UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2026

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____to_____

Commission file number 001-39695

VIATRIS INC.

(Exact name of registrant as specified in its charter)

Delaware	**83-4364296**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*

1000 Mylan Boulevard, Canonsburg, Pennsylvania 15317
(Address of principal executive offices)

(724) 514-1800
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class:	**Trading Symbol(s)**	**Name of Each Exchange on Which Registered:**
Common Stock, par value $0.01 per share	VTRS	The NASDAQ Stock Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☑	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☑

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

The number of shares of common stock outstanding, par value $0.01 per share, of the registrant as of November 2, 2026 was 1,146,454,729.

VIATRIS INC. AND SUBSIDIARIES

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For the Quarterly Period Ended
September 30, 2026

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Glossary of Defined Terms

Unless the context requires otherwise, references to "Viatris," "the Company," "we," "us" or "our" in this Form 10-Q (defined below) refer to Viatris Inc. and its subsidiaries. We also have used several other terms in this Form 10-Q, most of which are explained or defined below. Some amounts in this Form 10-Q may not add due to rounding.

2003 LTIP	Mylan N.V. Amended and Restated 2003 Long-Term Incentive Plan
2020 Incentive Plan	Viatris Inc. 2020 Stock Incentive Plan
2025 Form 10-K	Viatris' annual report on Form 10-K for the fiscal year ended December 31, 2025
2024 Revolving Facility	The $3.5 billion revolving facility dated as of September 27, 2024, by and among Viatris, certain lenders and issuing banks from time to time party thereto and Bank of America, N.A., as administrative agent
2033 Euro Senior Notes	The 4.250% Senior Notes due 2033 issued by Viatris Inc., which are fully and unconditionally guaranteed on a senior unsecured basis by Mylan Inc., Mylan II B.V. and Utah Acquisition Sub Inc.
Adjusted EBITDA	Non-GAAP financial measure that the Company believes is appropriate to provide information to investors - EBITDA (defined below) is further adjusted for share-based compensation expense, litigation settlements, and other contingencies, net, gain (loss) on divestitures of businesses, impairment of long-lived assets and goodwill, restructuring, acquisition and divestitures-related and other special items
Adjusted EPS	Adjusted net earnings per diluted share
ANDA	Abbreviated New Drug Application
AOCE	Accumulated other comprehensive earnings
API	Active pharmaceutical ingredients
ARV	Antiretroviral medicines
ASC	Accounting Standards Codification
ASU	Accounting Standards Update
Biocon	Biocon Limited
Biocon Biologics	Biocon Biologics Limited, a majority owned subsidiary of Biocon
Business Combination Agreement	Business Combination Agreement, dated as of July 29, 2019, as amended from time to time, among Viatris, Mylan, Pfizer and certain of their affiliates
CCPS	Compulsory convertible preferred shares
Code	The U.S. Internal Revenue Code of 1986, as amended
CODM	Chief operating decision maker
Combination	Refers to Mylan combining with Pfizer's Upjohn Business in a Reverse Morris Trust transaction to form Viatris on November 16, 2020
Commercial Paper Program	The $1.65 billion unsecured commercial paper program entered into as of November 16, 2020 by Viatris, as issuer, Mylan Inc., Utah Acquisition Sub Inc. and Mylan II B.V., as guarantors, and certain dealers from time to time
Developed Markets segment	Viatris' business segment that includes our operations primarily in the following markets: North America and Europe
Distribution	Pfizer's distribution to Pfizer stockholders of all the issued and outstanding shares of Upjohn Inc.
EBITDA	Non-GAAP financial measure that the Company believes is appropriate to provide information to investors - U.S. GAAP net earnings (loss) adjusted for income tax provision (benefit), interest expense and depreciation and amortization
EDPA	U.S. District Court for the Eastern District of Pennsylvania
Emerging Markets segment	Viatris' business segment that includes, but is not limited to, our operations primarily in the following markets: Parts of Asia, the Middle East, South and Central America, Africa, and Eastern Europe
EPS	Earnings per share
ERP system	Enterprise resource planning system
EU	European Union
EWSR	Enterprise-wide strategic review
Exchange Act	Securities Exchange Act of 1934, as amended

FASB	Financial Accounting Standards Board
FDA	U.S. Food and Drug Administration
Form 10-Q	This quarterly report on Form 10-Q for the quarterly period ended September 30, 2026
GA Depot	Long-acting glatiramer acetate depot product
Global Systemically Important Banks	Financial institutions that are considered systemically important by the Financial Stability Board
Greater China segment	Viatris' business segment that includes our operations primarily in the following markets: mainland China, Taiwan and Hong Kong
Idorsia	Idorsia Pharmaceuticals Ltd.
Idorsia Transaction	The transaction between Viatris and Idorsia pursuant to which Viatris acquired the development programs and certain personnel related to selatogrel and cenerimod from Idorsia in exchange for an upfront payment to Idorsia of $350 million, potential development and regulatory milestone payments, certain contingent payments of tiered sales milestones, as well as potential contingent tiered sales royalties
IPR&D	In-process research and development
IRS	U.S. Internal Revenue Service
IT	Information technology
JANZ segment	Viatris' business segment that includes our operations in the following markets: Japan, Australia and New Zealand
Mapi	Mapi Pharma Ltd.
Maximum Leverage Ratio	The maximum consolidated leverage ratio financial covenant requiring maintenance of a maximum ratio of consolidated total indebtedness as of the end of any quarter to consolidated EBITDA for the trailing four quarters as defined in the related credit agreements from time to time
MDL	Multidistrict litigation
Mylan	Mylan N.V. and its subsidiaries
Mylan Inc. U.S. Dollar Notes	The 4.550% Senior Notes due 2028, 5.400% Senior Notes due 2043 and 5.200% Senior Notes due 2048 issued by Mylan Inc., which are fully and unconditionally guaranteed on a senior unsecured basis by Mylan II B.V., Viatris Inc. and Utah Acquisition Sub Inc.
NASDAQ	The NASDAQ Stock Market
NDA	New Drug Application
OAI	Official Action Indicated, an official FDA inspection classification indicating that regulatory and/or administrative actions are recommended
OTC	Over-the-counter
OTC Business	Viatris' OTC business that the Company divested to Cooper Consumer Health SAS in July 2024, including two manufacturing sites located in Merignac, France, and Confienza, Italy, and an R&D site in Monza, Italy. This excludes the Company's rights for Viagra®, Dymista® (which, in certain limited markets, are sold as OTC products), and select OTC products in certain markets.
Oyster Point	Oyster Point Pharma, Inc.
Pacira BioSciences, Inc.	Pacira
Pacira Merger	The second-step merger pursuant to which the Company will acquire all remaining Pacira Shares not tendered in the Pacira Offer for $36.50 per share in cash
Pacira Merger Agreement	The definitive agreement between the Company and Pacira under which the Company has agreed to acquire all of the outstanding Pacira Shares
Pacira Offer	The Company's tender offer to acquire all of the outstanding Pacira Shares for $36.50 per share in cash
Pacira Shares	The shares of common stock of Pacira
Pfizer	Pfizer Inc.
PSUs	Performance awards
R&D	Research and development
Receivables Facility	The accounts receivable facility for up to an aggregate amount of $600 million entered into in May 2025 and expiring in April 2028
Registered Notes	The 2033 Euro Senior Notes, the Registered Upjohn Notes, the Utah U.S. Dollar Notes and the Mylan Inc. U.S. Dollar Notes, collectively.

Registered Upjohn Notes	The 2.300% Senior Notes due 2027, 2.700% Senior Notes due 2030, 3.850% Senior Notes due 2040 and 4.000% Senior Notes due 2050 originally issued on October 29, 2021 registered with the SEC in exchange for the corresponding Unregistered Upjohn U.S. Dollar Notes in a similar aggregate principal amount and with terms substantially identical to the corresponding Unregistered Upjohn U.S. Dollar Notes and fully and unconditionally guaranteed by Mylan Inc., Mylan II B.V. and Utah Acquisition Sub Inc.
Respiratory Delivery Platform	Pfizer's proprietary dry powder inhaler delivery platform
Restricted Stock Awards	The Company's nonvested restricted stock and restricted stock unit awards, including PSUs
SDNY	U.S. District Court for the Southern District of New York
SEC	U.S. Securities and Exchange Commission
Securities Act	Securities Act of 1933, as amended
Senior U.S. Dollar Notes	The Upjohn U.S. Dollar Notes, the Utah U.S. Dollar Notes and the Mylan Inc. U.S. Dollar Notes, collectively
Separation and Distribution Agreement	Separation and Distribution Agreement between Viatris and Pfizer, dated as of July 29, 2019, as amended from time to time
SG&A	Selling, general and administrative expenses
TSA	Transition services agreements, including related distribution services
U.K.	United Kingdom
U.S.	United States
U.S. GAAP	Accounting principles generally accepted in the U.S.
Unregistered Upjohn U.S. Dollar Notes	The 2.300% Senior Notes due 2027, 2.700% Senior Notes due 2030, 3.850% Senior Notes due 2040 and 4.000% Senior Notes due 2050 originally issued on June 22, 2020 by Upjohn Inc. (now Viatris Inc.) in a private offering exempt from the registration requirements of the Securities Act and fully and unconditionally guaranteed by Mylan Inc., Mylan II B.V. and Utah Acquisition Sub Inc.
Upjohn	Upjohn Inc., a wholly owned subsidiary of Pfizer prior to the Distribution, that combined with Mylan and was renamed Viatris Inc.
Upjohn Business	Pfizer's off-patent branded and generic established medicines business that, in connection with the Combination, was separated from Pfizer and combined with Mylan to form Viatris
Upjohn Distributor Markets	Select geographic markets that were part of the Combination that are smaller in nature and in which we had no established infrastructure prior to or following the Combination and that the Company has divested or intends to divest
Upjohn U.S. Dollar Notes	Senior unsecured notes denominated in U.S. dollars and originally issued by Upjohn Inc. or Viatris Inc. pursuant to an indenture dated June 22, 2020 and fully and unconditionally guaranteed by Mylan Inc., Mylan II B.V. and Utah Acquisition Sub Inc.
Utah Acquisition Sub	Utah Acquisition Sub Inc., a Delaware corporation and an indirect wholly owned subsidiary of Viatris
Utah U.S. Dollar Notes	The 5.250% Senior Notes due 2046 issued by Utah Acquisition Sub Inc., which are fully and unconditionally guaranteed on a senior unsecured basis by Mylan Inc., Viatris Inc. and Mylan II B.V.
Viatris	Viatris Inc., formerly known as Upjohn Inc. prior to the completion of the Combination
YEN Term Loan Facility	The ¥40 billion term loan agreement dated as of July 1, 2026, among Viatris, the guarantors from time to time party thereto, the lenders from time to time party thereto and Mizuho Bank, Ltd., as administrative agent

PART I — FINANCIAL INFORMATION

VIATRIS INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Operations
(Unaudited; in millions, except per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Revenues:				
Net sales	$ 3,734.7	$ 3,747.5	$ 10,990.3	$ 10,559.7
Other revenues	14.8	12.4	33.0	36.6
Total revenues	3,749.5	3,759.9	11,023.3	10,596.3
Cost of sales	2,311.5	2,388.4	6,971.6	6,730.7
Gross profit	1,438.0	1,371.5	4,051.7	3,865.6
Operating expenses:				
Research and development	231.7	250.4	728.6	691.2
Acquired IPR&D	5.0	—	5.2	10.0
Selling, general and administrative	950.8	886.6	3,014.1	2,763.4
Impairment of goodwill	—	—	—	2,936.8
Litigation settlements and other contingencies, net	(11.0)	55.7	115.7	(65.4)
Total operating expenses	1,176.5	1,192.7	3,863.6	6,336.0
Earnings (loss) from operations	261.5	178.8	188.1	(2,470.4)
Interest expense	112.4	119.6	353.2	351.7
Other expense, net	21.2	67.1	18.3	499.9
Earnings (loss) before income taxes	127.9	(7.9)	(183.4)	(3,322.0)
Income tax provision (benefit)	453.2	120.3	84.3	(147.2)
Net loss	$ (325.3)	$ (128.2)	$ (267.7)	$ (3,174.8)
Loss per share attributable to Viatris Inc. shareholders				
Basic	$ (0.28)	$ (0.11)	$ (0.23)	$ (2.70)
Diluted	$ (0.28)	$ (0.11)	$ (0.23)	$ (2.70)
Weighted average shares outstanding:				
Basic	1,148.6	1,164.6	1,155.8	1,176.7
Diluted	1,148.6	1,164.6	1,155.8	1,176.7

See Notes to Condensed Consolidated Financial Statements

VIATRIS INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Comprehensive Loss
(Unaudited; in millions)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net loss	$ (325.3)	$ (128.2)	$ (267.7)	$ (3,174.8)
Other comprehensive (loss) earnings, before tax:				
Foreign currency translation adjustment	(6.1)	(74.0)	(200.7)	931.8
Change in unrecognized (loss) gain and prior service cost related to defined benefit plans	—	(3.9)	(4.2)	(3.6)
Net unrecognized (loss) gain on derivatives in cash flow hedging relationships	(0.6)	11.5	13.2	(45.0)
Net unrecognized gain (loss) on derivatives in net investment hedging relationships	13.5	25.3	103.4	(503.6)
Net unrealized (loss) gain on available-for-sale fixed income securities	(1.2)	0.3	(1.8)	1.1
Other comprehensive earnings (loss), before tax	5.6	(40.8)	(90.1)	380.7
Income tax provision (benefit)	2.9	8.0	25.0	(119.0)
Other comprehensive earnings (loss), net of tax	2.7	(48.8)	(115.1)	499.7
Comprehensive loss	$ (322.6)	$ (177.0)	$ (382.8)	$ (2,675.1)

See Notes to Condensed Consolidated Financial Statements

VIATRIS INC. AND SUBSIDIARIES
Condensed Consolidated Balance Sheets
(Unaudited in millions, except share and per share amounts)

	September 30, 2026	December 31, 2025
ASSETS		
Assets		
Current assets:		
Cash and cash equivalents	$ 1,789.2	$ 1,322.4
Accounts receivable, net	3,121.2	3,031.3
Inventories	3,829.2	3,999.2
Prepaid expenses and other current assets	1,558.2	1,436.3
Total current assets	10,297.8	9,789.2
Property, plant and equipment, net	2,419.8	2,614.0
Intangible assets, net	13,079.5	15,102.1
Goodwill	6,620.0	6,754.7
Deferred income tax benefit	1,173.0	1,061.2
Other assets	1,092.5	1,871.9
Total assets	$ 34,682.6	$ 37,193.1
LIABILITIES AND EQUITY		
Liabilities		
Current liabilities:		
Accounts payable	$ 1,653.3	$ 1,754.1
Income taxes payable	120.0	124.0
Current portion of long-term debt and other long-term obligations	1,727.5	1,933.3
Other current liabilities	3,135.7	3,282.9
Total current liabilities	6,636.5	7,094.3
Long-term debt	11,587.5	12,480.6
Deferred income tax liability	776.0	892.0
Other long-term obligations	1,997.1	2,014.9
Total liabilities	20,997.1	22,481.8
Equity		
Viatris Inc. shareholders' equity		
Common stock: $0.01 par value, 3,000,000,000 shares authorized; shares issued: 1,258,911,040 and 1,245,391,929 as of September 30, 2026 and December 31, 2025	12.6	12.5
Additional paid-in capital	18,459.1	18,801.3
Retained deficit	(656.0)	(388.3)
Accumulated other comprehensive loss	(2,822.1)	(2,707.0)
	14,993.6	15,718.5
Less: Treasury stock — at cost		
Common stock shares: 112,461,919 and 94,176,848 as of September 30, 2026 and December 31, 2025	1,308.1	1,007.2
Total equity	13,685.5	14,711.3
Total liabilities and equity	$ 34,682.6	$ 37,193.1

See Notes to Condensed Consolidated Financial Statements

VIATRIS INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Equity
(Unaudited; in millions, except share and per share amounts)

	Common Stock		Additional Paid-In Capital	Retained Deficit	Treasury Stock		Accumulated Other Comprehensive Loss	Total Equity
	Shares	Cost			Shares	Cost		
Balance at June 30, 2026	1,258,784,090	$ 12.6	$18,560.4	$ (330.7)	103,547,908	$(1,157.1)	$ (2,824.8)	$14,260.4
Net loss	—	—	—	(325.3)	—	—	—	(325.3)
Other comprehensive earnings, net of tax	—	—	—	—	—	—	2.7	2.7
Issuance of restricted stock and stock options exercised, net	94,710	—	—	—	—	—	—	—
Taxes related to the net share settlement of equity awards	—	—	(0.7)	—	—	—	—	(0.7)
Share-based compensation expense	—	—	39.6	—	—	—	—	39.6
Common stock repurchase	—	—	—	—	8,914,011	(151.0)	—	(151.0)
Issuance of common stock	32,240	—	0.5	—	—	—	—	0.5
Cash dividends declared, $0.12 per common share	—	—	(140.7)	—	—	—	—	(140.7)
Balance at September 30, 2026	1,258,911,040	$ 12.6	$18,459.1	$ (656.0)	112,461,919	$(1,308.1)	$ (2,822.1)	$13,685.5

	Common Stock		Additional Paid-In Capital	Retained Deficit	Treasury Stock		Accumulated Other Comprehensive Loss	Total Equity
	Shares	Cost			Shares	Cost		
Balance at December 31, 2025	1,245,391,929	$ 12.5	$18,801.3	$ (388.3)	94,176,848	$(1,007.2)	$ (2,707.0)	$14,711.3
Net loss	—	—	—	(267.7)	—	—	—	(267.7)
Other comprehensive loss, net of tax	—	—	—	—	—	—	(115.1)	(115.1)
Issuance of restricted stock and stock options exercised, net	13,407,867	0.1	16.4	—	—	—	—	16.5
Taxes related to the net share settlement of equity awards	—	—	(57.7)	—	—	—	—	(57.7)
Share-based compensation expense	—	—	126.5	—	—	—	—	126.5
Common stock repurchase	—	—	—	—	18,285,071	(300.9)	—	(300.9)
Issuance of common stock	111,244	—	1.7	—	—	—	—	1.7
Cash dividends declared, $0.36 per common share	—	—	(429.1)	—	—	—	—	(429.1)
Balance at September 30, 2026	1,258,911,040	$ 12.6	$18,459.1	$ (656.0)	112,461,919	$(1,308.1)	$ (2,822.1)	$13,685.5

See Notes to Condensed Consolidated Financial Statements

	Common Stock		Additional Paid-In Capital	Retained Earnings (Deficit)	Treasury Stock		Accumulated Other Comprehensive Loss	Total Equity
	Shares	Cost			Shares	Cost		
Balance at June 30, 2025	1,245,047,557	$ 12.5	$18,998.2	$ 80.0	79,334,807	$(855.8)	$ (2,664.4)	$15,570.5
Net loss	—	—	—	(128.2)	—	—	—	(128.2)
Other comprehensive loss, net of tax	—	—	—	—	—	—	(48.8)	(48.8)
Issuance of restricted stock and stock options exercised, net	172,798	—	0.2	—	—	—	—	0.2
Taxes related to the net share settlement of equity awards	—	—	(0.7)	—	—	—	—	(0.7)
Share-based compensation expense	—	—	36.0	—	—	—	—	36.0
Common stock repurchase	—	—	—	—	6,787,315	(68.4)	—	(68.4)
Issuance of common stock	63,913	—	0.6	—	—	—	—	0.6
Cash dividends declared, $0.12 per common share	—	—	(143.6)	—	—	—	—	(143.6)
Balance at September 30, 2025	1,245,284,268	$ 12.5	$18,890.7	$ (48.2)	86,122,122	$(924.2)	$ (2,713.2)	$15,217.6

	Common Stock		Additional Paid-In Capital	Retained Earnings (Deficit)	Treasury Stock		Accumulated Other Comprehensive Loss	Total Equity
	Shares	Cost			Shares	Cost		
Balance at December 31, 2024	1,234,131,491	$ 12.3	$18,921.6	$ 3,418.8	40,483,663	$(504.3)	$ (3,212.9)	$18,635.5
Net loss	—	—	—	(3,174.8)	—	—	—	(3,174.8)
Other comprehensive earnings, net of tax	—	—	—	—	—	—	499.7	499.7
Issuance of restricted stock and stock options exercised, net	10,943,849	0.2	14.2	—	—	—	—	14.4
Taxes related to the net share settlement of equity awards	—	—	(31.7)	—	—	—	—	(31.7)
Share-based compensation expense	—	—	128.3	—	—	—	—	128.3
Common stock repurchase	—	—	—	—	45,638,459	(419.9)	—	(419.9)
Issuance of common stock	208,928	—	1.9	—	—	—	—	1.9
Cash dividends declared, $0.36 per common share	—	—	(143.6)	(292.2)	—	—	—	(435.8)
Balance at September 30, 2025	1,245,284,268	$ 12.5	$18,890.7	$ (48.2)	86,122,122	$(924.2)	$ (2,713.2)	$15,217.6

See Notes to Condensed Consolidated Financial Statements

VIATRIS INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
(Unaudited; in millions)

	Nine Months Ended September 30,	
	2026	**2025**
Cash flows from operating activities:		
Net loss	$ (267.7)	$ (3,174.8)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	2,045.6	2,031.5
Share-based compensation expense	126.5	128.3
Deferred income tax benefit	(236.2)	(228.3)
Loss on disposal of business	13.9	79.1
Acquired IPR&D	5.2	15.0
Impairment of goodwill	—	2,936.8
Other non-cash items	452.5	835.8
Litigation settlements and other contingencies, net	119.9	(45.1)
Changes in operating assets and liabilities:		
Accounts receivable	(233.5)	62.7
Inventories	(206.9)	(122.2)
Accounts payable	(34.0)	(186.5)
Income taxes	(57.4)	(238.4)
Other operating assets and liabilities, net	(58.4)	(593.8)
Net cash provided by operating activities	1,669.5	1,500.1
Cash flows from investing activities:		
Proceeds from the sale of investments	779.8	—
Capital expenditures	(178.4)	(182.3)
Purchase of marketable securities	(24.2)	(18.1)
Proceeds from the sale of marketable securities	24.2	18.1
Payments for product rights and other, net	(85.9)	(32.9)
Purchases of IPR&D	(8.3)	(15.0)
Proceeds from the sale of property, plant and equipment	10.9	13.7
Net cash provided by (used in) investing activities	518.1	(216.5)
Cash flows from financing activities:		
Proceeds from issuance of long-term debt	1,302.8	—
Payments of long-term debt	(2,225.0)	—
Purchase of common stock	(300.0)	(415.4)
Change in short-term borrowings, net	—	1.7
Taxes paid related to net share settlement of equity awards	(57.5)	(30.3)
Contingent consideration payments	(11.4)	(13.1)
Payments of financing fees	(4.7)	(1.3)
Cash dividends paid	(416.9)	(423.0)
Issuance of common stock	1.7	2.0
Other items, net	(25.2)	(178.1)
Net cash used in financing activities	(1,736.2)	(1,057.5)
Effect on cash of changes in exchange rates	(6.7)	41.3
Net increase in cash, cash equivalents and restricted cash	444.7	267.4
Cash, cash equivalents and restricted cash — beginning of period	1,348.0	736.1
Cash, cash equivalents and restricted cash — end of period	$ 1,792.7	$ 1,003.5

See Notes to Condensed Consolidated Financial Statements

1. General

The accompanying unaudited condensed consolidated financial statements ("interim financial statements") of Viatris Inc. and subsidiaries were prepared in accordance with U.S. GAAP and the rules and regulations of the SEC for reporting on Form 10-Q; therefore, as permitted under these rules, certain footnotes and other financial information included in audited financial statements were condensed or omitted. The interim financial statements contain all adjustments (consisting of only normal recurring adjustments) necessary to present fairly the interim results of operations, comprehensive loss, financial position, equity and cash flows for the periods presented.

These interim financial statements should be read in conjunction with the consolidated financial statements and notes thereto in Viatris' 2025 Form 10-K. The December 31, 2025 condensed consolidated balance sheet was derived from audited financial statements.

The interim results of operations and comprehensive loss for the three and nine months ended September 30, 2026, and cash flows for the nine months ended September 30, 2026, are not necessarily indicative of the results to be expected for the full fiscal year or any other future period.

2. Revenue Recognition and Accounts Receivable

The Company recognizes revenues in accordance with ASC 606, *Revenue from Contracts with Customers*. Under ASC 606, the Company recognizes net revenue for product sales when control of the promised goods or services is transferred to our customers in an amount that reflects the consideration we expect to be entitled to in exchange for those goods or services. Revenues are recorded net of provisions for variable consideration, including discounts, rebates, governmental rebate programs, price adjustments, returns, chargebacks, promotional programs and other sales allowances. Accruals for these provisions are presented in the condensed consolidated financial statements as reductions in determining net sales and as a contra asset in accounts receivable, net (if settled via credit) and other current liabilities (if paid in cash).

Our net sales may be impacted by wholesaler and distributor inventory levels of our products, which can fluctuate throughout the year due to the seasonality of certain products, pricing, the timing of product demand, purchasing decisions and other factors. Such fluctuations may impact the comparability of our net sales between periods.

