

GAAP / Non-GAAP Reconciliations

May 7, 2026



Key References and Non-GAAP Measures

New product sales, new product launches or new product revenues: Refers to third-party net sales from new products launched in a calendar year and the carryover impact of new products, including business development, launched within the previous 12 months.

Operational change: Refers to constant currency percentage changes and is derived by translating amounts for the current period at prior year comparative period exchange rates and in doing so shows the percentage change from current period constant currency net sales, total revenues, adjusted EBITDA, and adjusted EPS to the corresponding amount in the prior year.

Transaction costs or transaction-related costs: Refers to the impact of any acquisition and divestiture-related transaction costs, including taxes.

Restructuring costs or restructuring-related costs: Refers to the impact of any cash costs associated with the restructuring activities of the enterprise-wide strategic review, which are expected to be primarily related to severance and employee benefits expense, as well as other costs, including those related to contract terminations, vendor consolidations, product transfer costs and network related simplification and modernization costs.

Revenue and Earnings: Refers to Total Revenues, Adjusted EBITDA and Adjusted EPS.

Non-GAAP Financial Measures

This presentation includes the presentation and discussion of certain financial information that differs from what is reported under accounting principles generally accepted in the United States ("U.S. GAAP"). These non-GAAP financial measures, including, but not limited to, adjusted EBITDA, free cash flow, free cash flow excluding transaction-related and restructuring-related costs, adjusted EPS, adjusted gross margin, adjusted gross profit, adjusted SG&A and as a percentage of total revenues, adjusted R&D and as a percentage of total revenues, adjusted net earnings, adjusted effective tax rate, adjusted earnings from operations, adjusted interest expense, adjusted other income, net, constant currency total revenues, constant currency net sales, notional debt, gross leverage ratio and long-term gross leverage ratio target, are presented in order to supplement investors' and other readers' understanding and assessment of the financial performance of Viatris. Free cash flow refers to U.S. GAAP net cash provided by operating activities less capital expenditures. Free cash flow excluding transaction-related costs or restructuring-related costs refers to free cash flow, further adjusted to exclude transaction-related or restructuring-related costs, as applicable. Adjusted EBITDA refers to as U.S. GAAP net earnings (loss) adjusted for income tax provision (benefit), interest expense and depreciation and amortization (to calculate EBITDA) and further adjusted for share-based compensation expense, litigation settlements and other contingencies, net, loss on divestitures of businesses, impairment of goodwill and restructuring, acquisition and divestiture related and other special items. Adjusted EBITDA margins refers to adjusted EBITDA divided by total revenues. Adjusted EPS refers to adjusted net earnings divided by the weighted average number of diluted shares of common stock outstanding. Notional gross debt is the sum of the Company's long-term debt, including current portion, and short-term borrowings and other current obligations, adjusted for net premiums or discounts on various debt issuances and deferred financing fees. Viatris has provided reconciliations of such non-GAAP financial measures to the most directly comparable U.S. GAAP financial measures. Investors and other readers are encouraged to review the related U.S. GAAP financial measures and the reconciliations of the non-GAAP measures to their most directly comparable U.S. GAAP measures set forth in this presentation or on our website at <https://investor.viatris.com/financial-information/non-gaap-reconciliations>, and investors and other readers should consider non-GAAP measures only as supplements to, not as substitutes for or as superior measures to, the measures of financial performance prepared in accordance with U.S. GAAP.

2026 Guidance

The Company is not providing forward-looking guidance for U.S. GAAP net earnings (loss) or U.S. GAAP diluted earnings (loss) per share ("EPS") or a quantitative reconciliation of its 2026 adjusted EBITDA or adjusted EPS guidance to the most directly comparable U.S. GAAP measures, U.S. GAAP net earnings (loss) or U.S. GAAP diluted EPS, respectively, because it is unable to predict with reasonable certainty the ultimate outcome of certain significant items, including integration, acquisition and divestiture-related expenses, restructuring expenses, asset impairments, litigation settlements, future share repurchases, and other contingencies, such as changes to contingent consideration, acquired IPR&D and certain other gains or losses, including for the fair value accounting impact for equity investments, as well as related income tax accounting, because certain of these items have not occurred, are out of the Company's control, and/or cannot be reasonably predicted without unreasonable effort. These items are uncertain, depend on various factors, and could have a material impact on U.S. GAAP reported results for the guidance period. 2026 financial guidance as initially provided on February 26, 2026 and reaffirmed on May 7, 2026 excludes the impact any acquired IPR&D for unsigned deals to be incurred in any future period as it cannot be reasonably forecasted.

