4,886	$ (57,014)	$ (16,953)	$ (73,967)
Gross margin	20.5%	—%	20.5%	41.5%	(41.1%)	37.0%
Adjusted gross profit (Non-GAAP)[1]	$ 115,434	$ —	$ 115,434	$ 186,848	$ (1,690)	$ 185,158
Adjusted gross margin (Non-GAAP)[2]	34.5%	—%	34.5%	51.6%	(8.0%)	48.4%
Adjusted operating income (Non-GAAP)	$ 64,748	$ —	$ 64,748	$ 120,662	$ (11,339)	$ 109,323

	Three months ended March 31, 2019		
	Actual	Add: Impax/ Gemini	(Non-GAAP) Combined
Net revenue - Generics	$ 382,477	$ —	$ 382,477
Cost of goods sold	278,878	—	278,878
Cost of goods sold impairment charges	53,297	—	53,297
Gross profit	50,302	—	50,302
Selling, general, and administrative	24,148	—	24,148
Research and development	50,151	—	50,151
In-process research and development impairment charges	22,787	—	22,787
Restructuring and other charges	2,081	—	2,081
Litigation, settlements and related charges	—	—	—
Intellectual property legal development expenses	3,121	—	3,121
Acquisition, integration and transaction related expenses	2,597	—	2,597
Operating (loss) income	$ (54,583)	$ —	$ (54,583)
Gross margin	13.2%		13.2%
Adjusted gross profit (Non-GAAP)[1]	$ 162,276	$ —	$ 162,276
Adjusted gross margin (Non-GAAP)[2]	42.4%	—%	42.4%
Adjusted operating income (Non-GAAP)	$ 96,819	$ —	$ 96,819

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[1] Adjusted gross profit is calculated as combined net revenue less adjusted cost of goods sold. See Non-GAAP reconciliations below for calculation of adjusted cost of goods sold.
[2] Adjusted gross margin is calculated as adjusted gross profit divided by combined net revenue.

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

(Unaudited; In thousands)

	Three months ended June 30, 2019			Three months ended June 30, 2018		
	Actual	Add: Impax/ Gemini	(Non-GAAP) Combined	Actual	Add: Impax/ Gemini	(Non-GAAP) Combined
Cost of goods sold	$ 263,423	$ —	$ 263,423	$ 211,534	$ 29,624	$ 241,158
Cost of goods sold impairment charges	3,012	—	3,012	—	—	—
Adjusted to deduct (add):						
Amortization	14,636	—	14,636	6,043	3,934	9,977
Inventory related charges	21,443	—	21,443	30,569	3,005	33,574
Acquisition and site closure expenses	6,969	—	6,969	—	—	—
Asset impairment charges	3,012	—	3,012	—	—	—
Stock-based compensation expense	813	—	813	—	—	—
Other	(68)	—	(68)	—	—	—
Adjusted cost of goods sold (Non-GAAP)	$ 219,630	$ —	$ 219,630	$ 174,922	$ 22,685	$ 197,607

	Three months ended March 31, 2019		
	Actual	Add: Impax/ Gemini	(Non-GAAP) Combined
Cost of goods sold	$ 278,878	$ —	$ 278,878
Cost of goods sold impairment charges	53,297	—	53,297
Adjusted to deduct:			
Amortization	10,751	—	10,751
Inventory related charges	334	—	334
Acquisition and site closure expenses	9,511	—	9,511
Asset impairment charges	53,297	—	53,297
Stock-based compensation expense	596	—	596
Amortization of upfront payment	36,393	—	36,393
Other	1,092	—	1,092
Adjusted cost of goods sold (Non-GAAP)	$ 220,201	$ —	$ 220,201

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Reconciliation of Generics Operating (Loss) Income to Generics Combined Adjusted Operating Income

(Unaudited; In thousands)

	Three months ended June 30, 2019			Three months ended June 30, 2018		
	Actual	Add: Impax/ Gemini	(Non-GAAP) Combined	Actual	Add: Impax/ Gemini	(Non-GAAP) Combined
Operating income (loss)	$ 4,886	$ —	$ 4,886	$ (57,014)	$ (16,953)	$ (73,967)
Adjusted to add (deduct):						
Acquisition and site closure expenses[8]	10,885	—	10,885	114,622	—	114,622
Amortization	14,636	—	14,636	6,043	3,934	9,977
Inventory related charges	21,443	—	21,443	30,569	3,005	33,574
Stock-based compensation expense	3,875	—	3,875	221	—	221
Asset impairment charges	3,059	—	3,059	—	—	—
Restructuring and other charges	418	—	418	24,797	—	24,797
R&D milestone payment	5,614	—	5,614	1,424	—	1,424
Other	(68)	—	(68)	—	(1,325)	(1,325)
Adjusted operating income (Non-GAAP)	$ 64,748	$ —	$ 64,748	$ 120,662	$ (11,339)	$ 109,323