Consideration received from licenses of intellectual property is recorded as other revenues. Royalty or profit share amounts, which are based on sales of licensed products or technology, are recorded when the customer's subsequent sales or usages occur. Such consideration is included in other revenues in the condensed consolidated statements of operations.

The following table presents the Company's net sales by product category for each of our reportable segments for the three and nine months ended September 30, 2026 and 2025, respectively:

(In millions)	Three Months Ended September 30, 2026				
Product Category	**Developed Markets**	**Greater China**	**JANZ**	**Emerging Markets**	**Total**
Brands	$ 1,184.6	$ 697.1	$ 143.5	$ 436.2	$ 2,461.4
Generics	1,031.3	5.5	143.6	92.9	1,273.3
Total Viatris	$ 2,215.9	$ 702.6	$ 287.1	$ 529.1	$ 3,734.7

(In millions)	Nine Months Ended September 30, 2026				
Product Category	**Developed Markets**	**Greater China**	**JANZ**	**Emerging Markets**	**Total**
Brands	$ 3,375.9	$ 2,085.1	$ 426.7	$ 1,324.6	$ 7,212.3
Generics	3,054.5	11.4	429.9	282.2	3,778.0
Total Viatris	$ 6,430.4	$ 2,096.5	$ 856.6	$ 1,606.8	$ 10,990.3

(In millions)	Three Months Ended September 30, 2025				
Product Category	**Developed Markets**	**Greater China**	**JANZ**	**Emerging Markets**	**Total**
Brands	$ 1,241.3	$ 612.3	$ 159.1	$ 424.1	$ 2,436.8
Generics	1,014.3	2.9	147.2	146.3	1,310.7
Total Viatris	$ 2,255.6	$ 615.2	$ 306.3	$ 570.4	$ 3,747.5

(In millions)	Nine Months Ended September 30, 2025				
Product Category	**Developed Markets**	**Greater China**	**JANZ**	**Emerging Markets**	**Total**
Brands	$ 3,382.5	$ 1,751.6	$ 461.4	$ 1,242.7	$ 6,838.2
Generics	2,884.1	8.0	426.7	402.7	3,721.5
Total Viatris	$ 6,266.6	$ 1,759.6	$ 888.1	$ 1,645.4	$ 10,559.7

[a] Amounts include the impact of foreign currency fluctuations.

The following table presents net sales on a consolidated basis for select key products for the three and nine months ended September 30, 2026 and 2025, respectively:

(In millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	**2025**	**2026**	**2025**
Select Key Global Products				
Lipitor ®	$ 451.9	$ 396.1	$ 1,366.1	$ 1,172.0
Norvasc ®	190.2	179.7	600.4	534.7
EpiPen® Auto-Injectors	155.8	157.2	386.1	390.7
Lyrica ®	114.2	126.5	355.4	367.2
Creon ®	98.1	93.1	292.9	266.9
Viagra ®	94.1	105.2	302.0	304.0
Zoloft ®	78.8	66.8	222.8	188.1
Celebrex ®	70.2	73.3	213.7	206.7
Effexor ®	63.9	67.2	192.6	189.6
Xalabrands	43.9	38.6	121.9	116.4
Select Key Segment Products				
Influvac ®	$ 90.6	$ 125.4	$ 100.5	$ 130.8
Yupelri ®	71.5	71.4	204.7	196.3
Xanax ®	36.6	34.2	109.5	100.4
Amitiza ®	36.4	40.8	109.8	115.7
Dymista ®	35.4	33.8	112.5	125.0

[a] The Company does not disclose net sales for any products considered competitively sensitive.

[b] Products disclosed may change in future periods, including as a result of seasonality, competition or new product launches.

[c] Amounts include the impact of foreign currency fluctuations compared to the prior year period.

[d] Refer to intellectual property matters included in Note 18 *Litigation* for additional information regarding Amitiza®.

Variable Consideration and Accounts Receivable

The following table presents a reconciliation of gross sales to net sales by each significant category of variable consideration during the three and nine months ended September 30, 2026 and 2025, respectively:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	**2026**	**2025**	**2026**	**2025**
Gross sales	$ 5,860.1	$ 6,208.3	$ 17,863.3	$ 17,753.3
Gross to net adjustments:				
Chargebacks	(1,043.9)	(1,265.9)	(3,383.8)	(3,684.5)
Rebates, promotional programs and other sales allowances	(878.9)	(975.0)	(2,898.3)	(2,864.0)
Returns	(49.4)	(48.7)	(136.3)	(150.8)
Governmental rebate programs	(153.2)	(171.2)	(454.6)	(494.3)
Total gross to net adjustments	$ (2,125.4)	$ (2,460.8)	$ (6,873.0)	$ (7,193.6)
Net sales	$ 3,734.7	$ 3,747.5	$ 10,990.3	$ 10,559.7

[(a)] Amounts include the impact of foreign currency fluctuations.

No significant revisions were made to the methodology used in determining these provisions or the nature of the provisions during the three and nine months ended September 30, 2026. Such allowances were comprised of the following at September 30, 2026 and December 31, 2025, respectively:

(In millions)	**September 30, 2026**	**December 31, 2025**
Accounts receivable, net	$ 1,154.4	$ 1,257.4
Other current liabilities	941.9	1,011.2
Total	$ 2,096.3	$ 2,268.6

Accounts receivable, net was comprised of the following at September 30, 2026 and December 31, 2025, respectively:

(In millions)	**September 30, 2026**	**December 31, 2025**
Trade receivables, net	$ 2,631.4	$ 2,577.6
Other receivables	489.8	453.7
Accounts receivable, net	$ 3,121.2	$ 3,031.3

Accounts Receivable Factoring Arrangements

We have entered into accounts receivable factoring agreements with financial institutions to sell certain of our non-U.S. accounts receivable. These transactions are accounted for as sales and result in a reduction in accounts receivable because the agreements transfer effective control over and risk related to the receivables to the buyers. Our factoring agreements do not allow for recourse in the event of uncollectibility, and we do not retain any interest in the underlying accounts receivable once sold. We derecognized $149.9 million and $301.9 million of accounts receivable as of September 30, 2026 and December 31, 2025, respectively, under these factoring arrangements. Additionally, we have a similar arrangement for certain European countries. As of September 30, 2026, we assigned and derecognized approximately $50.7 million of *Trade Receivables, Net,* which were included in *Other Receivable*s. As of December 31, 2025, no amounts were assigned and derecognized.

3. Recent Accounting Pronouncements

Adoption of New Accounting Standards

In July 2025, the FASB issued ASU 2025-05, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets*, which provides a practical expedient permitting an entity to assume that conditions as of the balance sheet date remain unchanged over the life of the asset when estimating expected credit losses for current accounts receivable and current contract assets. ASU 2025-05 is effective for annual reporting periods beginning after December 15, 2025, and interim reporting periods within those annual reporting periods, with early adoption permitted. Entities should apply the new guidance prospectively. We adopted this guidance beginning January 1, 2026. The adoption of this ASU did not have a material impact on the Company's condensed consolidated financial statements and disclosures.

There were no other significant changes in new accounting standards from those disclosed in Viatris' 2025 Form 10-K. Refer to Viatris' 2025 Form 10-K for additional information.

4. Acquisitions and Other Transactions

Acquisition of Pacira BioSciences Inc.

On October 8, 2026, the Company entered into the Pacira Merger Agreement with Pacira under which Viatris has agreed to acquire all of the outstanding Pacira Shares for $36.50 per share in cash, representing an aggregate equity value of $1.65 billion. Pacira brings two established, high-margin, patent-protected, in-market U.S. products – EXPAREL® (bupivacaine liposome injectable suspension) and ZILRETTA® (triamcinolone acetonide extended-release injectable suspension). Viatris plans to leverage its intellectual property expertise and proven ability to extend product lifecycles and sustain meaningful sales after the entry of competition to maximize the long-term value of the Pacira portfolio and expects to expand the products' reach across select markets within its global infrastructure.

On October 30, 2026, the Company commenced the Pacira Offer to purchase all of the issued and outstanding Pacira Shares for $36.50 per share in cash, net of applicable withholding taxes and without interest, upon the terms and subject to the conditions set forth in the related Pacira Merger Agreement. The Pacira Offer and withdrawal rights will expire at one minute after 11:59 p.m., Eastern Time, on November 16, 2026, unless the Pacira Offer is extended or earlier terminated in accordance with the Pacira Merger Agreement. Following completion of the Pacira Offer, Viatris will acquire all remaining Pacira Shares not tendered in the Pacira Offer through the Pacira Merger for the same consideration. The Company expects to fund the transaction primarily from excess cash with the remainder from short-term borrowings.

The transaction, which was unanimously approved by the boards of directors of both companies, is subject to customary closing conditions, including the tender of a majority of the outstanding Pacira Shares and expiration of the applicable regulatory waiting period. The transaction is expected to close by the end of November 2026.

5. Divestitures

By the end of 2024, the Company had substantially completed the previously announced divestitures of its OTC Business, its women's healthcare business primarily related to oral and injectable contraceptives, its API business in India, its rights to two women's healthcare products in certain countries, and commercialization rights in the majority of the Upjohn Distributor Markets.

During the nine months ended September 30, 2026, the Company recorded additional pre-tax charges of approximately $13.9 million, and during the three and nine months ended September 30, 2025, the Company recorded pre-tax (gain) charges of approximately $(1.6) million and $79.1 million, respectively, primarily related to the divestitures of the OTC and API businesses. The additional charges were recorded as a component of *Other Expense, Net* in the condensed consolidated statements of operations, and were primarily due to an increase in estimated transaction related costs, including the assumption of additional contractual obligations, as well as the impact of working capital and other transaction-related adjustments.

In conjunction with these transactions, Viatris and the respective buyers entered into various agreements to provide a framework for our relationship with the respective buyers after the closing of the divestitures, including transition services agreements, manufacturing and supply agreements, and distribution agreements, some of which include various on-going financial obligations. The transition services and distribution agreements were substantially concluded as of December 31, 2025.

Sale of Tyrvaya® Product Rights

On August 3, 2026, the Company entered into a definitive agreement to sell the product rights for Tyrvaya® for upfront cash consideration of $30 million and potential contingent sales milestones of up to $70 million. On October 1, 2026, the Company amended and restated the definitive agreement to retain the rights to commercialize Tyrvaya® in Japan, subject to future sales royalties, and subsequently closed the transaction.

During the second quarter of 2026, the Company determined that the intangible asset related to Tyrvaya® should be classified as held for sale. Upon classification as held for sale, the Company recognized a charge of $177.8 million to write down the intangible asset to fair value, less cost to sell. During the third quarter of 2026, the Company adjusted the assets and liabilities held for sale, resulting in a gain of $0.8 million. The amounts are included in *SG&A* on the condensed consolidated statements of operations. The assets and liabilities reclassified as held for sale are included in *Prepaid Expenses and Other Current Assets* and *Other Current Liabilities*, respectively, in the condensed consolidated balance sheet.

6. Share-Based Incentive Plan

Prior to the Distribution, Viatris adopted and Pfizer, in the capacity as Viatris' sole stockholder at such time, approved the 2020 Incentive Plan (the *Viatris Inc. 2020 Stock Incentive Plan*) which became effective as of the Distribution. In connection with the Combination, as of November 16, 2020, the Company assumed the 2003 LTIP (*Mylan N.V. Amended and Restated 2003 Long-Term Incentive Plan*), which had previously been approved by Mylan shareholders. The 2020 Incentive Plan includes 72,500,000 shares of Viatris' common stock authorized for grant pursuant to the 2020 Incentive Plan, which may include dividend payments payable in common stock on unvested shares granted under awards. No shares remain available for issuance under the 2003 LTIP, however, certain awards remain outstanding under the plan.

The Board approved an amendment to the 2020 Incentive Plan, which was approved by Viatris shareholders on December 6, 2024, to increase the maximum aggregate number of shares of Viatris common stock available for issuance under the 2020 Incentive Plan by 49,000,000.

Under the 2020 Incentive Plan, shares are reserved for issuance to key employees, consultants, independent contractors and non-employee directors of the Company through a variety of incentive awards, including: stock options, stock appreciation rights, restricted stock and units, PSUs, other stock-based awards and short-term cash awards. Stock option awards are granted with an exercise price equal to the fair market value of the shares underlying the stock options at the date of the grant, generally become exercisable over periods ranging from three to four years, and generally expire in ten years.

The following table summarizes stock options activity:

	Number of Stock Options		Weighted Average Exercise Price per Share
Outstanding at December 31, 2025	2,460,805	$	34.21
Exercised	(37,393)		9.91
Forfeited	(605,947)		43.25
Outstanding at September 30, 2026	1,817,465	$	31.70
Vested and expected to vest at September 30, 2026	1,817,465	$	31.70
Exercisable at September 30, 2026	1,817,465	$	31.70

As of September 30, 2026, stock options outstanding, stock options vested and expected to vest, and stock options exercisable each had average remaining contractual terms of 2.0 years, and each had aggregate intrinsic values of approximately $0.4 million.

A rollforward of the changes in the Company's nonvested Restricted Stock Awards (restricted stock and restricted stock unit awards, including PSUs) from December 31, 2025 to September 30, 2026 is presented below:

	Number of Restricted Stock Awards	Weighted Average Grant-Date Fair Value Per Share
Nonvested at December 31, 2025	32,916,111	$ 10.59
Granted	14,565,838	13.69
Released	(15,618,994)	10.90
Forfeited	(2,752,042)	11.32
Nonvested at September 30, 2026	29,110,913	$ 11.90

As of September 30, 2026, the Company had $201.0 million of total unrecognized compensation expense, net of estimated forfeitures, related to all of its stock-based awards, which we expect to recognize over the remaining weighted average vesting period of 1.5 years. The total intrinsic value of Restricted Stock Awards released and stock options exercised during the nine months ended September 30, 2026 and 2025 was $222.8 million and $120.9 million, respectively.

7. Pensions and Other Postretirement Benefits

Defined Benefit Plans

The Company sponsors various defined benefit pension plans in several countries. Benefits provided generally depend on length of service, pay grade and remuneration levels. Employees in the U.S., Puerto Rico and certain international locations are also provided retirement benefits through defined contribution plans.

The Company also sponsors other postretirement benefit plans including plans that provide for postretirement supplemental medical coverage. Benefits from these plans are provided to employees and their spouses and dependents who meet various minimum age and service requirements. In addition, the Company sponsors other plans that provide for life insurance benefits and postretirement medical coverage for certain officers and management employees.

Net Periodic Benefit Cost

Components of net periodic benefit cost for the three and nine months ended September 30, 2026 and 2025 were as follows:

	Pension and Other Postretirement Benefits			
	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	2026	2025	2026	2025
Service cost	$ 8.7	$ 7.4	$ 26.0	$ 22.3
Interest cost	16.0	16.2	48.0	48.7
Expected return on plan assets	(17.6)	(16.8)	(52.7)	(50.4)
Amortization of prior service costs	0.6	—	1.9	—
Recognized net actuarial gains	(2.2)	(2.9)	(6.7)	(8.7)
Net periodic benefit cost	$ 5.5	$ 3.9	$ 16.5	$ 11.9

The Company is making the minimum mandatory contributions to its defined benefit pension plans in the U.S. and Puerto Rico for the 2026 plan year. The Company expects to make total benefit payments of approximately $170.0 million from pension and other postretirement benefit plans in 2026. The Company anticipates making contributions to pension and other postretirement benefit plans of approximately $60.9 million in 2026.

On July 17, 2025, the Company approved an amendment to terminate one of its defined benefit plans in the United States (the "U.S. Plan"). The distribution of the U.S. Plan assets pursuant to the termination will not be made until the plan termination satisfies all regulatory requirements, which is expected to be completed by the end of 2026. U.S. Plan participants will receive their full accrued benefits from plan assets by electing either lump sum distributions or annuity contracts with a qualifying third-party annuity provider. The resulting settlement effect of the U.S. Plan termination will be determined based on prevailing market conditions, the lump sum offer participation rate of eligible participants, the actual lump sum distributions, and annuity purchase rates at the date of distribution. As a result, the Company is currently unable to reasonably estimate either the timing or the final amount of such settlement charges. Based on the valuation performed as of January 1, 2026, the U.S. Plan had an overfunded status of approximately $0.2 million.

8. Balance Sheet Components

Selected balance sheet components consist of the following:

Cash and restricted cash

(In millions)	September 30, 2026	December 31, 2025	September 30, 2025
Cash and cash equivalents	$ 1,789.2	$ 1,322.4	$ 975.3
Restricted cash, included in prepaid expenses and other current assets	3.5	25.6	28.2
Cash, cash equivalents and restricted cash	$ 1,792.7	$ 1,348.0	$ 1,003.5

Inventories

(In millions)	September 30, 2026	December 31, 2025
Raw materials	$ 1,392.6	$ 1,422.4
Work in process	472.5	491.7
Finished goods	1,964.1	2,085.1
Inventories	$ 3,829.2	$ 3,999.2

Prepaid expenses and other current assets

(In millions)	September 30, 2026	December 31, 2025
Prepaid expenses	$ 266.2	$ 225.4
Available-for-sale fixed income securities	40.0	40.7
Fair value of financial instruments	107.2	84.2
Equity securities	69.9	65.7
Deferred charge for taxes on intercompany profit	616.3	568.3
Income tax receivable	298.9	315.8
Other current assets	159.7	136.2
Prepaid expenses and other current assets	$ 1,558.2	$ 1,436.3

Prepaid expenses consist primarily of prepaid rent, insurance and other individually insignificant items.

Property, plant and equipment, net

(In millions)	September 30, 2026	December 31, 2025
Machinery and equipment	$ 3,174.7	$ 3,043.4
Buildings and improvements	1,537.9	1,527.9
Construction in progress	348.0	448.5
Land and improvements	105.9	114.9
Gross property, plant and equipment	5,166.5	5,134.7
Accumulated depreciation	2,746.7	2,520.7
Property, plant and equipment, net	$ 2,419.8	$ 2,614.0

Other assets

(In millions)	September 30, 2026	December 31, 2025
CCPS in Biocon Biologics [(1)]	—	815.0
Operating lease right-of-use assets	251.4	271.3
Other long-term assets	841.1	785.6
Other assets	$ 1,092.5	$ 1,871.9

[(1)] Refer to Note 11 *Financial Instruments and Risk Management* for additional information.

Accounts payable

(In millions)	September 30, 2026	December 31, 2025
Trade accounts payable	$ 1,011.5	$ 1,293.7
Other payables	641.8	460.4
Accounts payable	$ 1,653.3	$ 1,754.1

Other current liabilities

(In millions)	September 30, 2026	December 31, 2025
Accrued sales allowances	$ 941.9	$ 1,011.2
Payroll and employee benefit liabilities	698.2	756.4
Legal and professional accruals, including litigation accruals	309.4	326.3
Contingent consideration	18.5	28.5
Accrued restructuring	57.0	40.2
Accrued interest	155.3	52.9
Fair value of financial instruments	87.8	166.6
Operating lease liability	113.5	109.4
Other	754.1	791.4
Other current liabilities	$ 3,135.7	$ 3,282.9

Other long-term obligations

(In millions)	September 30, 2026	December 31, 2025
Employee benefit liabilities	$ 398.9	$ 425.9
Contingent consideration	422.3	343.1
Tax related items, including contingencies	302.3	332.6
Operating lease liability	153.5	178.1
Accrued restructuring	163.4	116.3
Other	556.7	618.9
Other long-term obligations	$ 1,997.1	$ 2,014.9

9. Loss per Share

Basic loss per share is computed by dividing net loss attributable to holders of Viatris Inc. common stock by the weighted average number of shares outstanding during the period. Diluted loss per share is computed by dividing net loss attributable to holders of Viatris Inc. common stock by the weighted average number of shares outstanding during the period increased by the number of additional shares that would have been outstanding related to potentially dilutive securities or instruments, if the impact is dilutive.

Basic and diluted loss per share attributable to Viatris Inc. are calculated as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions, except per share amounts)	2026	2025	2026	2025
Basic loss attributable to Viatris Inc. common shareholders (numerator):				
Net loss attributable to Viatris Inc. common shareholders	$ (325.3)	$ (128.2)	$ (267.7)	$ (3,174.8)
Shares (denominator):				
Weighted average shares outstanding	1,148.6	1,164.6	1,155.8	1,176.7
Basic loss per share attributable to Viatris Inc. shareholders	$ (0.28)	$ (0.11)	$ (0.23)	$ (2.70)
Diluted loss attributable to Viatris Inc. common shareholders (numerator):				
Net loss attributable to Viatris Inc. common shareholders	$ (325.3)	$ (128.2)	$ (267.7)	$ (3,174.8)
Shares (denominator):				
Weighted average shares outstanding	1,148.6	1,164.6	1,155.8	1,176.7
Share-based awards	—	—	—	—
Total dilutive shares outstanding	1,148.6	1,164.6	1,155.8	1,176.7
Diluted loss per share attributable to Viatris Inc. shareholders	$ (0.28)	$ (0.11)	$ (0.23)	$ (2.70)

Additional stock options and Restricted Stock Awards were outstanding during the three and nine months ended September 30, 2026 and 2025, but were not included in the computation of diluted loss per share for each respective period because the effect would be anti-dilutive. Excluded shares also include certain PSUs whose performance conditions had not been fully met. Such excluded shares and anti-dilutive awards represented 22.5 million shares and 24.5 million shares for the three and nine months ended September 30, 2026, respectively, and 12.9 million shares and 22.6 million shares for the three and nine months ended September 30, 2025, respectively.

The Company paid a quarterly cash dividend of $0.12 per share on the Company's issued and outstanding common stock in March 2026, June 2026, and September 2026. On November 2, 2026, the Company's Board of Directors declared a quarterly cash dividend of $0.12 per share on the Company's issued and outstanding common stock, which will be payable on December 16, 2026 to shareholders of record as of the close of business on November 23, 2026. The declaration and payment of future dividends to holders of the Company's common stock will be at the discretion of the Board of Directors, and will depend upon factors, including but not limited to, the Company's financial condition, earnings, capital requirements of its businesses, legal requirements, regulatory constraints, industry practice, and other factors that the Board of Directors deems relevant. The Company also paid quarterly cash dividends of $0.12 per share on the Company's issued and outstanding common stock in each of the four quarters of 2025.

On February 28, 2022, the Company announced that its Board of Directors had authorized a share repurchase program for the repurchase of up to $1.0 billion of the Company's shares of common stock. The Company subsequently announced that on February 26, 2024, its Board of Directors authorized a $1.0 billion increase to the Company's previously announced $1.0 billion share repurchase program. As a result, the Company's share repurchase program now authorizes the repurchase of up to $2.0 billion of the Company's shares of common stock. Such repurchases may be made from time-to-time at the Company's discretion and effected by any means, including but not limited to, open market repurchases, pursuant to plans in accordance with Rules 10b5-1 or 10b-18 under the Exchange Act, privately negotiated transactions (including accelerated stock repurchase programs) or any combination of such methods as the Company deems appropriate. The program does not have an expiration date. The share repurchase program does not obligate the Company to acquire any particular amount of common stock.

During the three and nine months ended September 30, 2026, the Company repurchased approximately 8.9 million shares of common stock at a cost of approximately $150.0 million, and 18.3 million shares of common stock at a cost of approximately $300.0 million, respectively, under the program. During the three and nine months ended September 30, 2025, the Company repurchased approximately 6.8 million shares of common stock at a cost of approximately $67.9 million, and 45.6 million shares of common stock at a cost of approximately $418.3 million, respectively, under the program. As of September 30, 2026, the Company had repurchased a total of approximately 112.5 million shares of common stock at a cost of approximately $1.30 billion under the program.

10. Goodwill and Intangible Assets

Goodwill

The changes in the carrying amount of goodwill for the nine months ended September 30, 2026 are as follows:

(In millions)	Developed Markets [1]	Greater China	JANZ [2]	Emerging Markets [3]	Total
Balance at December 31, 2025:	5,024.5	933.2	—	797.0	6,754.7
Foreign currency translation	(143.3)	8.3	—	0.3	(134.7)
Balance at September 30, 2026:	$ 4,881.2	$ 941.5	$ —	$ 797.3	$ 6,620.0

(1) Balances as of September 30, 2026 and December 31, 2025 include an accumulated impairment loss of $3.19 billion.
(2) Balances as of September 30, 2026 and December 31, 2025 include an accumulated impairment loss of $651.8 million.
(3) Balances as of September 30, 2026 and December 31, 2025 include an accumulated impairment loss of $499.0 million.

The Company reviews goodwill for impairment annually on April 1st or more frequently if events or changes in circumstances indicate that the carrying value of goodwill may not be recoverable.

The Company performed its annual goodwill impairment test as of April 1, 2026 on a quantitative basis for its four reporting units with remaining goodwill (North America, Europe, Emerging Markets, and Greater China). In estimating each reporting unit's fair value, the Company performed an extensive valuation analysis, utilizing a discounted cash flow approach. The determination of the fair value of the reporting units requires the Company to make significant estimates and assumptions that affect the reporting unit's expected future cash flows. These estimates and assumptions, utilizing Level 3 inputs, primarily include, but are not limited to, the discount rate, terminal growth rates, operating income before depreciation and amortization, capital expenditures forecasts and control premium. As of April 1, 2026, the Company's North America and Emerging Markets reporting units each had fair values in excess of 10% of the respective unit's carrying value, and the Company's Europe and Greater China reporting units each had fair values in excess of 40% of the respective unit's carrying value.