Long-Term Financial Targets

The Company is not providing forward-looking information for U.S. GAAP net earnings (loss), or EPS or a quantitative reconciliation of its long-term target adjusted EBITDA, adjusted EPS and free cash flow targets or expectations to their most directly comparable U.S. GAAP measures, U.S. GAAP net earnings (loss), EPS and U.S. GAAP net cash provided by operating activities, respectively, because it is unable to predict with reasonable certainty the ultimate outcome of certain significant items, including integration, acquisition and divestiture-related expenses, restructuring expenses, asset impairments, litigation settlements, future share repurchases, and other contingencies, such as changes to contingent consideration, acquired IPR&D and certain other gains or losses, including for the fair value accounting impact for equity investments, as well as related income tax accounting because certain of these items have not occurred, are out of the Company's control and/or cannot be reasonably predicted without unreasonable effort. These items are uncertain, depend on various factors, and could have a material impact on U.S. GAAP reported results for the relevant periods.

Key Exchange Rates

Our 2026 financial guidance and long-term financial targets are based on the following budgeted exchange rates: Euro (\$/EUR) 0.87, China Renminbi (\$/CNY) 7.19, Japanese Yen (\$/JPY) 144.35, and Indian Rupee (\$/INR) 85.80.

Viatrix Inc. and Subsidiaries | Reconciliation of Non-GAAP Financial Measures (Unaudited; in millions, except Adjusted EPS)
Full Year 2026 Financial Guidance Items as of May 7, 2026

	GAAP	Non-GAAP ⁽¹⁾
Total Revenues	\$14,450 - \$14,950	N/A
Adjusted EBITDA	N/A	\$4,150 - \$4,450
Net Cash Provided by Operating Activities	\$1,700 - \$2,000	N/A
Free Cash Flow Ex Transaction and Restructuring Costs	N/A	\$1,950 - \$2,350
Adjusted EPS	N/A	\$2.33 - \$2.47

Reconciliation of Estimated 2026 U.S. GAAP Net Cash Provided by Operating Activities to Free Cash Flow as of May 7, 2026

Estimated U.S. GAAP Net Cash Provided by Operating Activities	\$1,700 - \$2,000
Less: Capital Expenditures	<u>(\$350) - (\$450)</u>
Free Cash Flow	\$1,250 - \$1,650
Add: Estimated Transaction and Restructuring Costs	<u>~\$700</u>
Free Cash Flow Excluding Transaction and Restructuring Costs	\$1,950 - \$2,350

Viatrix Inc. and Subsidiaries | Reconciliation of Non-GAAP Financial Measures (Unaudited; in millions, except Adjusted EPS)
Full Year 2026 Financial Guidance Items as of February 26, 2026

	GAAP	Non-GAAP ⁽¹⁾
Total Revenues	\$14,450 - \$14,950	N/A
Adjusted EBITDA	N/A	\$4,150 - \$4,450
Net Cash Provided by Operating Activities	\$1,700 - \$2,000	N/A
Free Cash Flow Ex Transaction and Restructuring Costs	N/A	\$1,950 - \$2,350
Adjusted EPS	N/A	\$2.33 - \$2.47

Reconciliation of Estimated 2026 U.S. GAAP Net Cash Provided by Operating Activities to Free Cash Flow as of February 26, 2026

Estimated U.S. GAAP Net Cash Provided by Operating Activities	\$1,700 - \$2,000
Less: Capital Expenditures	<u>(\$350) - (\$450)</u>
Free Cash Flow	\$1,250 - \$1,650
Add: Estimated Transaction and Restructuring Costs	<u>~\$700</u>
Free Cash Flow Excluding Transaction and Restructuring Costs	\$1,950 - \$2,350

Viatriis Inc. and Subsidiaries | Reconciliation of Non-GAAP Financial Measures (Unaudited; in millions, except per share amounts)

U.S. GAAP Net Earnings (Loss) to Adjusted Net Earnings and U.S. GAAP Diluted Earnings (Loss) Per Share to Adjusted EPS