	Three months ended March 31, 2019		
	Actual	Add: Impax/ Gemini	(Non-GAAP) Combined
Operating (loss) income	$ (54,583)	$ —	$ (54,583)
Adjusted to add (deduct):			
Acquisition and site closure expenses	18,785	—	18,785
Amortization	10,752	—	10,752
Inventory related charges	334	—	334
Stock-based compensation expense	1,498	—	1,498
Asset impairment charges	76,152	—	76,152
Restructuring and other charges	2,081	—	2,081
Litigation, settlements and related charges	—	—	—
Amortization of upfront payment	36,393	—	36,393
R&D milestone payment	4,315	—	4,315
Other	1,092	—	1,092
Adjusted operating income (Non-GAAP)	$ 96,819	$ —	$ 96,819

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Reconciliation of Specialty Operating Income to Specialty Combined Operating Income

(Unaudited; In thousands)

	Three months ended June 30, 2019			Three months ended June 30, 2018		
			(Non-GAAP)			(Non-GAAP)
	Actual	Add: Impax/ Gemini	Combined	Actual	Add: Impax/ Gemini	Combined
Net revenue - Specialty:						
Rytary®	$ 33,000	$ —	$ 33,000	$ 20,520	$ 8,578	$ 29,098
Unithroid®	8,904	—	8,904	4,424	3,207	7,631
Zomig®	14,427	—	14,427	9,695	3,933	13,628
All other specialty products	13,247	—	13,247	17,378	11,828	29,206
Total net revenue - Specialty	69,578	—	69,578	52,017	27,546	79,563
Cost of goods sold	32,958	—	32,958	23,958	6,711	30,669
Gross profit	36,620	—	36,620	28,059	20,835	48,894
Selling, general, and administrative	16,150	—	16,150	13,549	7,707	21,256
Research and development	2,568	—	2,568	3,129	1,007	4,136
Intellectual property legal development expenses	—	—	—	43	—	43
Restructuring and other charges	—	—	—	2,421	—	2,421
Acquisition, integration and transaction related expenses	1,366	—	1,366	—	—	—
Operating income	$ 16,536	$ —	$ 16,536	$ 8,917	$ 12,121	$ 21,038
Gross margin	52.6%	—%	52.6%	53.9%	75.6%	61.5%
Adjusted gross profit (Non-GAAP)[1]	$ 56,780	$ —	$ 56,780	$ 40,660	$ 22,363	$ 63,023
Adjusted gross margin (Non-GAAP)[2]	81.6%	—%	81.6%	78.2%	81.2%	79.2%
Adjusted operating income (Non-GAAP)	$ 39,313	$ —	$ 39,313	$ 23,939	$ 13,649	$ 37,588

	Three months ended March 31, 2019		
			(Non-GAAP)
	Actual	Add: Impax/ Gemini	Combined
Net revenue - Specialty:			
Rytary®	$ 29,436	$ —	$ 29,436
Unithroid®	9,721	—	9,721
Zomig®	8,992	—	8,992
All other specialty products	15,494	—	15,494
Total net revenue - Specialty	63,643	—	63,643
Cost of goods sold	30,865	—	30,865
Gross profit	32,778	—	32,778
Selling, general, and administrative	21,327	—	21,327
Research and development	3,707	—	3,707
Intellectual property legal development expenses	1,045	—	1,045
Restructuring and other charges	178	—	178
Litigation, settlements and related charges	—	—	—
Acquisition, transaction-related and integration expenses	1,884	—	1,884
Operating income	$ 4,637	$ —	$ 4,637
Gross margin	51.5%	—	51.5%
Adjusted gross profit (Non-GAAP)[1]	$ 52,989	$ —	$ 52,989
Adjusted gross margin (Non-GAAP)[2]	83.3%	—%	83.3%
Adjusted operating income (Non-GAAP)	$ 28,726	$ —	$ 28,726

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[1] Adjusted gross profit is calculated as combined net revenue less adjusted cost of goods sold. See Non-GAAP reconciliations below for calculation of adjusted cost of goods sold.
[2] Adjusted gross margin is calculated as adjusted gross profit divided by combined net revenue.