As of April 1, 2026, the allocation of the Company's total goodwill was as follows: North America $2.40 billion, Europe $2.57 billion, Emerging Markets $0.80 billion, and Greater China $0.94 billion.

Due to the inherent uncertainty involved in making these estimates, actual results could differ from those estimates. In addition, changes in underlying assumptions, especially as they relate to the key assumptions detailed, could have a significant impact on the fair value of the reporting units.

During the first quarter of 2025, the Company experienced a sharp and sustained decline in its share price and significantly increased uncertainty and volatility in the geopolitical and economic environments in which the Company operates. As a result of these factors, the Company determined that a triggering event had occurred for each of its reporting units and performed an interim goodwill impairment test as of March 31, 2025 and recorded a non-cash goodwill impairment charge of $2.94 billion as a result of the interim goodwill impairment test performed. After the goodwill impairment charge recorded during the first quarter of 2025, there was no remaining goodwill allocated to the JANZ reporting unit.

Intangible Assets, Net

Intangible assets consist of the following components at September 30, 2026 and December 31, 2025:

(In millions)	Weighted Average Life (Years)	Original Cost	Accumulated Amortization	Net Book Value
September 30, 2026				
Product rights, licenses and other [1]	13	$ 33,725.0	$ 21,320.5	$ 12,404.5
In-process research and development		675.0	—	675.0
		$ 34,400.0	$ 21,320.5	$ 13,079.5
December 31, 2025				
Product rights, licenses and other [1]	13	$ 34,506.8	$ 20,110.7	$ 14,396.1
In-process research and development		706.0	—	706.0
		$ 35,212.8	$ 20,110.7	$ 15,102.1

[1] Represents amortizable intangible assets. Other intangible assets consist principally of customer lists and contractual rights.

Amortization expense, intangible asset impairment charges and IPR&D intangible asset impairment charges (which are included as a component of amortization expense) are classified primarily within *Cost of Sales* in the condensed consolidated statements of operations and were as follows for the three and nine months ended September 30, 2026 and 2025:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	2026	2025	2026	2025
Intangible asset amortization expense	$ 558.3	$ 593.4	$ 1,714.8	$ 1,747.9
Intangible asset impairment charges	17.5	—	24.9	—
IPR&D intangible asset impairment charges	31.0	—	31.0	2.2
Total intangible asset amortization expense (including impairment charges)	$ 606.8	$ 593.4	$ 1,770.7	$ 1,750.1

Intangible asset amortization expense over the remainder of 2026 and for the years ending December 31, 2027 through 2030 is estimated to be as follows [(1)]:

(In millions)	
2026	$ 557
2027	2,023
2028	1,770
2029	1,190
2030	1,183

(1) Excludes the pending Pacira acquisition.

11. Financial Instruments and Risk Management

The Company is exposed to certain financial risks relating to its ongoing business operations. The primary financial risks that are managed by using derivative instruments are foreign currency risk and interest rate risk.

Foreign Currency Risk Management

In order to manage certain foreign currency risks, the Company enters into foreign exchange forward contracts to mitigate risk associated with changes in spot exchange rates of mainly non-functional currency denominated assets or liabilities. The foreign exchange forward contracts are measured at fair value and reported as current assets or current liabilities in the condensed consolidated balance sheets. Any gains or losses on the foreign exchange forward contracts are recognized in earnings in the period incurred in the condensed consolidated statements of operations.

The Company has also entered into forward contracts to hedge forecasted foreign currency denominated sales from certain international subsidiaries and a portion of forecasted intercompany inventory sales denominated in Euro, Japanese Yen, and Chinese Renminbi for up to eighteen months. These contracts are designated as cash flow hedges to manage foreign currency transaction risk and are measured at fair value and primarily reported as current assets or current liabilities in the condensed consolidated balance sheets. Any changes in the fair value of designated cash flow hedges are deferred in AOCE and are reclassified into earnings when the hedged item impacts earnings.

Net Investment Hedges

The Company may hedge the foreign currency risk associated with certain net investment positions in foreign subsidiaries by either borrowing directly in foreign currencies and designating all or a portion of the foreign currency debt as a hedge of the applicable net investment position or entering into foreign currency swaps that are designated as hedges of net investments.

The Company has designated certain Euro and Yen borrowings as a hedge of its investment in certain Euro-functional and Yen-functional currency subsidiaries in order to manage foreign currency translation risk. Borrowings designated as net investment hedges are marked-to-market using the current spot exchange rate as of the end of the period, with gains and losses included in the foreign currency translation component of AOCE until the sale or substantial liquidation of the underlying net investments. In addition, the Company manages the related foreign exchange risk of the Euro and Yen borrowings not designated as net investment hedges through certain Euro and Yen denominated financial assets and forward currency swaps.

The following table summarizes the principal amounts of the Company's outstanding Euro and Yen borrowings and the notional amounts of the Euro and Yen borrowings designated as net investment hedges:

		Notional Amount Designated as a Net Investment Hedge	
(In millions)	Principal Amount	September 30, 2026	December 31, 2025
1.362% Euro Senior Notes due 2027	€ 850.0	€ 850.0	€ 850.0
3.125% Euro Senior Notes due 2028 [1]	750.0	—	750.0
1.908% Euro Senior Notes due 2032	1,250.0	1,250.0	1,250.0
4.250% Euro Senior Notes due 2033	650.0	650.0	—
Euro Total	€ 3,500.0	€ 2,750.0	€ 2,850.0
Yen			
YEN Term Loan	¥ 40,000.0	¥ 40,000.0	¥ 40,000.0
Yen Total	¥ 40,000.0	¥ 40,000.0	¥ 40,000.0

[1] In February 2026, the Company de-designated the €750.0 million 3.125% Euro Senior Notes due 2028 as net investment hedges.

At September 30, 2026, the principal amount of the Company's outstanding Yen borrowings and the notional amount of the Yen borrowings designated as net investment hedges was $254.1 million.

During the third quarter of 2023, the Company executed fixed-rate cross-currency interest rate swaps with notional amounts totaling Japanese Yen 14.6 billion with settlement dates through 2026. During the third quarter of 2025, the Company terminated its Yen fixed-rate cross-currency interest rate swaps in exchange for $3.4 million in cash proceeds, net of fees. During the second quarter of 2024, the Company executed fixed-rate cross-currency interest rate swaps with notional amounts totaling €500 million with settlement dates through 2026. In March 2026, the Company made payments totaling $37.7 million in conjunction with the termination of its Euro fixed-rate cross-currency interest rate swaps. The transactions hedged a portion of the Company's net investment in certain Yen- and Euro-functional currency subsidiaries. All changes in the fair value of these derivative instruments, which are designated as net investment hedges, were marked-to-market using the current spot exchange rate as of the end of the period. The portion of these changes related to the excluded component were amortized in interest expense over the life of the derivative while the remainder was recorded in AOCE until the sale or substantial liquidation of the underlying net investments. The semiannual net interest payment received related to the fixed-rate component of the cross-currency interest rate swaps were reflected in operating cash flows.

During the second quarter of 2025, the Company executed foreign currency forward contracts with notional amounts totaling Chinese Renminbi 1.42 billion (approximately $200 million) maturing in December 2026 and Chinese Renminbi 695 million (approximately $100 million) maturing in December 2027. During the second quarter of 2026, the Company settled certain of these foreign currency forward contracts with notional amounts totaling $100 million that were maturing in December 2026 and entered into new contracts with notional amounts totaling $50 million maturing in December 2027 and $25 million maturing in December 2028. In October 2026, the Company settled certain of these foreign currency forward contracts with notional amounts totaling $100 million that were maturing in December 2026. The transactions hedge a portion of the Company's net investment in certain Chinese Renminbi functional currency subsidiaries. The contracts are designated as net investment hedges.

Interest Rate Risk Management

The Company enters into interest rate swaps from time to time in order to manage interest rate risk associated with the Company's fixed-rate and floating-rate debt. Interest rate swaps that meet specific accounting criteria are accounted for as fair value or cash flow hedges. All derivative instruments used to manage interest rate risk are measured at fair value and reported as current assets or current liabilities in the condensed consolidated balance sheets. For fair value hedges, the changes in the fair value of both the hedging instrument and the underlying debt obligations are included in interest expense. For cash flow hedges, the change in fair value of the hedging instrument is deferred through AOCE and is reclassified into earnings when the hedged item impacts earnings.

Cash Flow Hedging Relationships

The Company's interest rate swaps designated as cash flow hedges fix the interest rate on a portion of the Company's variable-rate debt or hedge part of the Company's interest rate exposure associated with the variability in the future cash flows attributable to changes in interest rates. Any changes in fair value are included in earnings or deferred through AOCE, depending on the nature and effectiveness of the offset. Any ineffectiveness in a cash flow hedging relationship is recognized immediately in earnings in the condensed consolidated statements of operations.

Credit Risk Management

The Company regularly reviews the creditworthiness of its financial counterparties and does not expect to incur a significant loss from the failure of any counterparties to perform under any agreements. The Company is not subject to any obligations to post collateral under derivative instrument contracts. Certain derivative instrument contracts entered into by the Company are governed by master agreements, which contain credit-risk-related contingent features that would allow the counterparties to terminate the contracts early and request immediate payment should the Company trigger an event of default on other specified borrowings. The Company records all derivative instruments on a gross basis in the condensed consolidated balance sheets. Accordingly, there are no offsetting amounts that net assets against liabilities.

The following table summarizes the classification and fair values of derivative instruments in our condensed consolidated balance sheets:

	Asset Derivatives			Liability Derivatives		
(In millions)	Balance Sheet Location	September 30, 2026 Fair Value	December 31, 2025 Fair Value	Balance Sheet Location	September 30, 2026 Fair Value	December 31, 2025 Fair Value
Derivatives designated as hedges:						
Cross-currency interest rate swaps	Prepaid expenses & other current assets	$ —	$ —	Other current liabilities	$ —	50.1
Foreign currency forward contracts	Prepaid expenses & other current assets	11.0	6.5	Other current liabilities	21.9	21.5
Foreign currency forward contracts		—	—	Other long-term obligations	8.5	2.7
Total derivatives designated as hedges		11.0	6.5		30.4	74.3
Derivatives not designated as hedges:						
Foreign currency forward contracts	Prepaid expenses & other current assets	96.2	77.7	Other current liabilities	65.9	95.0
Total derivatives not designated as hedges		96.2	77.7		65.9	95.0
Total derivatives		$ 107.2	$ 84.2		$ 96.3	$ 169.3

The following table summarizes information about the gains/(losses) incurred to hedge or offset operational foreign exchange or interest rate risk:

		Amount of Gains/(Losses) Recognized in Earnings		Amount of Gains/(Losses) Recognized in AOCE (Net of Tax) on Derivatives		Amount of Gains/(Losses) Reclassified from AOCE into Earnings	
		Three months ended September 30,					
(In millions)	Location of Gain/(Loss)	2026	2025	2026	2025	2026	2025
Derivative Financial Instruments in Cash Flow Hedging Relationships [1]:							
Foreign currency forward contracts	Net sales [3]	$ —	$ —	$ (2.1)	$ 6.2	$ (2.0)	$ (2.1)
Interest rate swaps	Interest expense [3]	—	—	0.2	(0.9)	0.2	(1.2)
Derivative Financial Instruments in Net Investment Hedging Relationships:							
Cross-currency interest rate swaps	Interest expense [2]	—	2.7	—	1.9	—	—
Foreign currency forward contracts	Other expense, net [3]	—	—	(2.2)	1.2	1.0	1.2
Non-derivative Financial Instruments in Net Investment Hedging Relationships:							
Foreign currency borrowings		—	—	13.9	18.0	—	—
Derivative Financial Instruments Not Designated as Hedging Instruments:							
Foreign currency option and forward contracts	Other expense, net [2]	18.3	168.4	—	—	—	—
Total		$ 18.3	$ 171.1	$ 9.8	$ 26.4	$ (0.8)	$ (2.1)

		Amount of Gains/(Losses) Recognized in Earnings		Amount of Gains/(Losses) Recognized in AOCE (Net of Tax) on Derivatives		Amount of Gains/(Losses) Reclassified from AOCE into Earnings	
		Nine months ended September 30,					
(In millions)	Location of Gain/(Loss)	2026	2025	2026	2025	2026	2025
Derivative Financial Instruments in Cash Flow Hedging Relationships [1]:							
Foreign currency forward contracts	Net sales [3]	$ —	$ —	$ (0.4)	$ (28.6)	$ (10.7)	$ 8.5
Interest rate swaps	Interest expense [3]	—	—	(1.5)	(2.8)	(1.9)	(3.6)
Derivative Financial Instruments in Net Investment Hedging Relationships:							
Cross-currency interest rate swaps	Interest expense [2]	2.0	9.5	9.7	(58.2)	—	—
Foreign currency forward contracts	Other expense, net [3]	—	—	(8.5)	(3.4)	3.3	2.3
Non-derivative Financial Instruments in Net Investment Hedging Relationships:							
Foreign currency borrowings		—	—	83.2	(331.4)	—	—
Derivative Financial Instruments Not Designated as Hedging Instruments:							
Foreign currency option and forward contracts	Other expense, net [2]	47.6	(66.8)	—	—	—	—
Total		$ 49.6	$ (57.3)	$ 82.5	$ (424.4)	$ (9.3)	$ 7.2

[1] At September 30, 2026, the Company expects that approximately $7.0 million of pre-tax net losses on cash flow hedges will be reclassified from AOCE into earnings during the next twelve months.

[2] Represents the location of the gain/(loss) recognized in earnings on derivatives.

[3] Represents the location of the gain/(loss) reclassified from AOCE into earnings.

Fair Value Measurement

Fair value is based on the price that would be received from the sale of an identical asset or paid to transfer an identical liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy has been established that prioritizes observable and unobservable inputs used to measure fair value into three broad levels, which are described below:

- *Level 1:* Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

- *Level 2:* Observable market-based inputs other than quoted prices in active markets for identical assets or liabilities.
- *Level 3:* Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

In determining fair value, the Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible, as well as considers counterparty credit risk in its assessment of fair value.

Financial assets and liabilities carried at fair value are classified in the tables below in one of the three categories described above:

	September 30, 2026			December 31, 2025		
(In millions)	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Recurring fair value measurements						
Financial Assets						
Cash equivalents:						
Money market funds	$ 1,370.6	$ —	$ —	$ 982.2	$ —	$ —
Total cash equivalents	1,370.6	—	—	982.2	—	—
Equity securities:						
Exchange traded funds	66.5	—	—	62.3	—	—
Marketable securities	3.4	—	—	3.4	—	—
Total equity securities	69.9	—	—	65.7	—	—
CCPS in Biocon Biologics	—	—	—	—	815.0	—
Available-for-sale fixed income investments:						
Corporate bonds	—	13.5	—	—	14.1	—
U.S. Treasuries	—	20.9	—	—	20.2	—
Agency mortgage-backed securities	—	1.9	—	—	2.3	—
Asset backed securities	—	3.4	—	—	3.8	—
Other	—	0.3	—	—	0.3	—
Total available-for-sale fixed income investments	—	40.0	—	—	40.7	—
Foreign exchange derivative assets	—	107.2	—	—	84.2	—
Total assets at recurring fair value measurement	$ 1,440.5	$ 147.2	$ —	$ 1,047.9	$ 939.9	$ —
Financial Liabilities						
Foreign exchange derivative liabilities	$ —	$ 96.3	$ —	$ —	$ 119.2	$ —
Interest rate swap derivative liabilities	—	—	—	—	50.1	—
Contingent consideration	—	—	440.8	—	—	371.6
Total liabilities at recurring fair value measurement	$ —	$ 96.3	$ 440.8	$ —	$ 169.3	$ 371.6

For financial assets and liabilities that utilize Level 2 inputs, the Company utilizes both direct and indirect observable price quotes, including interest rate yield curves, foreign exchange forward prices and bank price quotes. Below is a summary of valuation techniques for the Company's financial assets and liabilities:

- *Cash equivalents* — valued at observable net asset value prices.
- *Equity securities, exchange traded funds* — valued at the active quoted market prices from broker or dealer quotations or transparent pricing sources at the reporting date. Unrealized gains and losses attributable to changes in fair value are included in *Other Expense, Net* in the condensed consolidated statements of operations.
- *Equity securities, marketable securities* — valued using quoted stock prices from public exchanges at the reporting date. Unrealized gains and losses attributable to changes in fair value are included in *Other Expense, Net* in the condensed consolidated statements of operations.

- *CCPS in Biocon Biologics* — In December 2025, the Company entered into definitive agreements with Biocon for the sale of the Company's equity stake in Biocon Biologics. Under the terms of the definitive agreements, Biocon acquired all of Viatris' CCPS in Biocon Biologics for total consideration of $815.0 million, consisting of $400.0 million in cash and $415.0 million in newly issued equity shares of Biocon, which are listed and traded on the National Stock Exchange of India. The transaction closed during the first quarter of 2026 and the equity shares of Biocon were subject to a six-month lock up period. The Company completed the sale of its equity position in Biocon on July 14, 2026 for pre-tax total consideration of approximately $380 million. The pre-tax sale proceeds include the impacts of an approximate 2.7% block sale discount to market, transaction fees, and the strengthening of the U.S. dollar since the Company obtained the equity in January 2026. In addition, the terms of the definitive agreements accelerate the expiration of biosimilars non-compete restrictions previously placed on Viatris in 2022 in connection with Viatris' sale of its biosimilars portfolio and related commercial and other capabilities to Biocon Biologics. These restrictions expired immediately at the time of close for all ex-U.S. markets and will expire in November 2026 for the U.S. market. During the three and nine months ended September 30, 2026, the Company recognized a pre-tax loss of approximately $27.4 million and $36.0 million, respectively, as a component of *Other Expense, Net* as a result of changes in the fair value and subsequent sale of the Biocon equity shares. During the three and nine months ended September 30, 2025, the Company recorded a loss of $100.0 million and $499.8 million, respectively, as a component of *Other Expense, Net* as a result of remeasuring the CCPS in Biocon Biologics to fair value. The Company's CCPS in Biocon Biologics were classified as equity securities and were included in *Other Assets* in the condensed consolidated balance sheets.
- *Available-for-sale fixed income investments* — valued at the quoted market prices from broker or dealer quotations or transparent pricing sources at the reporting date. Unrealized gains and losses attributable to changes in fair value, net of income taxes, are included in accumulated other comprehensive loss as a component of shareholders' equity.
- *Interest rate swaps and foreign exchange derivative assets and liabilities* — valued using interest yield curves, quoted forward foreign exchange prices and spot rates at the reporting date. Counterparties to these contracts are highly rated financial institutions.

Contingent Consideration

As of September 30, 2026 and December 31, 2025, the Company had a contingent consideration liability of $411.0 million and $307.0 million, respectively, related to the Idorsia Transaction. For the nine months ended September 30, 2026, the change in fair value was primarily driven by a change in probabilities on both development programs as a result of the progress of the clinical trials. As of September 30, 2026 and December 31, 2025, the Company had a contingent consideration liability of $29.8 million and $64.6 million, respectively, related to the Respiratory Delivery Platform.

The measurement of these contingent consideration liabilities is calculated using unobservable Level 3 inputs based on the Company's own assumptions primarily related to the probability and timing of future events, including the timing of additional potential competition, and payments which are discounted using a market rate of return. At September 30, 2026, discount rates ranging from 10.0% to 18.0%, and at December 31, 2025, discount rates ranging from 8.5% to 19.0% were utilized in the valuations. Significant changes in unobservable inputs could result in material changes to the contingent consideration liabilities.

A rollforward of the activity in the Company's fair value of contingent consideration from December 31, 2025 to September 30, 2026 is as follows:

(In millions)	Current Portion [1]	Long-Term Portion [2]	Total Contingent Consideration
Balance at December 31, 2025	$ 28.5	$ 343.1	$ 371.6
Payments	(21.6)	—	(21.6)
Reclassifications	11.6	(11.6)	—
Accretion	—	2.6	2.6
Fair value loss [3]	—	88.2	88.2
Balance at September 30, 2026	$ 18.5	$ 422.3	$ 440.8

(1) Included in other current liabilities in the condensed consolidated balance sheets.

(2) Included in other long-term obligations in the condensed consolidated balance sheets.

(3) Included in litigation settlements and other contingencies, net in the condensed consolidated statements of operations.

Although the Company has not elected the fair value option for financial assets and liabilities, any future transacted financial asset or liability will be evaluated for the fair value election.

12. Debt

For additional information, see Note 10 *Debt* in Viatris' 2025 Form 10-K.

Receivables Facility

The Company has a Receivables Facility for up to an aggregate amount of $600 million which expires in April 2028. Under the terms of the Receivables Facility, certain of our accounts receivable secure the amounts borrowed and cannot be used to pay our other debts or liabilities. The amount that we may borrow at a given point in time is determined based on the amount of qualifying accounts receivable that are present at such point in time. Borrowings outstanding under the Receivables Facility are included as a component of short-term borrowings, while the accounts receivable securing these obligations remain as a component of accounts receivable, net, in our condensed consolidated balance sheets.

Long-Term Debt

A summary of long-term debt is as follows:

($ in millions)	Interest Rate as of September 30, 2026	September 30, 2026	December 31, 2025
Current portion of long-term debt:			
2026 Senior Notes [(a)] [**]	3.950 %	$ —	$ 1,674.3
2027 Euro Senior Notes [****]	1.362 %	969.3	—
2027 Senior Notes [***]	2.300 %	754.2	—
YEN Term Loan Facility	Variable	—	255.2
Other		1.3	1.0
Deferred financing fees		—	(0.6)
Current portion of long-term debt		$ 1,724.8	$ 1,929.9
Non-current portion of long-term debt:			
2027 Euro Senior Notes [****]	1.362 %	—	1,011.5
2027 Senior Notes [***]	2.300 %	—	758.6
2028 Euro Senior Notes [**]	3.125 %	848.0	878.5
2028 Senior Notes [*]	4.550 %	749.7	749.5
2030 Senior Notes [***]	2.700 %	1,482.5	1,488.8
2032 Euro Senior Notes [****]	1.908 %	1,485.6	1,549.2
2033 Euro Senior Notes [***]	4.250 %	734.6	—
2040 Senior Notes [***]	3.850 %	1,624.7	1,630.1
2043 Senior Notes [*]	5.400 %	497.7	497.6
2046 Senior Notes [**]	5.250 %	999.9	999.9
2048 Senior Notes [*]	5.200 %	748.0	747.9
2050 Senior Notes [***]	4.000 %	2,183.1	2,186.8
YEN Term Loan Facility	Variable	254.1	—
Other		3.2	2.7
Deferred financing fees		(23.6)	(20.5)
Long-term debt		$ 11,587.5	$ 12,480.6

[(a)] The 2026 Senior Notes were repaid at maturity in the second quarter of 2026.

[*] Instrument was issued by Mylan Inc.

[**] Instrument was originally issued by Mylan N.V.; now held by Utah Acquisition Sub Inc.

[***] Instrument was issued by Viatris Inc.

[****] Instrument was issued by Upjohn Finance B.V.

2033 Euro Senior Notes

On June 17, 2026, Viatris Inc. completed a public offering of €650 million aggregate principal amount of its 4.250% Senior Notes due 2033 (the "2033 Euro Senior Notes"). The 2033 Euro Senior Notes are senior unsecured obligations of Viatris Inc. The 2033 Euro Senior Notes are guaranteed on a senior unsecured basis by Mylan Inc., Mylan II B.V. and Utah Acquisition Sub Inc. (the "Guarantors").

Proceeds from the offering were used (i) to fund the repayment of amounts borrowed under the 2024 Revolving Facility in June 2026 in connection with the repayment at maturity of the entire $1.675 billion of outstanding principal amount

of the 3.950% Senior Notes due 2026 (the "2026 Senior Notes") and (ii) to replenish cash utilized in connection with the repayment of the 2026 Senior Notes, with such cash to be used for general corporate purposes.

The 2033 Euro Senior Notes were issued pursuant to an Indenture (the "Base Indenture"), dated June 17, 2026, among Viatris Inc., the Guarantors and The Bank of New York Mellon, as trustee (the "Trustee"), as supplemented by the First Supplemental Indenture (together with the Base Indenture, the "Indenture"), dated June 17, 2026, among Viatris Inc., the Guarantors and the Trustee. The 2033 Euro Senior Notes accrue interest at a rate of 4.250% per annum, accruing from June 17, 2026, payable annually beginning June 17, 2027, and will mature on June 17, 2033, subject to earlier repurchase or redemption in accordance with the terms of the Indenture. The Indenture contains customary affirmative covenants for facilities of this type. The 2033 Euro Senior Notes may be redeemed by Viatris as set forth in the Indenture.

YEN Term Loan

On July 1, 2026 (the "Closing Date"), Viatris entered into an amended and restated term loan credit agreement (the "Amended and Restated Term Loan Credit Agreement"), among Viatris, the guarantors from time to time party thereto, the lenders from time to time party thereto and Mizuho Bank, Ltd., as administrative agent. The Amended and Restated Term Loan Credit Agreement provides for a ¥40 billion principal amount senior unsecured term loan facility (the "Term Loan Credit Facility").

Proceeds from the Term Loan Credit Facility will be used for general lawful corporate purposes of Viatris and its subsidiaries, including, without limitation, to repay outstanding obligations under Viatris' prior ¥40 billion unsecured term loan facility, dated as of July 1, 2021.