	Three Months Ended							
	March 31,							
	2026		2025					
U.S. GAAP net earnings (loss) and U.S. GAAP diluted earnings (loss) per share.....	\$	176.4	\$	0.15	\$	(3,042.0)	\$	(2.55)
Purchase accounting amortization (primarily included in cost of sales)		591.5				583.5		
Impairment of goodwill		-				2,936.8		
Litigation settlements and other contingencies, net.....		53.5				(73.5)		
Interest expense (primarily amortization of premiums and discounts on long term debt).....		(10.1)				(9.2)		
Loss on divestitures of businesses (included in other expense, net)		13.9				36.9		
Acquisition and divestiture-related costs (primarily included in cost of sales and SG&A) (a).....		62.3				40.7		
Restructuring costs (b).....		92.5				92.9		
Share-based compensation expense.....		48.2				55.2		
Other special items included in:								
Cost of sales (c).....		142.4				41.6		
Research and development expense.....		2.8				0.7		
Selling, general and administrative expense.....		35.4				17.6		
Other expense, net (d).....		61.3				101.4		
Tax effect of the above items and other income tax related items (e).....		(576.0)				(182.3)		
Adjusted net earnings and adjusted EPS.....	\$	<u>694.1</u>	\$	0.59	\$	<u>600.3</u>	\$	0.50
Weighted average diluted shares outstanding.....		1,175.3				1,203.0		

- (a) Acquisition and divestiture-related costs consist primarily of contractual obligations related to divestitures, transaction costs including legal and consulting fees and integration activities.
- (b) For the three months ended March 31, 2026, charges include approximately \$49.8 million in cost of sales, approximately \$0.6 million in R&D, and approximately \$42.0 million in SG&A, primarily relating to the 2026 restructuring program.
- (c) For the three months ended March 31, 2026, includes certain asset impairments, contractual termination costs, and incremental manufacturing variances and certain remediation costs at plants slated for sale or closure or undergoing remediation activities of approximately \$130.7 million, including \$71.9 million related to the write off inventory and fixed assets damaged in the fire at the Nashik manufacturing facility and incremental manufacturing variances.
- (d) For the three months ended March 31, 2026, charges include a loss of approximately \$64.9 million as a result of changes in the fair value of the Biocon equity shares.
- (e) Adjusted for changes for uncertain tax positions.

U.S. GAAP Net Earnings (Loss) to EBITDA and Adjusted EBITDA

	Three Months Ended	
	March 31,	
	2026	2025
U.S. GAAP net earnings (loss).....	\$ 176.4	\$ (3,042.0)
Add / (deduct) adjustments:		
Income tax benefit.....	(423.7)	(55.0)
Interest expense (a).....	120.1	115.5
Depreciation and amortization (b).....	676.1	664.7
EBITDA.....	\$ 548.9	\$ (2,316.8)
Add / (deduct) adjustments:		
Share-based compensation expense	48.2	55.2
Litigation settlements and other contingencies, net.....	53.5	(73.5)
Loss on divestitures of businesses.....	13.9	36.9
Impairment of goodwill.....	-	2,936.8
Restructuring, acquisition and divestiture-related and other special items (c).....	385.0	284.9
Adjusted EBITDA.....	\$ 1,049.5	\$ 923.5

Summary of Total Revenues by Segment – Q1 2026

	Three Months Ended March 31,					
	2026	2025	% Change	2026 Currency Impact (a)	2026 Constant Currency Revenues	Constant Currency % Change (b)
Net sales						
Developed Markets	\$ 2,020.8	\$ 1,891.7	7 %	\$ (117.7)	\$ 1,903.1	1 %
Greater China.....	680.1	555.5	22 %	(25.6)	654.5	18 %
JANZ.....	273.4	276.1	(1)%	(3.9)	269.5	(2)%
Emerging Markets	535.4	519.9	3 %	(14.6)	520.8	- %
Total net sales.....	\$ 3,509.7	\$ 3,243.2	8 %	\$ (161.8)	\$ 3,347.9	3 %
Other revenues (c).....	7.3	11.1	NM	(0.2)	7.1	NM
Consolidated total revenues (d).....	\$ 3,517.0	\$ 3,254.3	8 %	\$ (162.0)	\$ 3,355.0	3 %

(a) Currency impact is shown as unfavorable (favorable).

(b) The constant currency percentage change is derived by translating net sales or revenues for the current period at prior year comparative period exchange rates, and in doing so shows the percentage change from 2026 constant currency net sales or revenues to the corresponding amount in the prior year.

(c) For the three months ended March 31, 2026, other revenues in Developed Markets, JANZ, and Emerging Markets were approximately \$5.2 million, \$0.1 million, and \$2.0 million, respectively.

(d) Amounts exclude intersegment revenue which eliminates on a consolidated basis.