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

(Unaudited; In thousands)

	Three months ended June 30, 2019			Three months ended June 30, 2018		
	Actual	Add: Impax/ Gemini	(Non-GAAP) Combined	Actual	Add: Impax/ Gemini	(Non-GAAP) Combined
Cost of goods sold	$ 32,958	$ —	$ 32,958	$ 23,958	$ 6,711	$ 30,669
Adjusted to deduct:						
Amortization	20,160	—	20,160	10,651	1,528	12,179
Inventory related charges	—	—	—	1,950	—	1,950
Adjusted cost of goods sold (Non-GAAP)	$ 12,798	$ —	$ 12,798	$ 11,357	$ 5,183	$ 16,540

	Three months ended March 31, 2019		
	Actual	Add: Impax/ Gemini	(Non-GAAP) Combined
Cost of goods sold	$ 30,865	$ —	$ 30,865
Adjusted to deduct:			
Amortization	20,211	—	20,211
Adjusted cost of goods sold (Non-GAAP)	$ 10,654	$ —	$ 10,654

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Reconciliation of Specialty Operating (Loss) Income to Specialty Combined Adjusted Operating Income

(Unaudited; In thousands)

	Three months ended June 30, 2019			Three months ended June 30, 2018		
		Add:	(Non-GAAP)		Add:	(Non-GAAP)
	Actual	Impax/ Gemini	Combined	Actual	Impax/ Gemini	Combined
Operating income	$ 16,536	$ —	$ 16,536	$ 8,917	$ 12,121	$ 21,038
Adjusted to add:						
Amortization	20,160	—	20,160	10,651	1,528	12,179
Inventory related charges	—	—	—	1,950	—	1,950
Acquisition and site closure expenses	2,251	—	2,251	—	—	—
Stock-based compensation expense	366	—	366	—	—	—
Restructuring and other charges	—	—	—	2,421	—	2,421
Adjusted operating income (Non-GAAP)	$ 39,313	$ —	$ 39,313	$ 23,939	$ 13,649	$ 37,588

	Three months ended March 31, 2019		
		Add:	(Non-GAAP)
	Actual	Impax/ Gemini	Combined
Operating income	$ 4,637	$ —	$ 4,637
Adjusted to add:			
Amortization	20,212	—	20,212
Acquisition and site closure expenses	3,555	—	3,555
Stock-based compensation expense	144	—	144
Restructuring and other charges	178	—	178
Adjusted operating income (Non-GAAP)	$ 28,726	$ —	$ 28,726

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Reconciliation of SG&A to Combined Adjusted SG&A

(Unaudited; In thousands)

	Three months ended June 30, 2019			Three months ended June 30, 2018		
			(Non-GAAP)			(Non-GAAP)
	Actual	Add: Impax/ Gemini	Combined	Actual	Add: Impax/ Gemini	Combined
Selling, general and administrative	$ 67,281	$ —	$ 67,281	$ 56,003	$ 20,047	$ 76,050
Adjusted to deduct:						
Acquisition and site closure expenses	6,121	—	6,121	—	—	—
Stock-based compensation expense	4,539	—	4,539	1,547	1,620	3,167
Asset impairment charge	1,397	—	1,397	—	—	—
Other	—	—	—	—	1,300	1,300
Adjusted selling, general and administrative	$ 55,224	$ —	$ 55,224	$ 54,456	$ 17,127	$ 71,583

	Three months ended March 31, 2019		
			(Non-GAAP)
	Actual	Add: Impax/ Gemini	Combined
Selling, general and administrative expenses	$ 84,436	$ —	$ 84,436
Adjusted to deduct:			
Acquisition and site closure expenses	9,344	—	9,344
Stock-based compensation expense	3,259	—	3,259
Asset Impairment Charge	516	—	516
Adjusted selling, general and administrative	$ 71,317	$ —	$ 71,317

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Reconciliation of Research and Development to Combined Adjusted Research and Development

(Unaudited; In thousands)

	Three months ended June 30, 2019			Three months ended June 30, 2018		
	Actual	Add: Impax/ Gemini	(Non-GAAP) Combined	Actual	Add: Impax/ Gemini	(Non-GAAP) Combined
Research and development	$ 48,016	$ —	$ 48,016	$ 50,335	$ 4,991	$ 55,326
Intellectual property legal development expenses	2,511	—	2,511	4,047	—	4,047
Adjusted to (add) deduct:						
Stock-based compensation expense	870	—	870	97	—	97
Acquisition and site closure expenses	1,609	—	1,609	—	—	—
R&D milestone payment	5,614	—	5,614	1,424	—	1,424
Other	—	—	—	—	(1,325)	(1,325)
Adjusted research and development	$ 42,434	$ —	$ 42,434	$ 52,861	$ 6,316	$ 59,177

	Three months ended March 31, 2019		
	Actual	Add: Impax/ Gemini	(Non-GAAP) Combined
Research and development	$ 53,858	$ —	$ 53,858
In-process IPR&D impairment charge	22,787	—	$ 22,787
Intellectual property legal development expenses	4,166	—	4,166
Adjusted to (add) deduct:			
Intangible asset impairment charges	22,787	—	22,787
Stock-based compensation expense	492	—	492
Acquisition and site closure expenses	3,315	—	3,315
R&D milestone payment	4,315	—	4,315
Other	—	—	—
Adjusted research and development	$ 49,902	$ —	$ 49,902

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