The Term Loan Credit Facility will initially bear interest at the TIBO Rate (determined in accordance with the Amended and Restated Term Loan Credit Agreement) plus 1.10% per annum. The applicable margin over the TIBO Rate for the Term Loan Credit Facility can fluctuate based on the long-term unsecured senior, non-credit enhanced debt rating of Viatris by S&P Global Ratings, Moody's Investors Service, Inc. and Fitch Ratings, Inc.

The Amended and Restated Term Loan Credit Agreement contains customary affirmative covenants for facilities of this type. The Amended and Restated Term Loan Credit Agreement also contains a financial covenant requiring maintenance of a leverage ratio no greater than 3.75 to 1.00 as of the last day of each fiscal quarter ending after the Closing Date. The Amended and Restated Term Loan Credit Agreement contains default provisions customary for facilities of this type, which are subject to customary grace periods and materiality thresholds.

Fair Value

At September 30, 2026 and December 31, 2025, the aggregate fair value of the Company's outstanding notes was approximately $10.69 billion and $11.99 billion, respectively. The fair values of the outstanding notes were valued at quoted market prices from broker or dealer quotations and were classified as Level 2 in the fair value hierarchy.

Mandatory minimum repayments remaining on the notional amount of outstanding long-term debt at September 30, 2026 were as follows for each of the years ending December 31:

(In millions)	Total
2026	$ —
2027	1,713
2028	1,600
2029	254
2030	1,450
Thereafter	7,902
Total	$ 12,919

13. Comprehensive Loss

Accumulated other comprehensive loss, as reflected in the condensed consolidated balance sheets, is comprised of the following:

(In millions)	September 30, 2026	December 31, 2025
Accumulated other comprehensive loss:		
Net unrealized loss on available-for-sale fixed income securities, net of tax	$ (1.8)	$ (0.4)
Net unrecognized gain and prior service cost related to defined benefit plans, net of tax	275.7	279.6
Net unrecognized gain (loss) on derivatives in cash flow hedging relationships, net of tax	6.8	(3.1)
Net unrecognized gain on derivatives in net investment hedging relationships, net of tax	186.1	105.1
Foreign currency translation adjustment	(3,288.9)	(3,088.2)
	$ (2,822.1)	$ (2,707.0)

Components of accumulated other comprehensive loss, before tax, consist of the following, for the three and nine months ended September 30, 2026 and 2025:

	Three Months Ended September 30, 2026							
	Gains and Losses on Derivatives in Cash Flow Hedging Relationships			Gains and Losses on Net Investment Hedges	Gains and Losses on Available-for-Sale Fixed Income Securities	Defined Pension Plan Items	Foreign Currency Translation Adjustment	Totals
(In millions)	Foreign Currency Forward Contracts	Interest Rate Swaps	Total					
Balance at June 30, 2026, net of tax			$ 7.2	$ 175.5	$ (0.9)	$ 276.2	$ (3,282.8)	$ (2,824.8)
Other comprehensive earnings (loss) before reclassifications, before tax			(2.4)	13.5	(1.2)	1.6	(6.1)	5.4
Amounts reclassified from accumulated other comprehensive (loss) earnings, before tax:								
Loss on foreign exchange forward contracts classified as cash flow hedges, included in net sales	2.0		2.0					2.0
Gain on interest rate swaps classified as cash flow hedges, included in interest expense		(0.2)	(0.2)					(0.2)
Amortization of prior service costs included in other expense, net						0.6		0.6
Amortization of actuarial gain included in SG&A						(2.2)		(2.2)
Net other comprehensive earnings (loss), before tax			(0.6)	13.5	(1.2)	—	(6.1)	5.6
Income tax provision (benefit)			(0.2)	2.9	(0.3)	0.5	—	2.9
Balance at September 30, 2026, net of tax			$ 6.8	$ 186.1	$ (1.8)	$ 275.7	$ (3,288.9)	$ (2,822.1)

	Nine Months Ended September 30, 2026							
	Gains and Losses on Derivatives in Cash Flow Hedging Relationships			Gains and Losses on Net Investment Hedges	Gains and Losses on Available-For-Sale Fixed Income Securities	Defined Pension Plan Items	Foreign Currency Translation Adjustment	Totals
(In millions)	Foreign Currency Forward Contracts	Interest Rate Swaps	Total					
Balance at December 31, 2025, net of tax			$ (3.1)	$ 105.1	$ (0.4)	$ 279.6	$ (3,088.2)	$ (2,707.0)
Other comprehensive earnings (loss) before reclassifications, before tax			0.6	103.4	(1.8)	0.6	(200.7)	(97.9)
Amounts reclassified from accumulated other comprehensive (loss) earnings, before tax:								
Loss on foreign exchange forward contracts classified as cash flow hedges, included in net sales	10.7		10.7					10.7
Loss on interest rate swaps classified as cash flow hedges, included in interest expense		1.9	1.9					1.9
Amortization of prior service costs included in other expense, net						1.9		1.9
Amortization of actuarial gain included in SG&A						(6.7)		(6.7)
Net other comprehensive earnings (loss), before tax			13.2	103.4	(1.8)	(4.2)	(200.7)	(90.1)
Income tax provision (benefit)			3.3	22.4	(0.4)	(0.3)	—	25.0
Balance at September 30, 2026, net of tax			$ 6.8	$ 186.1	$ (1.8)	$ 275.7	$ (3,288.9)	$ (2,822.1)

VIATRIS INC. AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued

	Three Months Ended September 30, 2025							
	Gains and Losses on Derivatives in Cash Flow Hedging Relationships			Gains and Losses on Net Investment Hedges	Gains and Losses on Available-for-Sale Fixed Income Securities	Defined Pension Plan Items	Foreign Currency Translation Adjustment	Totals
(In millions)	Foreign Currency Forward Contracts	Interest Rate Swaps	Total					
Balance at June 30, 2025, net of tax			$ (12.8)	$ 80.2	$ (0.6)	$ 253.8	$ (2,985.0)	$ (2,664.4)
Other comprehensive (loss) earnings before reclassifications, before tax			8.2	25.3	0.3	(1.0)	(74.0)	(41.2)
Amounts reclassified from accumulated other comprehensive (loss) earnings, before tax:								
Loss on foreign exchange forward contracts classified as cash flow hedges, included in net sales	2.1		2.1					2.1
Loss on interest rate swaps classified as cash flow hedges, included in interest expense		1.2	1.2					1.2
Amortization of actuarial gain included in SG&A						(2.9)		(2.9)
Net other comprehensive (loss) earnings, before tax			11.5	25.3	0.3	(3.9)	(74.0)	(40.8)
Income tax (benefit) provision			2.9	5.5	0.1	(0.5)	—	8.0
Balance at September 30, 2025, net of tax			$ (4.2)	$ 100.0	$ (0.4)	$ 250.4	$ (3,059.0)	$ (2,713.2)

	Nine Months Ended September 30, 2025							
	Gains and Losses on Derivatives in Cash Flow Hedging Relationships			Gains and Losses on Net Investment Hedges	Gains and Losses on Available-For-Sale Fixed Income Securities	Defined Pension Plan Items	Foreign Currency Translation Adjustment	Totals
(In millions)	Foreign Currency Forward Contracts	Interest Rate Swaps	Total					
Balance at December 31, 2024, net of tax			$ 32.3	$ 492.6	$ (1.2)	$ 254.2	$ (3,990.8)	$ (3,212.9)
Other comprehensive (loss) earnings before reclassifications, before tax			(40.1)	(503.6)	1.1	5.1	931.8	394.3
Amounts reclassified from accumulated other comprehensive (loss) earnings, before tax:								
Gain on foreign exchange forward contracts classified as cash flow hedges, included in net sales	(8.5)		(8.5)					(8.5)
Loss on interest rate swaps classified as cash flow hedges, included in interest expense		3.6	3.6					3.6
Amortization of actuarial gain included in SG&A						(8.7)		(8.7)
Net other comprehensive (loss) earnings, before tax			(45.0)	(503.6)	1.1	(3.6)	931.8	380.7
Income tax (benefit) provision			(8.5)	(111.0)	0.3	0.2	—	(119.0)
Balance at September 30, 2025, net of tax			$ (4.2)	$ 100.0	$ (0.4)	$ 250.4	$ (3,059.0)	$ (2,713.2)

14. Segment Information

Viatris has four reportable segments: Developed Markets, Greater China, JANZ, and Emerging Markets. The Company reports segment information on the basis of markets and geography, which reflects its focus on bringing its large and diversified portfolio of branded and generic products, including complex products, to people in markets everywhere. Our Developed Markets segment comprises our operations primarily in North America and Europe. Our Greater China segment includes our operations in mainland China, Taiwan and Hong Kong. Our JANZ segment consists of our operations in Japan, Australia and New Zealand. Our Emerging Markets segment encompasses our presence in more than 125 countries with developing markets and emerging economies including in Asia, Africa, Eastern Europe, Latin America and the Middle East as well as the Company's ARV franchise.

The Company's chief operating decision maker ("CODM") is the Chief Executive Officer, who evaluates the performance of its segments and allocates resources based on total revenues and our measure of segment profit or loss, segment profitability. These financial metrics are used to review operating trends, perform comparisons between periods, and monitor budget and forecast-to-actual variances on a regular basis. Net sales of our business segments exclude intersegment sales as these activities are not regularly reviewed by the CODM and are eliminated in consolidation.

Certain costs and gains are not included in the measurement of segment profitability, or in segment cost of sales, and segment SG&A, as management excludes these costs in assessing segment financial performance. Such costs and gains include:

- Intangible asset amortization expense;
- Asset impairments (including of goodwill, intangible assets (including IPR&D), and long-lived assets);
- R&D and Acquired IPR&D expense;
- Net charges or net gains for litigation settlements and other contingencies;

- Certain costs related to transactions and events such as: (i) purchase accounting adjustments, where we incur expenses associated with the amortization of fair value adjustments to inventory and property, plant and equipment; (ii) share-based compensation expense; (iii) acquisition-related costs, where we incur costs for executing the transaction, integrating the acquired operations and restructuring the combined company; and (iv) other significant items, which are substantive and/or unusual, and in some cases recurring, items (such as restructuring, including costs associated with facilities to be closed or divested, employee separation costs, impairment charges, accelerated depreciation, incremental manufacturing variances, equipment relocation costs, decommissioning and other restructuring related costs, and certain remediation costs) that are evaluated on an individual basis by management and that either as a result of their nature or size, would not be expected to occur as part of our normal business on a regular basis. Such special items can include, but are not limited to, non-acquisition-related restructuring costs, as well as costs incurred for asset impairments and costs, as well as gains and losses, related to disposals of assets or businesses, including those related to divestitures, and, as applicable, any associated transition activities;

- Corporate and other unallocated costs associated with global functions (such as IT, facilities, legal, finance, human resources, insurance, public affairs, compliance, and procurement), patient advocacy activities and certain compensation and other corporate costs (such as certain expenses associated with our manufacturing, including manufacturing variances associated with production) and operations that are not directly assessed to an operating segment as business unit (segment) management does not manage these costs;

- Other Expense, Net (including interest and dividend income, gains and losses from investments, business divestitures, and foreign exchange); and

- Interest expense.

The Company does not report depreciation expense, total assets and capital expenditures by segment, as such information is not used by the CODM.

The accounting policies of the segments are the same as those described in Note 2 *Summary of Significant Accounting Policies* included in the 2025 Form 10-K.

Presented in the table below is segment information for the periods identified and a reconciliation of segment information to total consolidated information.

	Three Months Ended September 30, 2026				
(In millions)	Developed Markets	Greater China	JANZ	Emerging Markets	Total Reportable Segments
Net sales	$ 2,215.9	$ 702.6	$ 287.1	$ 529.1	$ 3,734.7
Other revenues	8.9	—	3.9	2.0	14.8
Total revenues	$ 2,224.8	$ 702.6	$ 291.0	$ 531.1	$ 3,749.5
Less:					
Cost of sales	997.7	79.4	180.7	240.0	
Selling, general and administration	226.1	138.8	42.1	68.9	
Segment profit	$ 1,001.0	$ 484.4	$ 68.2	$ 222.2	$ 1,775.8

Reconciliation of segment profit:	
Intangible asset amortization expense	(558.3)
Intangible asset (including IPR&D) impairment charges	(48.5)
Research and development	(231.7)
Acquired IPR&D	(5.0)
Litigation settlements and other contingencies, net	11.0
Transaction related and other special items	(256.3)
Corporate and other unallocated	(425.5)
Earnings from operations	$ 261.5

	Nine Months Ended September 30, 2026				
(In millions)	Developed Markets	Greater China	JANZ	Emerging Markets	Total Reportable Segments
Net sales	$ 6,430.4	$ 2,096.5	$ 856.6	$ 1,606.8	$ 10,990.3
Other revenues	23.4	—	4.1	5.5	33.0
Total revenues	$ 6,453.8	$ 2,096.5	$ 860.7	$ 1,612.3	$ 11,023.3
Less:					
Cost of sales	3,046.3	227.7	535.4	696.7	
Selling, general and administration	688.4	377.6	116.1	214.4	
Segment profit	$ 2,719.1	$ 1,491.2	$ 209.2	$ 701.2	$ 5,120.7

Reconciliation of segment profit:	
Intangible asset amortization expense	(1,714.8)
Intangible asset (including IPR&D) impairment charges	(55.9)
Research and development	(728.6)
Acquired IPR&D	(5.2)
Litigation settlements and other contingencies, net	(115.7)
Transaction related and other special items	(1,075.7)
Corporate and other unallocated	(1,236.7)
Earnings from operations	$ 188.1

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Notes to Condensed Consolidated Financial Statements (Unaudited) - Continued

(In millions)	Three Months Ended September 30, 2025				
	Developed Markets	Greater China	JANZ	Emerging Markets	Total Reportable Segments
Net sales	$ 2,255.6	$ 615.2	$ 306.3	$ 570.4	$ 3,747.5
Other revenues	10.0	—	1.0	1.4	12.4
Total revenues	$ 2,265.6	$ 615.2	$ 307.3	$ 571.8	$ 3,759.9
Less:					
Cost of sales	1,092.5	65.4	199.2	264.6	
Selling, general and administration	229.0	133.0	37.9	73.6	
Segment profit	$ 944.1	$ 416.8	$ 70.2	$ 233.6	$ 1,664.7

Reconciliation of segment profit:	
Intangible asset amortization expense	(593.4)
Research and development	(250.4)
Litigation settlements and other contingencies, net	(55.7)
Transaction related and other special items	(205.6)
Corporate and other unallocated	(380.8)
Earnings from operations	$ 178.8

(In millions)	Nine Months Ended September 30, 2025				
	Developed Markets	Greater China	JANZ	Emerging Markets	Total Reportable Segments
Net sales	$ 6,266.6	$ 1,759.6	$ 888.1	$ 1,645.4	$ 10,559.7
Other revenues	27.2	—	3.0	6.4	36.6
Total revenues	$ 6,293.8	$ 1,759.6	$ 891.1	$ 1,651.8	$ 10,596.3
Less:					
Cost of sales	3,023.3	188.7	557.4	717.8	
Selling, general and administration	712.8	367.6	117.6	226.3	
Segment profit	$ 2,557.7	$ 1,203.3	$ 216.1	$ 707.7	$ 4,684.8

Reconciliation of segment profit:	
Intangible asset amortization expense	(1,747.9)
Intangible asset (including IPR&D) impairment charges	(2.2)
Impairment of goodwill	(2,936.8)
Research and development	(691.2)
Acquired IPR&D	(10.0)
Litigation settlements and other contingencies, net	65.4
Transaction related and other special items	(674.9)
Corporate and other unallocated	(1,157.6)
Loss from operations	$ (2,470.4)

15. Restructuring and Other

2026 Restructuring Program

In 2025, the Company initiated an EWSR to enable the Company to build a more focused, efficient and future-ready organization and position the Company for sustained growth beginning in 2026. On February 26, 2026, the Company announced the results of its EWSR, and as a part of the review, committed to and began implementation of certain restructuring activities. These restructuring activities are expected to optimize the Company's commercial capabilities, enabling functions, R&D, medical affairs and regulatory activities, and sourcing, manufacturing and supply chain activities, including inventory optimization. As a result, the Company expects a global workforce reduction of up to approximately 10%. The Company anticipates that these restructuring activities, as well as associated costs and savings, will be completed primarily over the three years ending 2028.

The Company expects to record charges for costs associated with the restructuring activities of the EWSR. For the committed restructuring activities, the Company expects to incur total pre-tax charges ranging between $700 million and $850 million.

Charges for restructuring and ongoing cost reduction initiatives are recorded in the period the Company commits to a restructuring or cost reduction plan, or executes specific actions contemplated by the plan and all criteria for liability recognition have been met. These charges are recognized in *Cost of Sales*, *R&D* and *SG&A* in the condensed consolidated statements of operations based on the classification of the affected employees or the related operations.

The following table summarizes the restructuring charges and the reserve activity for the 2026 restructuring program from December 31, 2025 to September 30, 2026:

(In millions)	Employee Related Costs	Other Exit Costs	Total
Balance at December 31, 2025:	$ —	$ —	$ —
Charges [1]	75.8	2.1	77.9
Cash payment	(5.9)	—	(5.9)
Utilization	—	(2.1)	(2.1)
Foreign currency translation	(0.1)	—	(0.1)
Balance at March 31, 2026:	$ 69.8	$ —	$ 69.8
Charges [1]	22.9	4.4	27.3
Cash payment	(31.4)	—	(31.4)
Utilization	—	(4.4)	(4.4)
Foreign currency translation	(0.5)	—	(0.5)
Balance at June 30, 2026:	$ 60.8	$ —	$ 60.8
Charges [1]	47.2	4.9	52.1
Cash payment	(19.8)	(0.5)	(20.3)
Utilization	—	(4.4)	(4.4)
Foreign currency translation	(1.2)	—	(1.2)
Balance at September 30, 2026:	$ 87.0	$ —	$ 87.0

[1] For the three months ended September 30, 2026, total restructuring charges in Developed Markets, Greater China, JANZ, Emerging Markets, and Corporate/Other were approximately $49.1 million, $(0.2) million, $0.3 million, $0.6 million, and $2.3 million, respectively. For the nine months ended September 30, 2026, total restructuring charges in Developed Markets, Greater China, JANZ, Emerging Markets, and Corporate/Other were approximately $136.1 million, $1.1 million, $0.3 million, $9.8 million, and $10.0 million, respectively.

Additional restructuring charges, primarily for facilities to be closed or disposed of that are not a component of the 2026 restructuring program, were also incurred during the three and nine months ended September 30, 2026. At September 30, 2026 and December 31, 2025, accrued liabilities for restructuring and other cost reduction programs were primarily included in other current liabilities and other long-term obligations in the condensed consolidated balance sheets.

Nashik Manufacturing Facility

As previously disclosed, in February 2026, a fire occurred in a service area at the Company's oral solid dose manufacturing facility in Nashik, India. Manufacturing at the facility was temporarily suspended.

In May 2026, the FDA inspected the facility and issued Form 483 observations. The Company responded to the Form 483 observations and promptly initiated a comprehensive remediation plan. The Company has also engaged independent third-party subject matter experts to support its remediation plan. While production at the facility had resumed, the temporary suspension of manufacturing and activities under the remediation plan led to disruptions at the facility.

In September 2026, the Company received notice from the FDA that the inspection classification of the facility was OAI, which could lead to enforcement actions, including a warning letter or import alert. In October 2026, out of an abundance of caution, the Company voluntarily suspended manufacturing at the facility to focus on remediation activities. The Company expects to resume production at the facility during the first quarter of 2027. The foregoing manufacturing suspension is expected to result in incremental costs associated with the Company's remediation activities, operational inefficiencies, reduced production volumes and delays in production during the affected period. Any enforcement action by the FDA in connection with the OAI inspection classification of the facility could also lead to additional delays in production, product launches, interruptions in product supply, increased operating costs, or reduced product availability, one or more of which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows, ability to pay dividends or repurchase shares and/or stock price.

During the three and nine months ended September 30, 2026, the Company recognized total charges of $11.8 million and $98.6 million, respectively, within *Cost of Sales* in the condensed consolidated statements of operations primarily related to the write off of inventory and fixed assets damaged in the fire and incremental manufacturing variances. The Company believes it has certain insurance coverages for these losses, including for assets and business interruption. In the event the plant cannot be returned to sustained normal operations or the Company's insurance coverage is unavailable or inadequate, this event could have a negative impact on our financial position, results of operations and cash flows.

16. Commitments, Including Licensing and Other Partner Agreements

We periodically enter into licensing and other partner agreements with other pharmaceutical companies for the development, manufacture, marketing and/or sale of pharmaceutical products. Our significant licensing and other partner agreements are primarily focused on the development, manufacturing, supply and commercialization of multiple complex products. Under these agreements, we have future potential milestone payments and co-development expenses payable to third parties as part of our licensing, development and co-development programs. Payments under these agreements generally become due and are payable upon the satisfaction or achievement of certain developmental, regulatory or commercial milestones or as development expenses are incurred on defined projects. Milestone payment obligations are uncertain, including the prediction of timing and the occurrence of events triggering a future obligation and are not reflected as liabilities in the condensed consolidated balance sheets, except for obligations reflected as acquisition-related contingent consideration, including those related to the Idorsia Transaction. Refer to Note 11 *Financial Instruments and Risk Management* for further discussion of contingent consideration.

Our potential maximum development milestones not accrued for at September 30, 2026 totaled approximately $386 million. We estimate that the amounts that may be paid through the end of 2026 to be approximately $50 million. These agreements may also include potential sales-based milestones and call for us to pay a percentage of amounts earned from the sale of the product as a royalty or a profit share. The amounts disclosed do not include sales-based milestones or royalty or profit share obligations on future sales of product as the timing and amount of future sales levels and costs to produce products subject to these obligations is not reasonably estimable. These sales-based milestones or royalty or profit share obligations may be significant depending upon the level of commercial sales for each product.

Mapi

In 2018, the Company entered into an exclusive license and commercialization agreement with Mapi for the development and commercialization on a world-wide basis of GA Depot. In 2024, the Company was informed that Mapi received a Complete Response Letter regarding the NDA for GA Depot 40 mg from the FDA.

In December 2023, the Company entered into a letter agreement, as amended, with Mapi for the development and commercialization of certain additional products. The Company made an initial upfront payment of $75.0 million during the year ended December 31, 2023 as part of the letter agreement.

In April 2026, the Company and Mapi agreed to immediately terminate the license and commercialization agreement for GA Depot and the December 2023 letter agreement.

The Company holds an investment in preferred shares of Mapi that are accounted for at cost, less impairment, adjusted for observable price changes, in accordance with ASC 321, *Investments – Equity Securities*. In 2024, the Company fully impaired its investment in the Mapi preferred shares.

There have been no other significant changes to our licensing and other partner agreements as disclosed in our 2025 Form 10-K.

In the normal course of business, Viatris periodically enters into acquisition, divestiture, collaboration, employment, legal settlement and other agreements which include indemnification provisions. The maximum amount to which Viatris may be exposed under such agreements cannot be reasonably estimated due to the conditional nature of the Company's obligations and the unique facts and circumstances involved in each particular agreement. Historically, we have not paid material amounts under these indemnification provisions. Further, for certain agreements, the Company maintains insurance coverage which management believes will effectively mitigate the Company's obligations under these indemnification provisions.

In connection with the Combination, the Company has generally assumed liability for, and control of, pending and threatened legal matters relating to the Upjohn Business and has agreed to indemnify Pfizer for liabilities arising out of such assumed legal matters. Pfizer, however, has agreed to retain various matters—including certain specified competition law matters—to the extent they arise from conduct during the pre-Distribution period and has agreed to indemnify the Company for liabilities arising out of such matters. If Pfizer were to successfully dispute its retention of these matters, or if there is an adverse outcome in the matters that Pfizer has agreed to retain, this could have an adverse impact on Viatris. In addition, Viatris agreed to pay Pfizer an amount equal to 57% of any losses actually incurred or suffered by Viatris, its predecessors or subsidiaries, since July 29, 2019, arising out of third-party actions relating to the manufacture, distribution, marketing, promotion or sale of opioids by or on behalf of Viatris, its predecessors or subsidiaries. In June 2026, the Company received a letter from Pfizer inquiring about the Company's plan for payment to Pfizer under the foregoing agreement. The Company disagrees that the payment Pfizer requests is owed. Any loss to the Company as a result of the foregoing disagreement could have an adverse impact on Viatris.

17. Income Taxes

Tax Examinations

The Company is subject to income taxes and tax audits in many jurisdictions. A certain degree of estimation is thus required in recording the assets and liabilities related to income taxes. Tax audits and examinations can involve complex issues, interpretations, and judgments and the resolution of matters that may span multiple years, particularly if subject to litigation or negotiation.

Although the Company believes that adequate provisions have been made for these uncertain tax positions, the Company's assessment of uncertain tax positions, including those arising from legal entity restructuring transactions in connection with the Combination, is based on estimates and assumptions that the Company believes are reasonable, but the estimates for unrecognized tax benefits and potential tax benefits may not be representative of actual outcomes, and variations from such estimates could materially affect the Company's financial condition, results of operations or cash flows in the period of resolution, settlement or when the statutes of limitations expire.