Key Product Net Sales, on a Consolidated Basis

	Three Months Ended	
	March 31,	
	2026	2025
Select Key Global Products		
Lipitor ®	\$ 462.0	\$ 388.0
Norvasc ®	210.0	172.3
Lyrica ®	120.6	112.6
EpiPen ® Auto-Injectors	101.1	96.7
Creon ®	97.4	82.4
Viagra ®	95.0	98.5
Zoloft ®	72.6	60.2
Celebrex ®	67.1	63.4
Effexor ®	62.0	59.3
Xalabrand	39.2	37.1
Select Key Segment Products		
Yupelri ®	\$ 62.5	\$ 58.3
Dymista ®	37.3	42.8
Xanax ®	34.8	32.3
Amitiza ®	34.0	33.3

Cost of Sales

	Three Months Ended	
	March 31,	
	2026	2025
U.S. GAAP cost of sales.....	\$ 2,359.8	\$ 2,093.1
Deduct:		
Purchase accounting amortization and other related items.....	(591.5)	(583.5)
Acquisition and divestiture-related costs.....	(28.4)	(12.2)
Restructuring costs.....	(49.8)	(19.8)
Share-based compensation expense.....	(1.0)	(1.3)
Other special items, including restructuring related costs.....	(142.4)	(41.6)
Adjusted cost of sales.....	<u>\$ 1,546.7</u>	<u>\$ 1,434.7</u>
Adjusted gross profit (a).....	<u>\$ 1,970.3</u>	<u>\$ 1,819.6</u>
Adjusted gross margin (a).....	<u>56%</u>	<u>56%</u>

(a) U.S. GAAP gross profit is calculated as total revenues less U.S. GAAP cost of sales. U.S. GAAP gross margin is calculated as U.S. GAAP gross profit divided by total revenues. Adjusted gross profit is calculated as total revenues less adjusted cost of sales. Adjusted gross margin is calculated as adjusted gross profit divided by total revenues.

SG&A

	Three Months Ended	
	March 31,	
	2026	2025
U.S. GAAP SG&A	\$ 928.8	\$ 948.1
Deduct:		
Acquisition and divestiture-related costs.....	(32.0)	(27.8)
Restructuring costs.....	(42.0)	(72.3)
Share-based compensation expense.....	(44.5)	(51.7)
Other special items and reclassifications.....	(35.4)	(17.6)
Adjusted SG&A.....	<u>\$ 774.9</u>	<u>\$ 778.7</u>
Adjusted SG&A as % of total revenues.....	<u>22%</u>	<u>24%</u>

R&D

	Three Months Ended	
	March 31,	
	2026	2025
U.S. GAAP R&D.....	\$ 248.6	\$ 222.0
Deduct:		
Acquisition and divestiture-related costs.....	(2.0)	(0.7)
Restructuring costs.....	(0.6)	(0.8)
Share-based compensation expense.....	(2.7)	(2.3)
Other special items.....	(2.8)	(0.7)
Adjusted R&D.....	<u>\$ 240.5</u>	<u>\$ 217.5</u>
Adjusted R&D as % of total revenues.....	<u>7%</u>	<u>7%</u>

Total Operating Expenses

	Three Months Ended	
	March 31,	
	2026	2025
U.S. GAAP total operating expenses.....	\$ 1,236.9	\$ 4,043.4
Add / (Deduct):		
Litigation settlements and other contingencies, net.....	(53.5)	73.5
R&D adjustments.....	(8.1)	(4.5)
SG&A adjustments	(153.9)	(169.4)
Impairment of goodwill adjustments.....	-	(2,936.8)
Adjusted total operating expenses.....	<u>\$ 1,021.4</u>	<u>\$ 1,006.2</u>
 Adjusted earnings from operations (a).....	 <u>\$ 948.9</u>	 <u>\$ 813.4</u>

(a) U.S. GAAP earnings from operations is calculated as U.S. GAAP gross profit less U.S. GAAP total operating expenses. Adjusted earnings from operations is calculated as adjusted gross profit less adjusted total operating expenses.