The Company is subject to ongoing IRS examinations. The years 2020 through 2025 are open years, with 2020 and 2021 under examination. For 2020, there is one open item for which the Company disagrees with the IRS' conclusion and initiated a mediation process with the IRS through its Fast Track appeal process.

Several international audits are currently in progress. In some cases, the tax auditors have proposed adjustments or issued assessments to our tax positions, including with respect to intercompany transactions, and we are in ongoing discussions with some of the auditors regarding the validity of their tax positions.

In instances where assessments have been issued, we disagree with these assessments and believe they are without merit and incorrect as a matter of law. As a result, we anticipate that certain of these matters may become the subject of litigation before tax courts where we intend to vigorously defend our position.

In France, the tax authorities issued notices of assessments to the Company for the years ended December 2013 to December 2015 concerning our tax position with respect to whether income earned by a Company entity not domiciled in France should be subject to French tax. We commenced litigation before the French tax courts where the tax authorities are seeking unpaid taxes, penalties, and interest. In February 2026, the first instance tax court upheld the Company's tax position and fully cancelled the notices of assessment. In June 2026, the tax authorities filed an appeal.

In India, the tax authorities have issued notices of assessments to the Company seeking unpaid taxes and interest for the financial years covering 2013 to 2018 concerning our tax position with respect to certain corporate tax deductions and certain intercompany transactions. Some of these issues were resolved through the Company entering into an agreement with the tax authorities in March 2023 in respect of the pricing of its international transactions. The Company recorded tax expense of approximately $22.3 million during the year ended December 31, 2023 due to the terms of this agreement. The remaining issues are in the audit phase or are being challenged in the Indian tax courts.

In Italy, the tax authorities have issued notices of assessments to the Company for the years ended December 2016 to December 2019, seeking unpaid taxes, penalties, and interest, concerning our tax position with respect to certain intercompany transactions. We have commenced litigation before the Italian tax courts challenging those assessments and, to date, the Company's position has been upheld, subject to further appeal by the tax authorities.

The Company has recorded a net reserve for uncertain tax positions of $270.5 million and $293.6 million, including interest and penalties, in connection with its international audits at September 30, 2026 and December 31, 2025, respectively. In connection with our international tax audits, it is possible that we will incur material losses above the amounts reserved.

The Company's major U.S. state taxing jurisdictions remain open from fiscal year 2015 through 2025, with several state audits currently in progress. The Company's major international taxing jurisdictions remain open from 2013 through 2025.

Accounting for Uncertainty in Income Taxes

The impact of an uncertain tax position that is more likely than not of being sustained upon audit by the relevant taxing authority must be recognized at the largest amount that is more likely than not to be sustained. No portion of an uncertain tax position will be recognized if the position has less than a 50% likelihood of being sustained.

18. Litigation

The Company is involved in various disputes, governmental and/or regulatory inquiries, investigations and proceedings, and litigation matters, both in the U.S. and abroad, that arise from time to time, some of which could result in losses, including damages, fines and/or civil penalties, and/or criminal charges against the Company. These matters are often complex and have outcomes that are difficult to predict.

In addition, in connection with the Combination, the Company has generally assumed liability for, and control of, pending and threatened legal matters relating to the Upjohn Business – including certain matters initiated against Pfizer described below – and has agreed to indemnify Pfizer for liabilities arising out of such assumed legal matters. Pfizer, however, has agreed to retain various matters – including certain specified competition law matters – to the extent they arise from conduct during the pre-Distribution period and has agreed to indemnify the Company for liabilities arising out of such matters.

While the Company believes that it has meritorious defenses with respect to the claims asserted against it and the assumed legal matters referenced above, and intends to vigorously defend its position, the process of resolving these matters is inherently uncertain and may develop over a long period of time, and so it is not possible to predict the ultimate resolution of any such matter. It is possible that an unfavorable resolution of any of the ongoing matters could have a material effect on the Company's business, financial condition, results of operations, cash flows, ability to pay dividends or repurchase shares and/or stock price.

Some of these governmental inquiries, investigations, proceedings and litigation matters with which the Company is involved are described below, and unless otherwise disclosed, the Company is unable to predict the outcome of the matter or to provide an estimate of the range of reasonably possible material losses. The Company records accruals for loss contingencies to the extent we conclude it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. The Company is also involved in other pending proceedings for which, in the opinion of the Company based upon facts and circumstances known at the time, either the likelihood of loss is remote or any reasonably possible loss associated with the resolution of such proceedings is not expected to be material to the Company's business, financial position, results of operations, cash flows, ability to pay dividends or repurchase shares and/or stock price. If and when any reasonably possible losses associated with the resolution of such other pending proceedings, in the opinion of the Company, become material, the Company will disclose such matters.

Legal costs are recorded as incurred and are classified in SG&A in the Company's condensed consolidated statements of operations.

EpiPen® Auto-Injector

In June 2024, the Company received a civil subpoena from the Attorney General of the State of Mississippi seeking information relating to the sales and/or marketing of EpiPen® Auto-Injector. The Company was subsequently contacted by certain other State Attorneys General regarding similar issues, including those that generally relate to issues from EpiPen litigations and/or investigations that have been previously resolved and disclosed. The Company has reached settlements with Mississippi and all of those certain other State Attorneys General. These matters are now closed.

Drug Pricing Matters

Civil Litigation

Beginning in 2016, the Company, along with other manufacturers, has been named as a defendant in lawsuits filed in the United States and Canada generally alleging anticompetitive conduct with respect to generic drugs. The lawsuits have been filed by plaintiffs that include putative classes of direct purchasers, indirect purchasers, and indirect resellers, as well as individual direct and indirect purchasers and certain cities and counties. The lawsuits allege harm under federal laws and the United States lawsuits also allege harm under state laws, including antitrust laws, state consumer protection laws and unjust enrichment claims. Plaintiffs assert that the Company engaged in individual drug conspiracies with respect to certain products sold by the Company, and in certain lawsuits, plaintiffs assert that the Company engaged in an "overarching conspiracy" with numerous other defendants and seek to impose liability on the Company and the other defendants with respect to all of the alleged products, including products that the individual defendants did not sell. Some of the United States lawsuits also name as defendants the Company's former President, including allegations against him with respect to a single drug product, and one of the Company's former sales employees, including allegations against him with respect to certain generic drugs. The vast

majority of the United States lawsuits have been consolidated in an MDL proceeding in the Eastern District of Pennsylvania ("EDPA"). Plaintiffs generally seek monetary damages, restitution, declaratory and injunctive relief, attorneys' fees and costs.

The EDPA Court ordered the Clomipramine and Clobetasol direct and indirect purchaser cases to proceed as bellwethers. The Company is named only in the Clomipramine bellwether cases, wherein the EDPA Court certified both direct and indirect purchaser classes. Defendants filed petitions for permission to appeal those class certification decisions, which were granted by the U.S. Court of Appeals for the Third Circuit. These cases have been stayed pending a decision on the defendants' class certification appeals. Defendants' summary judgment motions in the direct purchaser case was denied and was largely denied with some narrowing of claims, and potentially reducing claimed damages, in the indirect purchaser case. Plaintiffs are asserting damages of approximately $350 million in each of the Clomipramine bellwether cases, which are subject to trebling under federal law in the direct purchaser case or multipliers under certain state laws in the indirect purchaser case.

The EDPA Court has selected additional cases to proceed as bellwethers, which consist of non-class cases filed by direct and indirect purchasers against the Company and other defendants. In a case filed by Humana, the Court had stayed the case prior to a trial scheduled to begin in September 2026. No new trial date has been set. Defendants' motions for summary judgment have been largely denied with some narrowing of claims, potentially reducing claimed damages. Humana has dismissed with prejudice all of its claims – including those based on an "overarching conspiracy" – except for its claims related to a single drug product. The Company and one other generic manufacturer remain as defendants in the Humana case. Humana is asserting damages of approximately $300 million against the remaining defendants, which is subject to trebling under federal law with respect to Humana's direct purchases and multipliers under certain state laws in connection with its indirect purchases.

Trials have been scheduled to begin in two other bellwether cases involving the Company in August 2027 and January 2028.

With respect to the Canadian lawsuit, in February 2026, the Federal Court in Canada denied Plaintiff's motion for class certification and the case has been dismissed. This matter is now closed.

The Company believes that it acted lawfully, is continuing to defend itself vigorously, and intends to vigorously contest all aspects of the cases, including the asserted damages.

Attorneys General Litigation

On December 21, 2015, the Company received a subpoena and interrogatories from the Connecticut Office of the Attorney General seeking information relating to the marketing, pricing and sale of certain of the Company's generic products and communications with competitors about such products. On December 14, 2016, attorneys general of certain states filed a complaint in the United States District Court for the District of Connecticut against several generic pharmaceutical drug manufacturers, including the Company, alleging anticompetitive conduct with respect to, among other things, a single drug product. The complaint has subsequently been amended, including on June 18, 2018, to add attorneys general alleging violations of federal and state antitrust laws, as well as violations of various states' consumer protection laws. This lawsuit was transferred to the aforementioned MDL proceeding in the EDPA and was subsequently transferred back to the U.S. District Court for the District of Connecticut. The operative complaint includes attorneys general of forty-two states, the District of Columbia and the Commonwealth of Puerto Rico. The Company is alleged to have engaged in anticompetitive conduct with respect to four generic drug products sold by the Company as well as an "overarching conspiracy" with respect to the various products asserted in the operative complaint against the Defendants. The amended complaint also includes claims asserted by attorneys general of thirty-two states and the Commonwealth of Puerto Rico against certain individuals, including the Company's former President, with respect to a single drug product. The operative complaint seeks declaratory and injunctive relief, disgorgement, attorneys' fees and costs, and certain states seek monetary damages, civil penalties, restitution, and other equitable monetary relief. The states' claim for disgorgement and restitution under federal law, and certain state law claims brought by certain states, have been dismissed.

On May 10, 2019, certain attorneys general filed a new complaint in the United States District Court for the District of Connecticut against various drug manufacturers and individuals, including the Company and one of its former sales employees, alleging anticompetitive conduct with respect to additional generic drugs sold by the Company as well as an "overarching conspiracy" with respect to the various products asserted in the operative complaint against the Defendants. The complaint was subsequently amended, including on November 22, 2024, to add states as plaintiffs. The operative complaint is brought by attorneys general of forty-four states, certain territories and the District of Columbia. The amended complaint also includes claims asserted by attorneys general of forty states and certain territories against several individuals, including a former Company sales employee. The operative complaint seeks declaratory and injunctive relief, disgorgement, attorneys' fees and

costs, and certain states seek monetary damages, civil penalties, restitution, and other equitable monetary relief. This lawsuit was transferred to the aforementioned MDL proceeding in the EDPA and was subsequently transferred back to the U.S. District Court for the District of Connecticut.

On June 10, 2020, certain attorneys general filed a new complaint in the United States District Court for the District of Connecticut against drug manufacturers, including the Company, and individual defendants (none from the Company), alleging anticompetitive conduct with respect to additional generic drugs sold by the Company as well as an "overarching conspiracy" with respect to the various products asserted in the operative complaint against the Defendants. On September 9, 2021, the complaint was amended, adding an additional state as a plaintiff. The operative complaint is brought by attorneys general of forty-two states, certain territories and the District of Columbia. The states' claim for disgorgement and restitution under federal law, and certain state law claims brought by certain states, have been dismissed. This lawsuit was transferred to the aforementioned MDL proceeding in the EDPA and was ordered to proceed as a bellwether and was subsequently transferred back to the U.S. District Court for the District of Connecticut. The Company's motions for summary judgment were largely denied with some of the States' claims for monetary relief being reduced. In October 2026, the states dismissed their overarching conspiracy claim against the Company. As a result, the Company is no longer a defendant in the trial scheduled to begin in February 2027. With respect to the states' sole remaining claims on three individual drug products, the Court ordered these claims to proceed separately. No trial date has been scheduled. The states currently seek disgorgement, civil penalties, declaratory and injunctive relief, attorneys' fees and costs, and damages under certain state laws.

The Company has accrued approximately $50.0 million in connection with these matters at September 30, 2026, which is included in *Other Current Liabilities* in the condensed consolidated balance sheets. Although it is reasonably possible that the Company may incur additional losses from these matters, any amount cannot be reasonably estimated at this time. In addition, the Company expects to incur additional legal and other professional service expenses associated with such matters in future periods and will recognize these expenses as services are received. The Company believes that the ultimate amount paid for these services and claims could have a material effect on the Company's business, financial condition, results of operations, cash flows, ability to pay dividends or repurchase shares and/or stock price in future periods.

Securities Related Litigation

On February 14, 2020, the Abu Dhabi Investment Authority ("ADIA") filed a complaint against Mylan N.V. and Mylan Inc. (collectively for purposes of this paragraph, "Mylan") in the United States District Court for the Southern District of New York ("SDNY") alleging that Mylan made false or misleading statements and omissions of purportedly material fact, in violation of federal securities laws, in connection with disclosures relating to the classification of their EpiPen® Auto-Injector as a non-innovator drug for purposes of the Medicaid Drug Rebate Program and allegedly anticompetitive conduct with respect to EpiPen® Auto-Injector and certain generic drugs. ADIA sought monetary damages as well as fees and costs. The Company has resolved this matter and the case has been dismissed.

On June 26, 2020, a putative class action complaint was filed by the Public Employees Retirement System of Mississippi, which was subsequently amended on November 13, 2020, against Mylan N.V., certain of Mylan N.V.'s former directors and officers, and a former officer/director of the Company (collectively for the purposes of this paragraph, the "defendants") in the U.S. District Court for the Western District of Pennsylvania ("WDPA") on behalf of certain purchasers of securities of Mylan N.V. ("WDPA Mylan N.V. Class Action Litigation"). The amended complaint included allegations that defendants engaged in a scheme and made false or misleading statements and omissions of purportedly material fact, in violation of federal securities laws, in connection with disclosures relating to the Nashik and Morgantown manufacturing plants and inspections at the plants by the FDA. Plaintiff sought certification of a class of purchasers of Mylan N.V. securities between February 16, 2016 and May 7, 2019. In July 2025, the Court held that Plaintiffs' misstatements claim as to 1 of the 46 challenged statements, and their scheme claim, may proceed to discovery. The complaint sought monetary damages, as well as the plaintiff's fees and costs. In February 2026, the Company reached an agreement to pay $60 million to fully resolve this matter, which has been approved by the court. This matter is now closed.

Beginning in May 2023, putative class action complaints were filed against the Company and certain of the Company's former officers, directors, and employees in the WDPA on behalf of certain purchasers of securities of the Company. These actions were consolidated and, on October 23, 2023, a consolidated amended putative class action complaint was filed in the WDPA against the Company, and former officers and directors ("WDPA Viatris Class Action Litigation"). The operative complaint alleged that defendants made false or misleading statements and omissions of material fact, in violation of federal securities laws, in connection with disclosures relating to the Company's projected financial performance and biosimilars business. Plaintiffs sought certification of a class of purchasers of Company securities between March 1, 2021 and

February 25, 2022. Plaintiffs sought monetary damages, reasonable costs and expenses, and certain other relief. On September 20, 2024, the Court granted Defendants' motion to dismiss all of Plaintiffs' claims. Plaintiffs' appeals were denied and this case is now closed.

Beginning in August 2023, stockholder derivative actions purportedly on behalf of Viatris were filed in the WDPA against certain of the Company's current and former officers, directors, and employees alleging that defendants failed to ensure that the Company was making truthful and accurate statements in connection with the disclosures alleged in the WDPA Viatris Class Action Litigation. Viatris was named as a nominal defendant in these derivative actions. Certain of the complaints also asserted claims for corporate waste and unjust enrichment. Plaintiffs sought various forms of relief, including damages, disgorgement, restitution, costs and fees. Following the consolidation of their complaints, in April 2026, Plaintiffs dismissed their complaint. These matters are now closed.

In April 2025, a putative class action complaint, which was subsequently amended in September 2025 and March 2026, was filed against the Company and certain of the Company's current and former officers, in the WDPA on behalf of certain purchasers of the Company's securities ("WDPA Indore Class Action Litigation"). The amended complaint alleges that defendants made false or misleading statements or omissions of material fact, in violation of federal securities laws, in connection with disclosures relating to regulatory issues and actions concerning the Company's Indore manufacturing facility. Plaintiffs seek certification of a class of purchasers of Company securities between February 28, 2024 and February 26, 2025. Plaintiffs seek various forms of relief, including damages, costs and fees.

Beginning in November 2025, stockholder derivative actions purportedly on behalf of Viatris have been filed in the WDPA and the U.S. District Court for the District of Delaware against certain of the Company's current and former officers and directors alleging that the defendants failed to ensure that the Company was making truthful and accurate statements in connection with the disclosures alleged in the WDPA Indore Class Action Litigation. Viatris is also named as a nominal defendant in these derivative actions. The complaints assert various claims, including, violations of federal securities laws, as well as claims for breach of fiduciary duty, waste of corporate assets, and unjust enrichment. Plaintiffs seek various forms of relief, including damages, disgorgement, restitution, equitable relief, and costs and fees.

The Company has a total accrual of approximately $60.0 million related to these matters at September 30, 2026, which is included in *Other Current Liabilities* in the condensed consolidated balance sheets. Although it is reasonably possible that the Company may incur additional losses from these matters, any amount cannot be reasonably estimated at this time. In addition, the Company expects to incur additional legal and other professional service expenses associated with such matters in future periods and will recognize these expenses as services are received. The Company believes that the ultimate amount paid for these services and claims could have a material effect on the Company's business, financial condition, results of operations, cash flows, ability to pay dividends or repurchase shares and/or stock price in future periods.

The Company maintains insurance coverage with respect to these matters. Management has determined that the majority of the losses associated with the WDPA Mylan N.V. Class Action Litigation are covered under existing insurance policies. Accordingly, the Company has recognized an insurance receivable of $58.0 million within *Accounts Receivable, Net* in the condensed consolidated balance sheets. The recognition of this receivable is based on management's assessment that recovery of these costs is probable.

Opioids

The Company, along with other manufacturers, distributors, pharmacies, pharmacy benefit managers, and individual healthcare providers, is a defendant in cases in the United States and Canada filed by various plaintiffs, including counties, cities and other local governmental entities, asserting civil claims related to sales, marketing and/or distribution practices with respect to prescription opioid products.

The lawsuits generally seek equitable relief and monetary damages (including punitive and/or exemplary damages) based on a variety of legal theories, including various statutory and/or common law claims, such as negligence, public nuisance and unjust enrichment. The vast majority of these lawsuits were consolidated in an MDL in the U.S. District Court for the Northern District Court of Ohio.

In April 2025, the Company reached a nationwide settlement framework to resolve opioid-related claims by States, local governments, and Native American tribes against the Company and certain of its subsidiaries. Under the agreed upon framework, the Company would pay up to a maximum of $335 million, consisting of annual payments over a nine-year period of between approximately $27.5 million and $40 million each, to help support state and local efforts to address opioid-related issues. Following a sign-on period, the settlement framework achieved high levels of participation, including all States and Territories, all litigating Native American Tribes, and the vast majority of litigating local governments. Accordingly, the settlement was finalized, and the cases covered by the settlement have either been dismissed or are in the process of being dismissed. The settlement contains no admission of wrongdoing or liability.

Certain cases not covered by the settlement remain pending, including a small number of actions brought by local governments, private hospitals, third party payors, a personal injury plaintiff, and an action brought on behalf of children with Neonatal Abstinence Syndrome due to alleged exposure to opioids. Some of the pending actions are putative class action lawsuits.

The Company has accrued approximately $281.3 million in connection with these matters at September 30, 2026, which is included in *Other Current Liabilities* and *Other Long-term Obligations* in the condensed consolidated balance sheets. Although it is reasonably possible that the Company may incur additional losses from these matters, any amount cannot be reasonably estimated at this time. In addition, the Company expects to incur additional legal and other professional service expenses associated with such matters in future periods and will recognize these expenses as services are received. The Company believes that the ultimate amount paid for these services and claims could have a material effect on the Company's business, financial condition, results of operations, cash flows, ability to pay dividends or repurchase shares and/or stock price in future periods.

Citalopram

In 2013, the European Commission issued a decision finding that Lundbeck and several generic companies, including Generics [U.K.] Limited (“GUK”), had violated EU competition rules relating to various settlement agreements entered into in 2002 for citalopram. After various appeals, the European Commission’s decision was upheld in March 2021. On March 28, 2023, bodies of the national health authorities in England & Wales filed a case in the U.K. Competition Appeals Tribunal against parties to the citalopram investigation, including GUK, seeking monetary damages, plus interest, purportedly arising from the settlement agreements. GUK, beginning in approximately 2018, has received notices from other health service authorities and insurers asserting an intention to file similar claims. Pursuant to an indemnification agreement, Merck KGaA and GUK have agreed to equally share any damages claimed against Merck KGaA and/or GUK alleged to have been caused by the conduct which is the subject of the European Commission decision.

The Company has accrued approximately €12.2 million as of September 30, 2026 related to this matter. It is reasonably possible that we will incur additional losses above the amount accrued but we cannot estimate a range of such reasonably possible losses at this time. There are no assurances, however, that settlements reached and/or adverse judgments received, if any, will not exceed amounts accrued.

Perindopril

In 2014, the European Commission issued a decision finding that Servier SAS, and certain of its subsidiaries (“Servier”), along with several generic companies, including the Company, had violated EU competition rules relating to various settlement agreements for perindopril. The settlement agreement involving the Company is a 2005 agreement entered into between Servier and Matrix Laboratories Ltd., which the Company acquired in 2007. After various appeals, the European Commission’s decision was upheld in June 2024. The Company satisfied its monetary obligation in 2014.

Bodies of national health authorities in England, Wales, Scotland, and Northern Ireland filed a case in the English High Court against Servier, seeking monetary damages, plus interest, purportedly arising from the settlement agreements. Servier has joined the generic companies, including the Company, as defendants in this litigation. The case has been transferred to the U.K. Competition Appeals Tribunal. The Company has reached an agreement in principle to resolve this matter.

In December 2024, health insurance funds located in the EU filed a case in the Amsterdam District Court against Servier and the generic companies, including the Company, seeking monetary damages, plus interest, purportedly arising from the settlement agreements. In April 2026, the Court dismissed the case against the Company for lack of jurisdiction. Plaintiffs have filed an appeal.

In July 2026, Servier filed a case in the Amsterdam District Court against all of the generic companies, including the Company, seeking contribution from the generic companies in the event Servier pays any damages amounts to Plaintiffs.

Product Liability

Like other pharmaceutical companies, the Company is involved in a number of product liability lawsuits related to alleged personal injuries arising out of certain products manufactured/or distributed by the Company, including but not limited to those discussed below. Plaintiffs in these cases generally seek damages and other relief on various grounds for alleged personal injury and economic loss.

The Company has accrued approximately $35.6 million as of September 30, 2026 for its product liability matters. It is reasonably possible that we will incur additional losses and fees above the amount accrued but we cannot estimate a range of such reasonably possible losses or legal fees related to these claims at this time. There are no assurances, however, that settlements reached and/or adverse judgments received, if any, will not exceed amounts accrued.

Nitrosamines

The Company, along with numerous other manufacturers, retailers, and others, are parties to litigation relating to alleged trace amounts of nitrosamine impurities in certain products, including valsartan and ranitidine. The vast majority of these lawsuits naming the Company in the United States are pending in two MDLs, namely an MDL pending in the United States District Court for the District of New Jersey concerning valsartan and an MDL pending in the United States District Court for the Southern District of Florida concerning ranitidine. The lawsuits against the Company in the MDLs include putative and certified classes seeking the refund of the purchase price and other economic and punitive damages allegedly sustained by consumers and end payors as well as individuals seeking compensatory and punitive damages for personal injuries allegedly caused by ingestion of the medications. A similar lawsuit pertaining to valsartan is pending in Israel. Third party payor, consumer and medical monitoring classes were certified in the valsartan MDL. The Company has also received requests to indemnify purchasers of the Company's API and/or finished dose forms of these products. The Company has reached an agreement to resolve the valsartan personal injury lawsuits in the U.S.

The original master complaints concerning ranitidine were dismissed on December 31, 2020. The end-payor plaintiff immediately appealed to the U.S. Court of Appeals for the Eleventh Circuit, which affirmed the dismissal. The personal injury and consumer putative class plaintiffs filed amended master complaints. The Company was not named as a defendant in the amended master complaints, though it was still named in certain short form complaints filed by personal injury plaintiffs. The trial court has dismissed all remaining claims against the generic defendants. Certain of the personal injury plaintiffs appealed this dismissal, which remains pending.

Lipitor

A number of individual and multi-plaintiff lawsuits have been filed against Pfizer in various federal and state courts alleging that the plaintiffs developed type 2 diabetes purportedly as a result of the ingestion of Lipitor. Plaintiffs seek compensatory and punitive damages. In February 2014, the federal actions were transferred for consolidated pre-trial proceedings to an MDL in the U.S. District Court for the District of South Carolina. The District Court granted Pfizer's motion for summary judgment and dismissed all of the federal cases in 2017, which was subsequently affirmed on appeal. Since 2016, certain cases in the MDL were remanded to certain state courts. While state court cases remain pending in Missouri and New York, those cases are inactive.

Depo-Provera

Beginning in October 2024, the Company (including Greenstone LLC), Pfizer and certain entities related to Pfizer, and Prasco Labs were named in a number of lawsuits filed in federal and state courts related to claims pertaining to Depo-Provera. Certain of these lawsuits include allegations that individual plaintiffs developed meningiomas purportedly as a result of the ingestion of Depo-Provera or its authorized generic equivalent and seek compensatory and punitive damages. Putative class complaints seeking relief in the form of medical monitoring for individuals from certain states who have taken Depo-Provera or its authorized generic equivalent, but have not developed meningiomas, were also filed. In February 2025, the federal lawsuits were transferred for consolidated pre-trial proceedings to an MDL in the U.S. District Court for the Northern District of Florida. Pfizer is the new drug application holder of Depo-Provera and markets and sells the branded version of the product. Greenstone

LLC was a subsidiary of Pfizer until the closing of the Combination and sold the authorized generic of Depo-Provera until the closing of the Combination. Concurrently with the closing of the Combination, Pfizer divested the authorized generic of Depo-Provera to Prasco Labs. In June 2025, the MDL court implemented a process whereby, with respect to current and future cases filed against the Company in this MDL, Plaintiffs must show why claims against the Company are appropriate. As a result of this process, the Company has been dismissed without prejudice from all cases originally pending in this MDL. The Company has also been dismissed without prejudice in certain state court cases. The Company has sought to tender its defense and is seeking indemnification for these claims from Pfizer pursuant to the Separation and Distribution Agreement and Pfizer is seeking cross-indemnification from the Company pursuant to the Separation and Distribution Agreement with respect to the authorized generic product previously sold by Greenstone LLC.

Intellectual Property

The Company is involved in a number of patent litigation lawsuits involving the validity and/or infringement of patents held by branded pharmaceutical manufacturers. The Company uses its business judgment to decide to market and sell certain products, in each case based on its belief that the applicable patents are invalid and/or that its products do not infringe, notwithstanding the fact that allegations of patent infringement(s) or other potential third party rights have not been finally resolved by the courts. The risk involved in doing so can be substantial because the remedies available to the owner of a patent for infringement may include a reasonable royalty on sales or damages measured by the profits lost by the patent owner. If there is a finding of willful infringement, damages may be increased up to three times. Moreover, because of the discount pricing typically involved with bioequivalent products, patented branded products generally realize a substantially higher profit margin than generic and biosimilar products. The Company also faces challenges to its patents, including suits in various jurisdictions pursuant to which generic drug manufacturers, payers, governments, or other parties are seeking damages for allegedly causing delay of generic entry. An adverse decision in any of these matters could have an adverse effect that is material to our business, financial condition, results of operations, cash flows, ability to pay dividends or repurchase shares and/or stock price.

Dimethyl Fumarate

The Company launched its generic dimethyl fumarate ("DMF") product in Europe starting in July 2022 after the European Commission concluded that Biogen Netherlands B.V. ("Biogen") was not entitled to regulatory data exclusivity for Tecfidera®. In December 2023, based on its interpretation of an intervening ruling from the Court of Justice of the European Union ("CJEU"), the European Commission revoked certain generic marketing authorizations for DMF, including the Company's. The Company challenged the European Commission's revocation decision before the General Court of the European Union ("GCEU") and, in February 2026, the GCEU denied the Company's challenge. The Company has filed an appeal to the CJEU.

Beginning in October 2023, Biogen and certain Biogen affiliated entities filed damages actions in commercial courts of Spain, Belgium, France, Netherlands, Portugal, Germany, Italy, Estonia, Finland and Croatia claiming that the Company's sales of generic DMF violated Tecfidera's purportedly restored regulatory exclusivity and these actions are in various stages. Biogen's purported regulatory exclusivity for Tecfidera expired in February 2024, its patent covering DMF has been revoked, and the Company has secured a new marketing authorization for DMF. Thus, the Company has resumed commercializing DMF in Europe.

Yupelri

Beginning in January 2023, certain generic companies notified us that they had filed ANDAs with the FDA seeking approval to market generic versions of Yupelri® with associated Paragraph IV certifications. Beginning in February 2023, we brought patent infringement actions against the generic filers. The Company has entered into settlement agreements with all of the generic filers, granting them licenses to commercialize their generic versions of Yupelri® in April 2039 or earlier depending on certain circumstances. This matter is now closed.

Amitiza

Beginning in September 2023, Sawai Pharmaceutical Co. ("Sawai") and Towa Pharmaceutical Co. Ltd. ("Towa") filed challenges with the Japanese Patent Office ("JPO") asserting invalidity of JP '4332353 ("the '353 patent") and its patent term extensions ("PTE") relevant to Amitiza®, which the Company commercializes in Japan in 24µg and 12µg dosages as a licensee of the relevant patents. The remaining PTE for the '353 patent, which was granted based on the approval of the 12µg product, expires in April 2027. In April 2025 and June 2025, the JPO upheld the validity of the '353 patent and its PTE. Sawai filed appeals against these JPO decisions with the Intellectual Property High Court which, in April and June 2026, were denied. Sawai has appealed the decision on the validity of the '353 patent to the Supreme Court of Japan.

Beginning in April 2024, Sawai filed challenges with the JPO with respect to the 12µg strength, asserting invalidity of PTE of five patents expiring in October 2025, September 2026, August 2027, November 2027, and December 2028, and challenged the validity of the August 2027 and December 2028 patents themselves. In January 2026, the JPO upheld the validity of the August 2027 patent. In May 2026, the JPO upheld the validity of the five challenged PTEs. Sawai has appealed the decision on the validity of the PTEs to the Intellectual Property High Court.

In February 2026, Sawai and Towa received regulatory approval for their proposed 24µg products. The Company, beginning in October 2025, commenced actions asserting that Sawai and Towa's proposed 24ug generic products would infringe the PTEs of four patents. The PTEs, which were granted in connection with the approval of the 12 µg product, expire in September 2026, April 2027, August 2027, and December 2028. Two of the four patents have been asserted against Sawai in Osaka District Court while the remaining two patents have been asserted against Sawai in Tokyo District Court. All four patents have been asserted against Towa in Tokyo District Court. The Company is seeking a finding of infringement and an order prohibiting Sawai and Towa from commercializing their proposed 24µg products until PTE expiration.

In February 2026, the Osaka District Court denied the Company's request for a preliminary injunction against Sawai and, in March 2026, denied the Company's infringement action against Sawai relating to the two asserted patents. The Company has appealed the infringement decision to the Intellectual Property High Court. The infringement cases against Sawai and Towa at the Tokyo District Court are pending.

In April 2026, following hearings before the Intellectual Property High Court in the Sawai infringement appeal proceedings, both Sawai and Towa agreed to suspend certain steps required to commercialize their 24 µg products, pending further developments in the legal proceedings. In the event the Company's infringement position is ultimately unsuccessful, Sawai and Towa maintained their rights to seek to recover damages against the Company.

Ryzumvi

In February 2025, a generic company notified the Company that it had filed an ANDA with the FDA seeking approval to market a generic version of Ryzumvi® with associated Paragraph IV certifications. The generic company asserts the invalidity and/or non-infringement of Orange Book listed patents that have an expiration date of January 31, 2034, and October 25, 2039. In March 2025, the Company brought a patent infringement action against the generic filer in the U.S. District Court for the District of New Jersey. Trial is scheduled for February 2027. This lawsuit automatically stays FDA approval of the generic company's ANDA until August 3, 2027, or until an adverse court decision, if any, whichever may occur earlier.

The Company has approximately $0.7 million accrued related to its intellectual property matters at September 30, 2026. It is reasonably possible that we may incur additional losses and fees but we cannot estimate a range of such reasonably possible losses or legal fees related to these claims at this time.

Other Litigation

The Company is involved in various other legal proceedings including commercial, contractual, employment, or other similar matters that are considered normal to its business. The Company has approximately $17 million accrued related to these various other legal proceedings at September 30, 2026.

ITEM 2. ***MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS***

The following discussion and analysis addresses material changes in the financial condition and results of operations of Viatris Inc. and subsidiaries for the periods presented. Unless context requires otherwise, the "Company," "Viatris," "our" or "we" refer to Viatris Inc. and its subsidiaries.

This discussion and analysis should be read in conjunction with the Consolidated Financial Statements, the related Notes to Consolidated Financial Statements and Management's Discussion and Analysis of Financial Condition and Results of Operations included in Viatris' 2025 Form 10-K, the unaudited interim financial statements and related Notes included in Part I — Item 1 of this Form 10-Q and our other SEC filings and public disclosures. The interim results of operations and comprehensive loss for the three and nine months ended September 30, 2026, and cash flows for the nine months ended September 30, 2026 are not necessarily indicative of the results to be expected for the full fiscal year or any other future period.

This Form 10-Q contains "forward-looking statements". These statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements may include, without limitation, statements about the goals or outlooks with respect to the Company's strategic initiatives and priorities, including but not limited to divestitures, acquisitions, strategic alliances, collaborations, or other potential transactions; the anticipated benefits of such strategic initiatives or priorities or restructuring activities; future opportunities for the Company and its products; the outcomes of clinical trials and research studies; R&D and new product development; and any other statements regarding the Company's future operations, financial or operating results, capital allocation, dividend policy and payments, share repurchases, debt ratio and covenants, anticipated business levels, future earnings, planned activities, anticipated growth, market opportunities, strategies, imperatives, competitions, commitments, confidence in future results, efforts to create, enhance or otherwise unlock value, and other expectations and targets for future periods. Forward-looking statements may often be identified by the use of words such as "will", "may", "could", "should", "would", "project", "believe", "anticipate", "expect", "plan", "estimate", "forecast", "potential", "pipeline", "intend", "continue", "target", "seek" and variations of these words or comparable words. Because forward-looking statements inherently involve risks and uncertainties, actual future results may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to:

- the possibility that the Company may not realize the intended benefits of, or achieve the intended goals or outlooks with respect to, its strategic initiatives and priorities;
- the possibility that the Company may be unable to achieve the intended or expected benefits of its enterprise-wide strategic review and related cost-saving and restructuring activities within the expected timeframe or at all;
- the possibility that the Company may be unable to achieve intended or expected benefits in connection with divestitures, acquisitions, strategic alliances, collaborations, or other transactions, or restructuring programs, within the expected timeframes or at all;
- the possibility that the Company may not complete the proposed acquisition of Pacira within the timeframe it anticipates or at all and, if completed, the possibility that the Company may not realize the anticipated benefits, synergies and operating efficiencies of the proposed acquisition;
- goodwill or impairment charges or other losses;
- success of clinical trials and the Company's or its partners' ability to execute on new product opportunities and develop, manufacture and commercialize products;
- any changes in or difficulties with the Company's manufacturing facilities, including with respect to short- or long-term shutdowns, inspections, remediation and restructuring activities, supply chain continuity, inventory management, or the ability to meet anticipated demand;
- the Company's failure to achieve expected or targeted future financial and operating performance and results;
- the potential impact of natural or man-made disasters, public health outbreaks, fires, accidents, weather, unrest or other emergencies in regions where we or our partners or suppliers operate;
- actions and decisions of healthcare and pharmaceutical regulators;
- changes in relevant laws, regulations and policies and/or the application or implementation thereof, including but not limited to tax, healthcare and pharmaceutical laws, regulations and policies globally;
- the ability to attract, motivate and retain key personnel;
- the Company's liquidity, capital resources and ability to obtain financing;
- any regulatory, legal or other impediments to the Company's ability to bring new products to market;
- products in development that receive regulatory approval may not achieve expected levels of market acceptance, efficacy or safety;
- longer review, response and approval times as a result of evolving regulatory priorities and reductions in personnel at health agencies;
- the scope, timing and outcome of any ongoing legal proceedings, including government inquiries or investigations, and the impact of any such proceedings on the Company;
- any significant breach of data security or data privacy or disruptions to our IT systems;

- risks associated with having significant operations globally;
- the ability to protect intellectual property and preserve intellectual property rights;
- changes in third-party relationships;
- the effect of any changes in the Company's or its partners' customer and supplier relationships and customer purchasing patterns, including customer loss and business disruption being greater than expected following an adverse regulatory action, acquisition or divestiture;
- the impacts of competition, including decreases in sales or revenues as a result of the loss of market exclusivity for certain products;
- changes in the economic and financial conditions of the Company or its partners;
- uncertainties regarding future demand, pricing and reimbursement for the Company's products;
- uncertainties and matters beyond the control of management, including but not limited to general political and economic conditions, wars or other conflicts, potential for adverse impacts from future tariffs and trade restrictions, inflation rates and global exchange rates; and
- inherent uncertainties involved in the estimates and judgments used in the preparation of financial statements, and the providing of estimates of financial measures, in accordance with U.S. GAAP and related standards or on an adjusted basis.

For more detailed information on the risks and uncertainties associated with Viatris, see the risks described in Part I, Item 1A in the 2025 Form 10-K, Part II, Item 1A of this Form 10-Q, and our other filings with the SEC. You can access Viatris' filings with the SEC through the SEC website at www.sec.gov or through our website, and Viatris strongly encourages you to do so. Viatris routinely posts information that may be important to investors on our website at investor.viatris.com, and we use this website address as a means of disclosing material information to the public in a broad, non-exclusionary manner for purposes of the SEC's Regulation Fair Disclosure (Reg FD). The contents of our website are not incorporated by reference in this Form 10-Q and shall not be deemed "filed" under the Securities Exchange Act of 1934, as amended. Viatris undertakes no obligation to update any statements herein for revisions or changes after the filing date of this Form 10-Q other than as required by law.

Company Overview

Viatris is a global healthcare company whose breadth and scale we believe make it uniquely positioned to address healthcare needs globally. With a mission to empower people worldwide to live healthier at every stage of life, Viatris supplies high-quality medicines to approximately 1 billion patients around the world each year. The Company has a global footprint, an extensive portfolio of medicines that is well-diversified across therapeutic areas, a one-of-a-kind global supply chain designed to reach more people when and where they need them, and the scientific expertise to address some of the world's most enduring health challenges.

Viatris' executive management team is focused on ensuring that the Company is optimally structured and efficiently resourced to deliver sustainable value to patients, shareholders, customers and other key stakeholders. The Company operates in more than 165 countries and territories with approximately 30,000 employees. The Company has 27 manufacturing, packaging, and distribution sites worldwide, approximately 1,300 approved molecules, and what we believe is industry leading commercial, R&D, regulatory, manufacturing, legal and medical expertise. Viatris' portfolio consists of generics (including complex products), globally recognized iconic brands, and an expanding portfolio of innovative medicines. Viatris is headquartered in the U.S., with global centers in Pittsburgh, Pennsylvania, Shanghai, China and Hyderabad, India.

Viatris has four reportable segments: Developed Markets, Greater China, JANZ, and Emerging Markets. The Company reports segment information on the basis of markets and geography, which reflects its focus on bringing its large and diversified portfolio of branded and generic products, including complex products, to people in markets everywhere. Our Developed Markets segment comprises our operations primarily in North America and Europe. Our Greater China segment includes our operations in mainland China, Taiwan and Hong Kong. Our JANZ segment consists of our operations in Japan, Australia and New Zealand. Our Emerging Markets segment encompasses our presence in more than 125 countries with developing markets and emerging economies including in Asia, Africa, Eastern Europe, Latin America and the Middle East as well as the Company's ARV franchise.

Certain Market and Industry Factors

The global pharmaceutical industry is a highly competitive and highly regulated industry. As a result, we face a number of industry-specific factors and challenges, which can significantly impact our results. The following discussion highlights some of these key factors and market conditions.

The process of obtaining regulatory approval to manufacture and market new branded and generic pharmaceutical products is rigorous, time consuming, costly, and inherently unpredictable. Complex generic products are often more difficult, costly and time-consuming to receive regulatory approval and bring to market compared with commodity generic pharmaceutical products. Any delay in regulatory approval could impact the commercial or financial success of a product. Regulatory approval, if and when obtained, may be limited in scope. Even if regulatory approvals for new products are obtained, the success of those products is dependent upon market acceptance.

Generic products, particularly in the U.S., generally contribute most significantly to revenues and gross margins at the time of their launch, and even more so in periods of market exclusivity, or in periods of limited generic competition. As such, the timing of new product introductions can have a significant impact on the Company's financial results. The entrance into the market of additional competition generally has a negative impact on the volume and pricing of the affected products. Additionally, pricing is often affected by factors outside of the Company's control. Conversely, generic products generally experience less volatility over a longer period of time in Europe as compared to the U.S., primarily due to the role of government oversight of healthcare systems in the region. In addition, U.S. governmental agencies provide funding for certain products in our Emerging Markets region. We expect that any reduction in that funding will have a negative impact on our financial condition, results of operations or cash flows.

For branded products, the majority of the product's commercial value is usually realized during the period in which the product has market exclusivity. In the U.S. and some other countries, when market exclusivity expires and generic versions of a product are approved and marketed, there can often be very substantial and rapid declines in the branded product's sales. For example, generic entry for Amitiza® 24 µg may occur in Japan in June 2027 depending on the outcome of patent litigation.

Certain markets in which we do business outside of the U.S. have undergone government-imposed price reductions, and further government-imposed price reductions are expected in the future. Such measures, along with the tender systems discussed below, are likely to have a negative impact on sales and gross profit in these markets. However, government initiatives in certain markets that appear to favor generic products could help to mitigate this unfavorable effect by increasing rates of generic substitution and penetration.

Additionally, a number of markets in which we operate outside of the U.S. have implemented, or may implement, tender systems for generic pharmaceuticals in an effort to lower prices. Generally speaking, tender systems can have an unfavorable impact on sales and profitability. Under such tender systems, manufacturers submit bids that establish prices for generic pharmaceutical products. Upon winning the tender, the winning company will receive priority placement for a period of time. The tender system often results in companies underbidding one another by proposing lower pricing in order to win the tender. Sales continue to be negatively affected by the impact of tender systems in certain countries.

In addition to the impact of competition, government pricing actions and other measures designed to reduce healthcare costs, our results of operations, cash flows and financial condition could also be affected by other risks of doing business throughout the world, including the impact of inflation, elections, geopolitical events, including the ongoing conflicts in the Middle East and between Russia and Ukraine and related trade controls, sanctions, supply chain disruptions and staffing challenges and other economic considerations, longer review, response and approval times as a result of evolving regulatory priorities and reductions in personnel at health agencies, the potential for adverse impacts from future tariffs and trade restrictions, foreign currency exchange fluctuations, public health epidemics, changes in intellectual property legal protections and other regulatory changes.

Recent Developments

Pacira Acquisition

On October 8, 2026, the Company entered into the Pacira Merger Agreement with Pacira under which Viatris has agreed to acquire all of the outstanding Pacira Shares for $36.50 per share in cash, representing an aggregate equity value of $1.65 billion. Pacira brings two established, high-margin, patent-protected, in-market U.S. products – EXPAREL® (bupivacaine liposome injectable suspension) and ZILRETTA® (triamcinolone acetonide extended-release injectable suspension). Viatris plans to leverage its intellectual property expertise and proven ability to extend product lifecycles and sustain meaningful sales after the entry of competition to maximize the long-term value of the Pacira portfolio and expects to expand the products' reach across select markets within its global infrastructure.

On October 30, 2026, the Company commenced the Pacira Offer to purchase all of the issued and outstanding Pacira Shares for $36.50 per share in cash, net of applicable withholding taxes and without interest, upon the terms and subject to the conditions set forth in the related Pacira Merger Agreement. The Pacira Offer and withdrawal rights will expire at one minute after 11:59 p.m., Eastern Time, on November 16, 2026, unless the Pacira Offer is extended or earlier terminated in accordance with the Pacira Merger Agreement. Following completion of the Pacira Offer, Viatris will acquire all remaining Pacira Shares not tendered in the Pacira Offer through the Pacira Merger for the same consideration. The Company expects to fund the transaction primarily from excess cash with the remainder from short-term borrowings.

The transaction, which was unanimously approved by the boards of directors of both companies, is subject to customary closing conditions, including the tender of a majority of the outstanding Pacira Shares and expiration of the applicable regulatory waiting period. The transaction is expected to close by the end of November 2026.

2026 Restructuring Program

In 2025, the Company initiated an EWSR to enable the Company to build a more focused, efficient and future-ready organization and position the Company for sustained growth beginning in 2026. On February 26, 2026, the Company announced the results of its EWSR, and as a part of the review, committed to and began implementation of certain restructuring activities. These restructuring activities are expected to optimize the Company's commercial capabilities, enabling functions, R&D, medical affairs and regulatory activities, and sourcing, manufacturing and supply chain activities, including inventory optimization. As a result, the Company expects a global workforce reduction of up to approximately 10%. The Company anticipates that these restructuring activities, as well as associated costs and savings, will be completed primarily over the three years ending 2028.

The Company expects to record charges for costs associated with the restructuring activities of the EWSR. For the committed restructuring activities, the Company expects to incur total pre-tax charges ranging between $700 million and $850 million. Such charges are expected to include between $50 million and $100 million of non-cash charges mainly related to accelerated depreciation and asset impairment charges, including inventory write-offs. The remaining estimated cash costs of between $650 million and $750 million 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. In addition, management believes the potential savings related to these committed restructuring activities will be between $600 million and $700 million once fully implemented, with most of these savings expected to improve operating cash flow. During the three and nine months ended September 30, 2026, the Company recognized total charges of $52.1 million and $157.3 million, respectively, in the condensed consolidated statements of operations related to this restructuring program.

CCPS in Biocon Biologics

In December 2025, the Company entered into definitive agreements with Biocon for the sale of the Company's equity stake in Biocon Biologics. Under the terms of the definitive agreements, Biocon acquired all of Viatris' CCPS in Biocon Biologics for total consideration of $815.0 million, consisting of $400.0 million in cash and $415.0 million in newly issued equity shares of Biocon, which are listed and traded on the National Stock Exchange of India. The transaction closed during the first quarter of 2026 and the equity shares of Biocon were subject to a six-month lock up period. The Company completed the sale of its equity position in Biocon on July 14, 2026 for pre-tax total consideration of approximately $380 million. The pre-tax sale proceeds include the impacts of an approximate 2.7% block sale discount to market, transaction fees, and the strengthening of the U.S. dollar since the Company obtained the equity in January 2026. In addition, the terms of the definitive agreements accelerate the expiration of biosimilars non-compete restrictions previously placed on Viatris in 2022 in connection with Viatris' sale of its biosimilars portfolio and related commercial and other capabilities to Biocon Biologics. These restrictions expired immediately at the time of close for all ex-U.S. markets and will expire in November 2026 for the U.S. market. During the three and nine months ended September 30, 2026, the Company recognized a pre-tax loss of approximately $27.4 million and $36.0 million, respectively, as a result of changes in the fair value and subsequent sale of the Biocon equity shares.

Manufacturing Facilities

Following an inspection by the FDA at our oral finished dose manufacturing facility in Indore, India in 2024, the FDA issued a warning letter and an import alert related to this facility. The import alert affects 11 products that will no longer be accepted into the U.S. until the warning letter is lifted.

Following the substance of FDA's original inspection observations, the Company immediately implemented a comprehensive remediation plan at the site. During 2025, we made substantial progress on our remediation activities at the facility, including but not limited to related personnel actions. Additionally, we have engaged independent third-party subject matter experts to support the remediation plan.

While product continues to be shipped from the Indore facility to markets outside the U.S., as expected, we have also experienced a negative impact in other markets, including the ARV business in Emerging Markets and select generic products in Europe.

We have been in regular communication with the FDA during this process and will continue working to satisfy the FDA that the steps we have taken have resolved all the points raised. Our responses were submitted within the required time periods. The facility will be subject to a reinspection by the FDA. The timing of the reinspection will be determined by the FDA; however, we anticipate that the facility will be ready for reinspection in 2026.

As previously disclosed, in February 2026, a fire occurred in a service area at the Company's oral solid dose manufacturing facility in Nashik, India. Manufacturing at the facility was temporarily suspended.

In May 2026, the FDA inspected the facility and issued Form 483 observations. The Company responded to the Form 483 observations and promptly initiated a comprehensive remediation plan. The Company has also engaged independent third-party subject matter experts to support its remediation plan. While production at the facility had resumed, the temporary suspension of manufacturing and activities under the remediation plan led to disruptions at the facility. The estimated negative impact of product supply in the third quarter of 2026 to total revenues was approximately $100 million.

In September 2026, the Company received notice from the FDA that the inspection classification of the facility was OAI, which could lead to enforcement actions, including a warning letter or import alert. In October 2026, out of an abundance of caution, the Company voluntarily suspended manufacturing at the facility to focus on remediation activities. The Company expects to resume production at the facility during the first quarter of 2027. The foregoing manufacturing suspension is expected to result in incremental costs associated with the Company's remediation activities, operational inefficiencies, reduced production volumes and delays in production during the affected period. The Company currently anticipates the negative impact of these supply disruptions to be approximately $100 million to total revenues in the fourth quarter of 2026. Also, due to timing of the expected ramp up needed to get the facility back to full production in 2027, the Company currently does not expect to recover the lower revenues from 2026 in 2027.

During the three and nine months ended September 30, 2026, the Company recognized total charges of $11.8 million and $98.6 million, respectively, within *Cost of Sales* in the condensed consolidated statements of operations primarily related to the write off of inventory and fixed assets damaged in the fire and incremental manufacturing variances. The Company believes it has certain insurance coverages for these losses, including for assets and business interruption. In the event the plant cannot be returned to sustained normal operations or the Company's insurance coverage is unavailable or inadequate, this event could have a negative impact on our financial position, results of operations and cash flows.