Interest Expense

	Three Months Ended	
	March 31,	
	2026	2025
U.S. GAAP interest expense.....	\$ 120.1	\$ 115.5
Add / (Deduct):		
Accretion of contingent consideration liability.....	(0.9)	(1.2)
Amortization of premiums and discounts on long-term debt.....	11.8	11.0
Other special items.....	(0.7)	(0.6)
Adjusted interest expense.....	<u>\$ 130.3</u>	<u>\$ 124.7</u>

Other Expense, Net

	Three Months Ended	
	March 31,	
	2026	2025
U.S. GAAP other expense, net.....	\$ 47.5	\$ 99.3
Add / (Deduct):		
Fair value adjustments on non-marketable equity investments..	-	(115.8)
Fair value adjustments on marketable equity investments.....	(64.9)	-
Loss on divestitures of businesses.....	(13.9)	(36.9)
Other items.....	3.7	14.4
Adjusted other income, net.....	<u>\$ (27.6)</u>	<u>\$ (39.0)</u>

Loss Before Income Taxes and Income Tax Benefit

	Three Months Ended	
	March 31,	
	2026	2025
U.S. GAAP loss before income taxes.....	\$ (247.3)	\$ (3,097.0)
Total pre-tax non-GAAP adjustments.....	1,093.7	3,824.7
Adjusted earnings before income taxes.....	<u>\$ 846.4</u>	<u>\$ 727.7</u>
U.S. GAAP income tax benefit.....	\$ (423.7)	\$ (55.0)
Adjusted tax expense.....	576.0	182.3
Adjusted income tax provision.....	<u>\$ 152.3</u>	<u>\$ 127.3</u>
Adjusted effective tax rate.....	<u>18.0%</u>	<u>17.5%</u>

Free Cash Flow and Free Cash Flow Excluding Transaction-related and Restructuring-related Costs

	Three Months Ended	
	March 31,	
	2026	2025
U.S. GAAP net cash provided by operating activities.....	\$ 388.3	\$ 535.5
Capital expenditures.....	(39.9)	(42.6)
Free cash flow.....	<u>\$ 348.4</u>	<u>\$ 492.9</u>
Transaction-related and restructuring-related costs.....	111.1	42.5
Free cash flow excluding transaction-related and restructuring-related costs.....	<u>\$ 459.5</u>	<u>\$ 535.4</u>

Gross Leverage – Debt to Adjusted EBITDA – Q1 2026

Gross Leverage Ratio is the ratio of Viatriis' total debt at notional amounts at March 31, 2026 to the sum of Viatriis' adjusted EBITDA for the quarters ended June 30, 2025, September 30, 2025, December 31, 2025, and March 31, 2026.

	Three Months Ended				Twelve Months Ended
	June 30, 2025	September 30, 2025	December 31, 2025	March 31, 2026	March 31, 2026
Adjusted EBITDA.....	\$ 1,078.8	\$ 1,154.6	\$ 1,003.1	\$ 1,049.5	\$ 4,286.0
Reported debt balances:					
Long-term debt, including current portion.....					14,341.1
Short-term borrowings and other current obligations.....					-
Total.....					\$ 14,341.1
Add / (deduct):					
Net premiums on various debt issuances.....					(437.6)
Deferred financing fees.....					20.2
Total debt at notional amounts.....					\$ 13,923.7
Gross debt to adjusted EBITDA.....					3.2 x

Long-term Gross Leverage Target

The stated forward-looking non-GAAP financial measure of long-term gross leverage target of ~3.0x, with a range of 2.8x – 3.2x, is based on the ratio of (i) targeted notional gross debt and (ii) targeted adjusted EBITDA. However, the Company has not quantified future amounts to develop this target but has stated its goal to manage notional gross debt and adjusted EBITDA over time in order to generally maintain or reach the target. This target does not reflect Company guidance.

Net (Loss) Earnings to EBITDA and Adjusted EBITDA – Last Twelve Months

	Three Months Ended			
	June 30, 2025	September 30, 2025	December 31, 2025	March 31, 2026
U.S. GAAP net (loss) earnings.....	\$ (4.6)	\$ (128.2)	\$ (340.1)	\$ 176.4
Add / (deduct) adjustments:				
Income tax (benefit) provision.....	(212.5)	120.3	(2.9)	(423.7)
Interest expense (a).....	116.6	119.6	119.6	120.1
Depreciation and amortization (b).....	678.3	688.5	766.8	676.1
EBITDA.....	\$ 577.8	\$ 800.2	\$ 543.4	\$ 548.9
Add / (deduct) adjustments:				
Share-based compensation expense.....	37.1	36.0	49.4	48.2
Litigation settlements and other contingencies, net.....	(47.6)	55.7	(3.1)	53.5
Loss (gain) on divestitures of businesses.....	43.8	(1.6)	21.9	13.9
Restructuring, acquisition and divestiture-related and other special items.....	467.7	264.3	391.5	385.0
Adjusted EBITDA.....	\$ 1,078.8	\$ 1,154.6	\$ 1,003.1	\$ 1,049.5