The Company has been impacted by and continues to face potential risks associated with the manufacture and supply of its products (including at its Indore and Nashik manufacturing facilities as discussed above), including temporary facility shutdowns, regulatory inspections, the issuance of observations by government authorities, enforcement actions, including warning letters and import alerts, quality control or compliance issues, and operational disruptions affecting the Company or its third-party contract manufacturers and suppliers. These events have resulted in and may in the future result in delays in production, product launches, interruptions in product supply, increased operating costs, or reduced product availability, one or more of which could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows, ability to pay dividends or repurchase shares and/or stock price.

We take oversight of our manufacturing network very seriously. Patient safety is our primary and unwavering focus. We will continue to work closely with our customers to mitigate the effects of potential supply disruptions to meet the needs of the patients we serve.

Share Repurchase Program

On February 28, 2022, the Company announced that its Board of Directors had authorized a share repurchase program for the repurchase of up to $1.0 billion of the Company's shares of common stock. The Company subsequently announced that on February 26, 2024, its Board of Directors authorized a $1.0 billion increase to the Company's previously announced $1.0 billion share repurchase program. As a result, the Company's share repurchase program now authorizes the repurchase of up to $2.0 billion of the Company's shares of common stock. Such repurchases may be made from time-to-time at the Company's discretion and effected by any means, including but not limited to, open market repurchases, pursuant to plans in accordance with Rules 10b5-1 or 10b-18 under the Exchange Act, privately negotiated transactions (including accelerated stock repurchase programs) or any combination of such methods as the Company deems appropriate. The program does not have an expiration date. The share repurchase program does not obligate the Company to acquire any particular amount of common stock.

During the three and nine months ended September 30, 2026, the Company repurchased approximately 8.9 million shares of common stock at a cost of approximately $150.0 million, and 18.3 million shares of common stock at a cost of approximately $300.0 million, respectively, under the program. During the three and nine months ended September 30, 2025, the Company repurchased approximately 6.8 million shares of common stock at a cost of approximately $67.9 million, and 45.6 million shares of common stock at a cost of approximately $418.3 million, respectively, under the program. As of September 30, 2026, the Company had repurchased a total of approximately 112.5 million shares of common stock at a cost of approximately $1.30 billion under the program.

Financial Summary

The table below is a summary of the Company's financial results for the three and nine months ended September 30, 2026 compared to the prior year period:

	Three Months Ended September 30,		
(In millions, except per share amounts)	**2026**	**2025**	**Change**
Total revenues	$ 3,749.5	$ 3,759.9	$ (10.4)
Gross profit	1,438.0	1,371.5	66.5
Earnings from operations	261.5	178.8	82.7
Net loss	(325.3)	(128.2)	(197.1)
Diluted loss per share	$ (0.28)	$ (0.11)	$ (0.17)

	Nine Months Ended September 30,		
(In millions, except per share amounts)	**2026**	**2025**	**Change**
Total revenues	$ 11,023.3	$ 10,596.3	$ 427.0
Gross profit	4,051.7	3,865.6	186.1
Earnings from operations	188.1	(2,470.4)	2,658.5
Net loss	(267.7)	(3,174.8)	2,907.1
Diluted loss per share	$ (0.23)	$ (2.70)	$ 2.47

A detailed discussion of the Company's financial results can be found below in the section titled "Results of Operations." As part of this discussion, we also report sales performance using the non-GAAP financial measures of "constant currency" net sales and total revenues. These measures provide information on the change in net sales and total revenues assuming that foreign currency exchange rates had not changed between the prior and current period. The comparisons presented at constant currency rates reflect comparative local currency sales at the prior year's foreign exchange rates. We routinely evaluate our net sales and total revenues performance at constant currency so that these results can be viewed without

the impact of foreign currency exchange rates, thereby facilitating a period-to-period comparison of our operational activities, and believe that this presentation also provides useful information to investors for the same reason.

More information about non-GAAP measures used by the Company as part of this discussion, including adjusted cost of sales, adjusted gross margins, adjusted EBITDA, adjusted net earnings, and adjusted EPS (all of which are defined below) can be found in "Item 2. *Management's Discussion and Analysis of Financial Condition and Results of Operations - Use of Non-GAAP Financial Measures.*"

Results of Operations

Three Months Ended September 30, 2026 Compared to Three Months Ended September 30, 2025

	Three Months Ended September 30,				
(In millions, except %s)	2026	2025	% Change	2026 Currency Impact [1]	2026 Constant Currency Revenues	Constant Currency % Change [2]
Net sales						
Developed Markets	$ 2,215.9	$ 2,255.6	(2)%	$ 16.3	$ 2,232.2	(1)%
Greater China	702.6	615.2	14 %	(26.3)	676.3	10 %
JANZ	287.1	306.3	(6)%	5.0	292.1	(5)%
Emerging Markets	529.1	570.4	(7)%	6.9	536.0	(6)%
Total net sales	$ 3,734.7	$ 3,747.5	— %	$ 1.9	$ 3,736.6	— %
Other revenues [3]	14.8	12.4	NM	0.3	15.1	NM
Consolidated total revenues [4]	$ 3,749.5	$ 3,759.9	— %	$ 2.2	$ 3,751.7	— %

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

(2) 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.

(3) For the three months ended September 30, 2026, other revenues in Developed Markets, JANZ, and Emerging Markets were approximately $8.9 million, $3.9 million, and $2.0 million, respectively.

(4) Amounts exclude intersegment revenue which is eliminated on a consolidated basis.

Total Revenues

For the three months ended September 30, 2026, Viatris reported total revenues of $3.75 billion, compared to $3.76 billion for the comparable prior year period, representing a decrease of $10.4 million, or essentially flat. Total revenues include both net sales and other revenues from third parties. Net sales for the current quarter were $3.73 billion, compared to $3.75 billion for the comparable prior year period, representing a decrease of $12.8 million, or essentially flat. Other revenues for the current quarter were $14.8 million, compared to $12.4 million for the comparable prior year period.

The unfavorable impact of foreign currency translation was approximately $1.9 million. On a constant currency basis, net sales decreased by approximately $10.9 million, or essentially flat, for the three months ended September 30, 2026 compared to the prior year period, as new product sales, primarily in Developed Markets, of approximately $115.2 million, were largely offset by net base business erosion of approximately $126.1 million, driven primarily by continued supply constraints in Europe and Emerging Markets and additional competition on certain products. This was partially offset by the strength of the North American business, including estradiol transdermal products sales, and strong net sales in Greater China. New product sales include new products launched in 2026 and the carryover impact of new products, including business development, launched within the last twelve months.

From time to time, a limited number of our products may represent a significant portion of our net sales, gross profit and net earnings. Generally, this is due to the timing of new product introductions, seasonality, and the amount, if any, of

additional competition in the market. Our top ten products in terms of net sales, in the aggregate, represented approximately 41% and 38% for the three months ended September 30, 2026 and 2025, respectively.

Net sales are derived from our four reporting segments: Developed Markets, Greater China, JANZ, and Emerging Markets.

Developed Markets Segment

Net sales from Developed Markets decreased by $39.7 million, or 2%, for the three months ended September 30, 2026 when compared to the prior year period. The unfavorable impact of foreign currency translation was approximately $16.3 million, or 1%. Constant currency net sales decreased by approximately $23.4 million, or 1%, when compared to the prior year period, driven primarily by lower net sales of certain existing products, primarily as a result of certain continued supply constraints in Europe and additional competition on certain products. This was partially offset by new product sales, primarily octreotide acetate, and higher sales of estradiol transdermal products of approximately $126.0 million, both in North America. Net sales within North America totaled approximately $923.4 million and net sales within Europe totaled approximately $1.29 billion.

Greater China Segment

Net sales from Greater China increased by $87.4 million, or 14%, for the three months ended September 30, 2026 when compared to the prior year period. The favorable impact of foreign currency translation was approximately $26.3 million, or 4%. Constant currency net sales increased by approximately $61.1 million, or 10%, when compared to the prior year period, primarily the result of strong growth across multiple channels, including e-commerce, retail, and hospitals, driven primarily by increased marketing and selling efforts.

JANZ Segment

Net sales from JANZ decreased by $19.2 million, or 6%, for the three months ended September 30, 2026 when compared to the prior year period. The unfavorable impact of foreign currency translation was approximately $5.0 million, or 2%. Constant currency net sales decreased by approximately $14.2 million, or 5%, when compared to the prior year period, driven primarily by lower net sales of existing products due to additional competition in Australia and government price reductions in Japan, partially offset by new product sales, primarily in Japan.

Emerging Markets Segment

Net sales from Emerging Markets decreased by $41.3 million, or 7%, for the three months ended September 30, 2026 when compared to the prior year period. The unfavorable impact of foreign currency translation was approximately $6.9 million, or 1%. Constant currency net sales decreased by $34.4 million, or 6%, when compared to the prior year period, primarily driven by lower ARV volumes related to continued supply constraints. This decrease was partially offset by new product sales and higher net sales of existing products in certain Middle Eastern and Asian countries.

Cost of Sales and Gross Profit

Cost of sales decreased from $2.39 billion for the three months ended September 30, 2025 to $2.31 billion for the three months ended September 30, 2026, a decrease of $76.9 million. Gross profit for the three months ended September 30, 2026 was $1.44 billion and gross margins were 38%. For the three months ended September 30, 2025, gross profit was $1.37 billion and gross margins were 36%.

The changes in cost of sales, gross profit and gross margins were primarily driven by reduced sales of lower margin products in Europe and Emerging Markets as a result of continued supply disruptions, and increased sales of higher margin products in Greater China and North America. Adjusted gross margins were approximately 58% for the three months ended September 30, 2026, compared to approximately 56% for the three months ended September 30, 2025.

A reconciliation between cost of sales, as reported under U.S. GAAP, and adjusted cost of sales and adjusted gross margin for the three months ended September 30, 2026 compared to the three months ended September 30, 2025 is as follows:

(In millions, except %s)	Three Months Ended September 30, 2026	2025
U.S. GAAP cost of sales	$ 2,311.5	$ 2,388.4
Deduct:		
Purchase accounting amortization and other related items	(613.7)	(605.8)
Acquisition and divestiture-related costs	(38.8)	(23.6)
Restructuring costs	(19.1)	(13.4)
Share-based compensation expense	(0.6)	(0.7)
Other special items, including restructuring related costs	(65.8)	(89.4)
Adjusted cost of sales	$ 1,573.5	$ 1,655.5
Adjusted gross profit [(a)]	$ 2,176.0	$ 2,104.4
Adjusted gross margin [(a)]	58 %	56 %

[(a)] 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.

Operating Expenses

Research and Development Expense

R&D expense for the three months ended September 30, 2026 was $231.7 million, compared to $250.4 million for the comparable prior year period, a decrease of $18.7 million. This decrease was primarily the result of the timing of clinical spending.

Acquired IPR&D

Acquired IPR&D expense for the three months ended September 30, 2026 was $5.0 million, which was related to an upfront payment for a licensing deal. There was no Acquired IPR&D in the comparable prior year period.

Selling, General and Administrative Expense

SG&A expense for the current quarter was $950.8 million, compared to $886.6 million for the comparable prior year period, an increase of $64.2 million. The increase was primarily driven by higher restructuring costs of approximately $42.6 million primarily related to the EWSR.

Litigation Settlements and Other Contingencies, Net

The following table includes the (gains)/losses recognized in litigation settlements and other contingencies, net during the three months ended September 30, 2026 and 2025, respectively:

(In millions)	Three Months Ended September 30, 2026	2025
Contingent consideration adjustment	$ (17.5)	$ 21.1
Litigation settlements, net	6.5	34.6
Total litigation settlements and other contingencies, net	$ (11.0)	$ 55.7

Refer to Note 11 *Financial Instruments and Risk Management* and Note 18 *Litigation* included in Part I, Item 1 of this Form 10-Q for more information with respect to the contingent consideration adjustment and litigation settlements, net, respectively.

Interest Expense

Interest expense for the three months ended September 30, 2026 totaled $112.4 million, compared to $119.6 million for the three months ended September 30, 2025, a decrease of $7.2 million. The decrease is primarily due to the impact of the repayment of the 3.950% Senior Notes due 2026 at maturity in June 2026, partially offset by interest on the 2033 Euro Senior Notes issued in June 2026.

Other Expense, Net

Other expense, net includes gains and losses from divestitures of businesses, changes in the fair value of equity securities, foreign exchange, expense (income) related to post-employment benefit plans, TSA income, and interest and dividend income. Other expense, net for the three months ended September 30, 2026 totaled $21.2 million, compared to $67.1 million for the three months ended September 30, 2025, a decrease of $45.9 million.

The decrease was primarily driven by a loss in the prior year period of $100.0 million as a result of changes in the fair value of the CCPS in Biocon Biologics. This was partially offset by a loss of $27.4 million in the current year period as a result of changes in the fair value and subsequent sale of equity shares of Biocon. Refer to Note 11 *Financial Instruments and Risk Management* included in Part I, Item 1 of this Form 10-Q for more information with respect to the Biocon equity shares.

Income Tax Provision

For the three months ended September 30, 2026, the Company recognized an income tax provision of $453.2 million, compared to an income tax provision of $120.3 million for the comparable prior year period, a change of $332.9 million. The current quarter was negatively impacted by losses in jurisdictions for which minimal benefit can be realized. The provision in the prior year period was primarily driven by reduced tax benefits related to certain remediation costs as well as certain discrete tax items. The current quarter and prior quarter provisions were impacted by the levels of income and the changing mix at which it is earned in jurisdictions with differing tax rates.

Nine Months Ended September 30, 2026 Compared to Nine Months Ended September 30, 2025

	Nine Months Ended September 30,					
(In millions, except %s)	2026	2025	% Change	2026 Currency Impact [1]	2026 Constant Currency Revenues	Constant Currency % Change [2]
Net sales						
Developed Markets	$ 6,430.4	$ 6,266.6	3 %	$ (132.3)	$ 6,298.1	1 %
Greater China	2,096.5	1,759.6	19 %	(80.5)	2,016.0	15 %
JANZ	856.6	888.1	(4)%	9.3	865.9	(2)%
Emerging Markets	1,606.8	1,645.4	(2)%	(5.6)	1,601.2	(3)%
Total net sales	$ 10,990.3	$ 10,559.7	4 %	$ (209.1)	$ 10,781.2	2 %
Other revenues [3]	33.0	36.6	NM	0.1	33.1	NM
Consolidated total revenues [4]	$ 11,023.3	$ 10,596.3	4 %	$ (209.0)	$ 10,814.3	2 %

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

(2) 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.

(3) For the nine months ended September 30, 2026, other revenues in Developed Markets, JANZ, and Emerging Markets were approximately $23.4 million, $4.1 million, and $5.5 million, respectively.

(4) Amounts exclude intersegment revenue which is eliminated on a consolidated basis.

Total Revenues

For the nine months ended September 30, 2026, Viatris reported total revenues of $11.02 billion, compared to $10.60 billion for the comparable prior year period, representing an increase of $427.0 million, or 4%. Total revenues include both net sales and other revenues from third parties. Net sales for the nine months ended September 30, 2026 were $10.99 billion, compared to $10.56 billion for the comparable prior year period, representing an increase of $430.6 million, or 4%. Other revenues for the nine months ended September 30, 2026 were $33.0 million, compared to $36.6 million for the comparable prior year period.

The favorable impact of foreign currency translation was approximately $209.1 million, or 2%, primarily reflecting changes in the U.S. Dollar as compared to the currencies of subsidiaries in Europe and China. On a constant currency basis, net sales increased by approximately $221.5 million, or 2%, for the nine months ended September 30, 2026 compared to the prior year period. The increase was the result of new product sales, primarily in Developed Markets, of approximately $286.9 million, partially offset by net base business erosion of approximately $65.4 million, driven by continued supply constraints in Europe and Emerging Markets and additional competition on certain products. This was partially offset by the strength of the North American business, including estradiol transdermal products sales, and strong net sales in Greater China. New product sales include new products launched in 2026 and the carryover impact of new products, including business development, launched within the last twelve months.

From time to time, a limited number of our products may represent a significant portion of our net sales, gross profit and net earnings. Generally, this is due to the timing of new product introductions, seasonality, and the amount, if any, of additional competition in the market. Our top ten products in terms of net sales, in the aggregate, represented approximately 40% and 37% for the nine months ended September 30, 2026 and 2025, respectively.

Net sales are derived from our four reporting segments: Developed Markets, Greater China, JANZ, and Emerging Markets.

Developed Markets Segment

Net sales from Developed Markets increased by $163.8 million, or 3%, for the nine months ended September 30, 2026 when compared to the prior year period. The favorable impact of foreign currency translation was approximately $132.3 million, or 2%. Constant currency net sales increased by approximately $31.5 million, or 1%, when compared to the prior year period, driven by new product sales, primarily octreotide acetate, and higher sales of estradiol transdermal products of approximately $234.1 million, both in North America. This was partially offset by lower net sales of certain existing products, primarily as a result of continued supply constraints in Europe and additional competition on certain products. Net sales within North America totaled approximately $2.63 billion and net sales within Europe totaled approximately $3.80 billion.

Greater China Segment

Net sales from Greater China increased by $336.9 million, or 19%, for the nine months ended September 30, 2026 when compared to the prior year period. The favorable impact of foreign currency translation was approximately $80.5 million, or 5%. Constant currency net sales increased by approximately $256.4 million, or 15%, when compared to the prior year period, primarily the result of strong growth across multiple channels, including e-commerce, retail, and hospitals, driven primarily by increased marketing and selling efforts.

JANZ Segment

Net sales from JANZ decreased by $31.5 million, or 4%, for the nine months ended September 30, 2026 when compared to the prior year period. The unfavorable impact of foreign currency translation was approximately $9.3 million, or 1%. Constant currency net sales decreased by approximately $22.2 million, or 2%, when compared to the prior year period, driven primarily by lower net sales of existing products due to additional competition in Australia and government price reductions in Japan, partially offset by new product sales, primarily in Japan.

Emerging Markets Segment

Net sales from Emerging Markets decreased by $38.6 million, or 2%, for the nine months ended September 30, 2026 when compared to the prior year period. The favorable impact of foreign currency translation was approximately $5.6 million, or less than 1%. Constant currency net sales decreased by approximately $44.2 million, or 3%, when compared to the prior year period, primarily driven by lower ARV volumes related to continued supply constraints. This decrease was partially offset by higher pricing and volumes of existing products in certain Middle Eastern and Asian countries.

Cost of Sales and Gross Profit

Cost of sales increased from $6.73 billion for the nine months ended September 30, 2025 to $6.97 billion for the nine months ended September 30, 2026, an increase of $240.9 million. The increase in cost of sales was largely driven by the increase in net sales, higher restructuring costs primarily related to the EWSR, and higher costs associated with other special items, which include certain costs for plants slated for sale or closure or undergoing remediation activities, including $98.6 million related to the write off of inventory and fixed assets damaged in the fire at the Nashik manufacturing facility and incremental manufacturing variances.

Gross profit for the nine months ended September 30, 2026 was $4.05 billion and gross margins were 37%. For the nine months ended September 30, 2025, gross profit was $3.87 billion and gross margins were 36%. The changes in gross profit and gross margins are primarily related to the increase in net sales and cost of sales discussed above. Adjusted gross margins were approximately 57% for the nine months ended September 30, 2026, compared to approximately 56% for the nine months ended September 30, 2025.

A reconciliation between cost of sales, as reported under U.S. GAAP, and adjusted cost of sales and adjusted gross margin for the nine months ended September 30, 2026 compared to the nine months ended September 30, 2025 is as follows:

	Nine Months Ended September 30,	
(In millions, except %s)	**2026**	**2025**
U.S. GAAP cost of sales	$ 6,971.6	$ 6,730.7
Deduct:		
Purchase accounting amortization and other related items	(1,791.6)	(1,787.1)
Acquisition and divestiture-related costs	(99.2)	(62.2)
Restructuring costs	(95.8)	(44.5)
Share-based compensation expense	(2.4)	(2.9)
Other special items, including restructuring related costs	(264.5)	(190.1)
Adjusted cost of sales	$ 4,718.1	$ 4,643.9
Adjusted gross profit [(a)]	$ 6,305.2	$ 5,952.4
Adjusted gross margin [(a)]	57 %	56 %

[(a)] 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.

Operating Expenses

Research and Development Expense

R&D expense for the nine months ended September 30, 2026 was $728.6 million, compared to $691.2 million for the comparable prior year period, an increase of $37.4 million. This increase was primarily the result of higher spending on the selatogrel and cenerimod development programs.

Acquired IPR&D

Acquired IPR&D expense for the nine months ended September 30, 2026 was $5.2 million, compared to $10.0 million for the comparable prior year period, a decrease of $4.8 million. The current period expense was related to an upfront payment for a licensing deal, and the prior period expense was related to an upfront licensing payment for rights to cenerimod in Japan, South Korea and certain countries in the Asia-Pacific region.

Selling, General and Administrative Expense

SG&A expense for the nine months ended September 30, 2026 was $3.01 billion, compared to $2.76 billion for the comparable prior year period, an increase of $250.7 million. The increase was primarily driven by a charge of $177.0 million related to the sale of the product rights for Tyrvaya® (refer to Note 5 *Divestitures* in Part I, Item 1 of this Form 10-Q for more information), and certain costs related to the EWSR.

Impairment of Goodwill

During the prior year period, the Company recorded a goodwill impairment charge of $2.94 billion in conjunction with its interim goodwill impairment test performed as of March 31, 2025.

Litigation Settlements and Other Contingencies, Net

The following table includes the losses/(gains) recognized in litigation settlements and other contingencies, net during the nine months ended September 30, 2026 and 2025, respectively:

	Nine Months Ended September 30,	
(In millions)	**2026**	**2025**
Contingent consideration adjustment	$ 88.2	$ (150.3)
Litigation settlements, net	27.5	84.9
Total litigation settlements and other contingencies, net	$ 115.7	$ (65.4)

Refer to Note 11 *Financial Instruments and Risk Management* and Note 18 *Litigation* included in Part I, Item 1 of this Form 10-Q for more information with respect to the contingent consideration adjustment and litigation settlements, net, respectively.

Interest Expense

Interest expense for the nine months ended September 30, 2026 totaled $353.2 million, compared to $351.7 million for the nine months ended September 30, 2025.

Other Expense, Net

Other expense, net includes gains and losses from divestitures of businesses, changes in the fair value of equity securities, foreign exchange, expense (income) related to post-employment benefit plans, TSA income, and interest and dividend income. Other expense, net for the nine months ended September 30, 2026 totaled $18.3 million, compared to $499.9 million for the nine months ended September 30, 2025, a decrease of $481.6 million.

The decrease was primarily driven by a loss in the prior year period of $499.8 million as a result of changes in the fair value of the CCPS in Biocon Biologics, and a decrease in the loss on divestitures of $65.2 million. This was partially offset by a decrease in TSA income of $33.2 million, and a loss of $36.0 million recorded in the current year period as a result of changes in the fair value and subsequent sale of equity shares of Biocon. Refer to Note 11 *Financial Instruments and Risk Management* included in Part I, Item 1 of this Form 10-Q for more information with respect to the Biocon equity shares.

Income Tax Provision (Benefit)

For the nine months ended September 30, 2026, the Company recognized an income tax provision of $84.3 million, compared to an income tax benefit of $147.2 million for the comparable prior year period, a change of $231.5 million. The provision in the current year period is primarily driven by certain losses in jurisdictions where minimal benefit can be realized, the tax benefit of certain internal restructurings undertaken, and the release of reserves for uncertain tax positions due to statute of limitations expirations. The benefit in the prior year period is primarily driven by the loss before income taxes, partially offset by the negative impact of the goodwill impairment charge, for which minimal tax benefit was realized, and a $17.7 million accrual related to the resolution of the previously disclosed Swedish tax matter. The current year and prior year provisions were impacted by the levels of income and the changing mix at which it is earned in jurisdictions with differing tax rates.

Use of Non-GAAP Financial Measures

Whenever the Company uses non-GAAP financial measures, we provide a reconciliation of the non-GAAP financial measures to their most directly comparable U.S. GAAP financial measure. Investors and other readers are encouraged to review the related U.S. GAAP financial measures and the reconciliation of non-GAAP measures to their most directly comparable U.S. GAAP measure and should consider non-GAAP measures only as a supplement to, not as a substitute for or as a superior measure to, measures of financial performance prepared in accordance with U.S. GAAP. Additionally, since these are not measures determined in accordance with U.S. GAAP, non-GAAP financial measures have no standardized meaning across companies, or as prescribed by U.S. GAAP and, therefore, may not be comparable to the calculation of similar measures or measures with the same title used by other companies.

Management uses these measures internally for forecasting, budgeting, measuring its operating performance, and incentive-based awards. Primarily due to acquisitions, divestitures and other significant events which may impact comparability of our periodic operating results, we believe that an evaluation of our ongoing operations (and comparisons of our current operations with historical and future operations) would be difficult if the disclosure of our financial results was limited to financial measures prepared only in accordance with U.S. GAAP. We believe that non-GAAP financial measures are useful supplemental information for our investors and when considered together with our U.S. GAAP financial measures and the reconciliation to the most directly comparable U.S. GAAP financial measure, provide a more complete understanding of the factors and trends affecting our operations. The financial performance of the Company is measured by senior management, in part, using adjusted metrics as described below, along with other performance metrics. The Company's use of such non-GAAP measures is governed by an adjusted reporting policy maintained by the Company and such non-GAAP measures are reviewed in detail with the Audit Committee of the Board of Directors.

Adjusted Cost of Sales and Adjusted Gross Margin

We use the non-GAAP financial measure "adjusted cost of sales" and the corresponding non-GAAP financial measure "adjusted gross margin." The principal items excluded from adjusted cost of sales include restructuring, acquisition and divestiture-related costs, and other special items, purchase accounting amortization and other related items, and share-based compensation expense, which are described in greater detail below.

Adjusted Net Earnings and Adjusted EPS

Adjusted net earnings and adjusted net earnings per diluted share ("adjusted EPS") are non-GAAP financial measures and provide an alternative view of performance used by management. Management believes that, primarily due to acquisitions, divestitures and other significant events, an evaluation of the Company's ongoing operations (and comparisons of its current operations with historical and future operations) would be difficult if the disclosure of its financial results were limited to financial measures prepared only in accordance with U.S. GAAP. Management believes that adjusted net earnings and adjusted EPS are important internal financial metrics related to the ongoing operating performance of the Company, and are therefore useful to investors and that their understanding of our performance is enhanced by these measures. Actual internal and forecasted operating results and annual budgets used by management include adjusted net earnings and adjusted EPS.

EBITDA and Adjusted EBITDA

EBITDA and adjusted EBITDA are non-GAAP financial measures that the Company believes are appropriate to provide additional information to investors to demonstrate the Company's ability to comply with financial debt covenants and assess the Company's ability to incur additional indebtedness. The Company also believes that adjusted EBITDA better focuses management on the Company's underlying operational results and true business performance and is used, in part, for management's incentive compensation. We calculate EBITDA as U.S. GAAP net earnings (loss) adjusted for income tax provision (benefit), interest expense and depreciation and amortization. EBITDA is further adjusted for share-based compensation expense, litigation settlements and other contingencies, net, gain (loss) on divestitures of businesses, impairment of long-lived assets and goodwill, restructuring, acquisition and divestiture-related and other special items to determine adjusted EBITDA. These adjustments are generally permitted under our credit agreement in calculating adjusted EBITDA for determining compliance with our debt covenants.

The significant items excluded from adjusted cost of sales, adjusted EBITDA, adjusted net earnings, and adjusted EPS include:

Purchase Accounting Amortization and Other Related Items

The ongoing impact of certain amounts recorded in connection with acquisitions of both businesses and assets is excluded from adjusted cost of sales, adjusted EBITDA, adjusted net earnings, and adjusted EPS. These amounts include the amortization of intangible assets, inventory step-up, property, plant and equipment step-up, intangible asset impairment charges, including for IPR&D, and impairment of goodwill. For the acquisition of businesses accounted for under the provisions of *ASC 805, Business Combinations*, these purchase accounting impacts are excluded regardless of the financing method used for the acquisitions, including the use of cash, long-term debt, the issuance of common stock, contingent consideration or any combination thereof.

Fair Value Adjustments, Including Contingent Consideration

The impact of changes to the fair value of assets and liabilities, including contingent and deferred consideration and non-marketable equity investments, and the related accretion income or expense are excluded from adjusted EBITDA, adjusted net earnings, and adjusted EPS because they are not indicative of the Company's ongoing operations due to the variability of the amounts and the lack of predictability as to the occurrence and/or timing and management believes their exclusion is helpful to understanding the underlying, ongoing operational performance of the business.

Share-based Compensation Expense

Share-based compensation expense is excluded from adjusted cost of sales, adjusted EBITDA, adjusted net earnings, and adjusted EPS. Our share-based compensation programs have become increasingly weighted toward performance-based compensation, which leads to variability and to a lack of predictability as to the occurrence and/or timing of amounts incurred. As such, management believes the exclusion of such amounts on an ongoing basis is helpful to understanding the underlying operational performance of the business.

Restructuring, Acquisition and Divestiture-Related Costs and Other Special Items

Costs related to restructuring, acquisition and divestiture-related activities and other actions are excluded from adjusted cost of sales, adjusted EBITDA, adjusted net earnings, and adjusted EPS, as applicable. These amounts include items such as:

- Costs related to formal restructuring programs and actions, including costs associated with facilities to be closed or divested, employee separation costs, impairment charges, accelerated depreciation, incremental manufacturing variances, equipment relocation costs, decommissioning and other restructuring related costs;
- Certain acquisition and divestiture costs, including costs relating to integration and planning, contractual obligations, including under supply agreements, advisory and legal fees, certain financing related costs, certain reimbursements related to the Company's obligation to reimburse Pfizer for certain financing and transaction related costs under the Business Combination Agreement and Separation and Distribution Agreement, certain other TSA related set-up and exit costs, and other business transformation and/or optimization initiatives, which are not part of a formal restructuring program, including employee separation and post-employment costs;

- Other costs, incurred from time to time, related to certain special events or activities that lead to gains or losses, including, but not limited to, incremental manufacturing variances, contractual termination costs, certain remediation activities, asset write-downs, including other-than-temporary impairments of investments in equity or debt instruments, or liability adjustments;
- Certain costs to further develop and optimize our global enterprise resource planning systems, operations and supply chain;
- Gains or losses from divestitures, including impairments of held for sale assets; and
- The impact of changes related to uncertain tax positions are excluded from adjusted net earnings and adjusted EPS. In addition, tax adjustments to adjusted earnings are recorded to present items on an after-tax basis consistent with the presentation of adjusted net earnings and adjusted EPS.

The Company has undertaken restructurings and other optimization initiatives of differing types, scope and amount during the covered periods and, therefore, these charges should not be considered non-recurring; however, management excludes these amounts from adjusted cost of sales, adjusted EBITDA, adjusted net earnings, and adjusted EPS because it believes it is helpful to understanding the underlying, ongoing operational performance of the business.

Litigation Settlements, Net

Charges and gains related to legal matters, such as those discussed in Note 18 *Litigation* included in Part I, Item 1 of this Form 10-Q are generally excluded from adjusted EBITDA, adjusted net earnings, and adjusted EPS. Normal, ongoing defense costs of the Company made in the normal course of our business are not excluded.

Reconciliation of U.S. GAAP Net Loss to Adjusted Net Earnings and U.S. GAAP Loss Per Share to Adjusted EPS

A reconciliation between net loss and diluted loss per share as reported under U.S. GAAP, and adjusted net earnings and adjusted EPS for the periods shown follows:

	Three Months Ended September 30,				Nine Months Ended September 30,			
(In millions, except per share amounts)	2026		2025		2026		2025	
U.S. GAAP net loss and U.S. GAAP diluted loss per share	$ (325.3)	$ (0.28)	$ (128.2)	$ (0.11)	$ (267.7)	$ (0.23)	$ (3,174.8)	$ (2.70)
Purchase accounting amortization (primarily included in cost of sales)	613.7		605.8		1,791.6		1,787.1	
Impairment of goodwill	—		—		—		2,936.8	
Litigation settlements and other contingencies, net	(11.0)		55.7		115.7		(65.4)	
Interest expense (primarily amortization of premiums and discounts on long term debt)	(10.6)		(9.9)		(30.9)		(28.6)	
(Gain) / loss on divestitures of businesses (included in other expense, net)	—		(1.6)		13.9		79.1	
Acquisition and divestiture-related costs (primarily included in cost of sales and SG&A) [(a)]	44.5		40.0		158.2		134.4	
Restructuring costs [(b)]	66.2		17.2		206.5		136.7	
Share-based compensation expense	39.6		36.0		126.5		128.3	
Other special items included in:								
Cost of sales [(c)]	65.8		89.4		264.5		190.1	
Research and development expense	1.7		5.6		5.6		7.7	
Selling, general and administrative expense [(d)]	37.2		18.0		313.7		65.7	
Other expense, net [(e)]	26.8		102.4		52.3		508.4	
Tax effect of the above items and other income tax related items [(f)]	272.8		(46.1)		(425.9)		(594.9)	
Adjusted net earnings and adjusted EPS	$ 821.4	$ 0.71	$ 784.3	$ 0.67	$ 2,324.0	$ 1.99	$ 2,110.6	$ 1.78
Weighted average diluted shares outstanding	1,160.6		1,172.2		1,169.4		1,184.0	

Significant items include the following:

[(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 and nine months ended September 30, 2026, charges include approximately $19.1 million and $95.8 million, respectively, in cost of sales, approximately $0.8 million and $3.4 million, respectively, in R&D, and approximately $46.3 million and $107.3 million, respectively, in SG&A, primarily relating to the 2026 restructuring program.

[(c)] For the three and nine months ended September 30, 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 $52.4 million and $227.3 million, respectively, including charges of $11.8 million and $98.6 million, respectively, primarily related to the write off of inventory and fixed assets damaged in the fire at the Nashik manufacturing facility and incremental manufacturing variances.

[(d)] For the three and nine months ended September 30, 2026, includes a (gain)/loss of $(0.8) million and $177.0 million, respectively, related to the sale of the product rights for Tyrvaya®.

[(e)] For the three and nine months ended September 30, 2026, charges include a pre-tax loss of approximately $27.4 million and $36.0 million, respectively, as a result of changes in the fair value and subsequent sale of the Biocon equity shares.

[(f)] Adjusted for changes for uncertain tax positions.

Reconciliation of U.S. GAAP Net Loss to EBITDA and Adjusted EBITDA

Below is a reconciliation of U.S. GAAP net loss to EBITDA and adjusted EBITDA for the three and nine months ended September 30, 2026 compared to the prior year period:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	**2026**	**2025**	**2026**	**2025**
U.S. GAAP net loss	$ (325.3)	$ (128.2)	$ (267.7)	$ (3,174.8)
Add / (deduct) adjustments:				
Income tax provision (benefit)	453.2	120.3	84.3	(147.2)
Interest expense [(a)]	112.4	119.6	353.2	351.7
Depreciation and amortization [(b)]	697.2	688.5	2,045.6	2,031.5
EBITDA	$ 937.5	$ 800.2	$ 2,215.4	$ (938.8)
Add / (deduct) adjustments:				
Share-based compensation expense	39.6	36.0	126.5	128.3
Litigation settlements and other contingencies, net	(11.0)	55.7	115.7	(65.4)
(Gain) / loss on divestitures of businesses	—	(1.6)	13.9	79.1
Impairment of goodwill	—	—	—	2,936.8
Restructuring, acquisition and divestiture-related and other special items [(c)]	229.6	264.3	962.0	1,016.9
Adjusted EBITDA	$ 1,195.7	$ 1,154.6	$ 3,433.5	$ 3,156.9

[(a)] Includes amortization of premiums and discounts on long-term debt.

[(b)] Includes purchase accounting related amortization.

[(c)] See items detailed in the Reconciliation of U.S. GAAP Net Loss to Adjusted Net Earnings.

Liquidity and Capital Resources

Our primary source of liquidity is net cash provided by operating activities, which was $1.67 billion for the nine months ended September 30, 2026. We believe that net cash provided by operating activities and available liquidity will continue to allow us to meet our needs for working capital, capital expenditures, interest and principal payments on debt obligations, dividend payments, and share repurchases. Nevertheless, our ability to satisfy our working capital requirements and debt service obligations, and fund planned capital expenditures, share repurchases, or dividend payments, will substantially depend upon our future operating performance (which will be affected by prevailing economic conditions), and financial, business and other factors, some of which are beyond our control.

Operating Activities

Net cash provided by operating activities increased by $169.4 million to $1.67 billion for the nine months ended September 30, 2026, as compared to net cash provided by operating activities of $1.50 billion for the nine months ended September 30, 2025. Net cash provided by operating activities is derived from net loss adjusted for non-cash operating items, including gains and losses attributed to investing and financing activities and changes in operating assets and liabilities resulting from timing differences between the receipts and payments of cash, including changes in cash primarily reflecting the timing of cash collections from customers, payments to vendors and employees and tax payments in the ordinary course of business.

The increase in net cash provided by operating activities was principally due to higher operating earnings.

Investing Activities

Net cash from investing activities was $518.1 million for the nine months ended September 30, 2026, as compared to net cash used in investing activities of $216.5 million for the nine months ended September 30, 2025, an increase of $734.6 million.

In 2026, significant items in investing activities included the following:

- cash proceeds from the CCPS settlement and the sale of the Biocon equity shares of $779.8 million; and
- capital expenditures, primarily for equipment and facilities, totaling approximately $178.4 million. While there can be no assurance that current expectations will be realized, capital expenditures for the 2026 calendar year are expected to be approximately $325 million to $400 million.

In 2025, significant items in investing activities included the following:

- capital expenditures, primarily for equipment and facilities, totaling approximately $182.3 million.

Financing Activities

Net cash used in financing activities was $1.74 billion for the nine months ended September 30, 2026, as compared to $1.06 billion for the nine months ended September 30, 2025, an increase of $678.7 million.

In 2026, significant items in financing activities included the following:

- repayment of the 3.950% Senior Notes due 2026 at maturity of approximately $1.675 billion;
- borrowings and repayments under the 2024 Revolving Facility of $550 million;
- proceeds from issuance of 4.250% Euro Senior Notes due 2033 of approximately $752.8 million;
- share repurchases of $300.0 million; and
- cash dividends paid of $416.9 million.

In 2025, significant items in financing activities included the following:

- share repurchases of $415.4 million;
- cash dividends paid of $423.0 million; and
- net cash of $176.3 million paid on behalf of other partners, which is included in Other items, net.

Capital Resources

Our cash and cash equivalents totaled $1.79 billion at September 30, 2026. The majority of our cash is invested in U.S. government money market funds and in bank deposits. In order to support our global operations, we maintain significant cash and cash equivalents within the global banking system with the majority of this at Global Systemically Important Banks. We monitor the third-party depository institutions that hold our cash and cash equivalents on a regular basis. Our primary emphasis is on the safety of the principal. Where possible, we diversify our cash and cash equivalents among counterparties to minimize exposure to any one counterparty. The Company anticipates having sufficient liquidity, including existing borrowing capacity under the 2024 Revolving Facility, Commercial Paper Program, and Receivables Facility combined with cash to be generated from operations, to fund foreseeable cash needs without requiring the repatriation of non-U.S. cash. Should we determine the need to repatriate or convert cash held in countries that have significant restrictions or controls in place, including in China, we may be unable to repatriate or convert such cash, or be unable to do so without incurring substantial costs.

The Company has access to $3.5 billion under the 2024 Revolving Facility which matures in September 2029. Up to $1.65 billion of the 2024 Revolving Facility may be used to support borrowings under our Commercial Paper Program. As of September 30, 2026, the Company did not have any borrowings outstanding under the Commercial Paper Program or the 2024 Revolving Facility.

The Company has a Receivables Facility for up to an aggregate amount of $600 million which expires in April 2028. As of September 30, 2026, the Company did not have any borrowings outstanding under the Receivables Facility.

Under the terms of the Receivables Facility, certain of our accounts receivable secure the amounts borrowed and cannot be used to pay our other debts or liabilities. The amount that we may borrow at a given point in time is determined based on the amount of qualifying accounts receivable that are present at such point in time. Borrowings outstanding under the Receivables Facility bear interest at the applicable base rates plus applicable margins and are included as a component of short-term borrowings, while the accounts receivable securing these obligations remain as a component of accounts receivable, net, in

our condensed consolidated balance sheets. In addition, the agreement governing the Receivables Facility contains various customary affirmative and negative covenants, and customary default and termination provisions.

We have entered into accounts receivable factoring agreements with financial institutions to sell certain of our non-U.S. accounts receivable. These transactions are accounted for as sales and result in a reduction in accounts receivable because the agreements transfer effective control over and risk related to the receivables to the buyers. Our factoring agreements do not allow for recourse in the event of uncollectibility, and we do not retain any interest in the underlying accounts receivable once sold. We derecognized $149.9 million and $301.9 million of accounts receivable as of September 30, 2026 and December 31, 2025, respectively, under these factoring arrangements. Additionally, we have a similar arrangement for certain European countries. As of September 30, 2026, we assigned and derecognized approximately $50.7 million of *Trade Receivables, Net*, which were included in *Other Receivables*. As of December 31, 2025, no amounts were assigned and derecognized.

We are continuously evaluating the potential acquisition of products, as well as companies, as a strategic part of our future growth. Consequently, we may utilize current cash reserves or incur additional indebtedness to finance any such acquisitions, which could impact future liquidity. Also, on an ongoing basis, we review our operations, including the evaluation of potential divestitures of products and businesses, as part of our future strategy. Any divestitures could impact future liquidity. In addition, we plan to continue to explore various other ways to unlock the value of the Company's unique global platform in order to create shareholder value.

For information regarding our dividends paid and declared and share repurchase program, refer to Note 9 *Loss per Share* included in Part I, Item 1 of this Form 10-Q.

Long-term Debt Maturity

For information regarding our debt agreements and mandatory minimum repayments remaining on the outstanding notional amount of long-term debt at September 30, 2026, refer to Note 12 *Debt* included in Part I, Item 1 of this Form 10-Q.

The YEN Term Loan Facility and the 2024 Revolving Facility contain customary affirmative covenants for facilities of this type, including among others, covenants pertaining to the delivery of financial statements, notices of default and certain material events, maintenance of corporate existence and rights, property, and insurance and compliance with laws, as well as customary negative covenants for facilities of this type, including a financial covenant, which set the Maximum Leverage Ratio as of the end of any quarter at 3.75 to 1.00, except in circumstances as defined in the related credit agreement, and other limitations on the incurrence of subsidiary indebtedness, liens, mergers and certain other fundamental changes, investments and loans, acquisitions, transactions with affiliates, payments of dividends and other restricted payments and changes in our lines of business.

The Company is in compliance with its covenants at September 30, 2026 and expects to remain in compliance for the next twelve months.

We and our subsidiaries and affiliates may from time to time, in our sole discretion, purchase, repay, redeem or retire any of our outstanding debt securities (including any publicly-issued debt securities) in privately negotiated or open market transactions, by tender offer or otherwise, or extend or refinance any of our outstanding indebtedness.

Supplemental Guarantor Financial Information

Viatris Inc. is the issuer of the Registered Upjohn Notes and the 2033 Euro Senior Notes, which are fully and unconditionally guaranteed on a senior unsecured basis by Mylan Inc., Mylan II B.V. and Utah Acquisition Sub Inc.

Following the Combination, Utah Acquisition Sub Inc. is the issuer of the Utah U.S. Dollar Notes, which are fully and unconditionally guaranteed on a senior unsecured basis by Mylan Inc., Viatris Inc. and Mylan II B.V.

Mylan Inc. is the issuer of the Mylan Inc. U.S. Dollar Notes, which are fully and unconditionally guaranteed on a senior unsecured basis by Mylan II B.V., Viatris Inc. and Utah Acquisition Sub Inc.

The respective obligations of Viatris Inc., Mylan Inc., Utah Acquisition Sub Inc., and Mylan II B.V. as guarantors of the applicable series of Registered Notes are senior unsecured obligations of the applicable guarantor and rank *pari passu* in right of payment with all of such guarantor's existing and future senior unsecured obligations that are not expressly

subordinated to such guarantor's guarantee of the applicable series of Registered Notes, rank senior in right of payment to any future obligations of such guarantor that are expressly subordinated to such guarantor's guarantee of the applicable series of Registered Notes, and are effectively subordinated to such guarantor's existing and future secured obligations to the extent of the value of the collateral securing such obligations. Such obligations are structurally subordinated to all of the existing and future liabilities, including trade payables, of the existing and future subsidiaries of such guarantor that do not guarantee the applicable series of Registered Notes.

The guarantees by Mylan Inc., Mylan II B.V. and Utah Acquisition Sub Inc. under the applicable series of Registered Notes will terminate under certain customary circumstances, each as described in the applicable indenture, including: (1) a sale or disposition of the applicable guarantor in a transaction that complies with the applicable indenture such that such guarantor ceases to be a subsidiary of the issuer of the applicable series of Registered Notes; (2) legal defeasance or covenant defeasance or if the issuer's obligations under the applicable indenture are discharged; (3) with respect to the Utah U.S. Dollar Notes, the earlier to occur of (i) with respect to the guarantee provided by Mylan Inc., (x) the release of Utah Acquisition Sub Inc.'s guarantee under all applicable Mylan Inc. Debt (as defined in the applicable indenture) and (y) Mylan Inc. no longer having any obligations in respect of any Mylan Inc. Debt and (ii) with respect to the guarantee provided by Mylan II B.V., (x) the release of Mylan II B.V.'s guarantee under all applicable Triggering Indebtedness (as defined in the applicable indenture) and (y) the issuer and/or borrower of the applicable Triggering Indebtedness no longer having any obligations with respect to such Triggering Indebtedness; (4) with respect to the guarantees provided by Utah Acquisition Sub Inc. and Mylan II B.V. of the Mylan Inc. U.S. Dollar Notes, subject to certain exceptions set forth in the applicable indenture, such guarantor ceasing to be a guarantor or obligor in respect of any Triggering Indebtedness; and (5) with respect to the Registered Upjohn Notes and the 2033 Euro Senior Notes, (a) upon the applicable guarantor no longer being an issuer or guarantor in respect of (i) Mylan Notes (as defined in the applicable indenture) that have an aggregate principal amount in excess of $500.0 million or (ii) any Triggering Indebtedness; in each case, other than in respect of indebtedness or guarantees, as applicable, that are being concurrently released; or (b) upon receipt of the consent of holders of a majority of the aggregate principal amount of the outstanding notes of such series in accordance with the applicable indenture.

The guarantee obligations of Viatris Inc., Mylan Inc., Utah Acquisition Sub Inc., and Mylan II B.V. under the Registered Notes are subject to certain limitations and terms similar to those applicable to other guarantees of similar instruments, including that (i) the guarantees are subject to fraudulent transfer and conveyance laws and (ii) each guarantee is limited to an amount not to exceed the maximum amount that can be guaranteed by the applicable guarantor without rendering the guarantee, as it relates to such guarantor, voidable under applicable fraudulent transfer and conveyance laws or similar laws affecting the rights of creditors generally.

The following table presents unaudited summarized financial information of Viatris Inc., Mylan Inc., Utah Acquisition Sub Inc., and Mylan II B.V. on a combined basis as of and for the nine months ended September 30, 2026 and as of and for the year ended December 31, 2025. All intercompany balances have been eliminated in consolidation. This unaudited combined summarized financial information is presented utilizing the equity method of accounting.

	Combined Summarized Balance Sheet Information of Viatris Inc., Mylan Inc., Utah Acquisition Sub Inc. and Mylan II B.V.	
(In millions)	**September 30, 2026**	**December 31, 2025**
ASSETS		
Current assets	$ 1,714.2	$ 1,457.2
Non-current assets	57,276.4	59,413.4
LIABILITIES AND EQUITY		
Current liabilities	33,945.5	35,024.2
Non-current liabilities	11,359.6	11,135.0

(In millions)	Combined Summarized Income Statement Information of Viatris Inc., Mylan Inc., Utah Acquisition Sub Inc. and Mylan II B.V.	
	Nine Months Ended September 30, 2026	Year Ended December 31, 2025
Revenues	$ —	$ —
Gross profit	—	—
Loss from operations	(860.6)	(1,008.2)
Net loss	(267.7)	(3,514.9)

Other Commitments

The Company is involved in various disputes, governmental and/or regulatory inquiries, investigations and proceedings, tax proceedings and litigation matters, both in the U.S. and abroad, that arise from time to time, some of which could result in losses, including damages, fines and/or civil penalties, and/or criminal charges against the Company. These matters are often complex and have outcomes that are difficult to predict. We have approximately $459 million accrued for legal contingencies at September 30, 2026.

While the Company believes that it has meritorious defenses with respect to the claims asserted against it and the assumed legal matters referenced above, and intends to vigorously defend its position, the process of resolving these matters is inherently uncertain and may develop over a long period of time, and so it is not possible to predict the ultimate resolution of any such matter. It is possible that an unfavorable resolution of any of the ongoing matters could have a material effect on the Company's business, financial condition, results of operations, cash flows, ability to pay dividends or repurchase shares, and/or stock price.

In connection with the divestitures, Viatris and the respective buyers currently have manufacturing and supply agreements pursuant to which the Company is providing services to the respective purchasers, substantially the same as we previously provided to the related businesses, generally for periods between one to 10 years depending on the geographic market and the products subject to such agreement, subject to potential extensions in certain circumstances. In connection with the API business divestiture, we currently have a manufacturing and supply agreement pursuant to which we are purchasing a significant amount of API from the purchaser in that transaction. Some of these agreements include various ongoing financial obligations.

In the normal course of business, Viatris periodically enters into acquisition, divestiture, collaboration, employment, legal settlement and other agreements which include indemnification provisions. The maximum amount to which Viatris may be exposed under such agreements cannot be reasonably estimated due to the conditional nature of the Company's obligations and the unique facts and circumstances involved in each particular agreement. Historically, we have not paid material amounts under these indemnification provisions. Further, for certain agreements, the Company maintains insurance coverage which management believes will effectively mitigate the Company's obligations under these indemnification provisions.

In connection with the Combination, the Company has generally assumed liability for, and control of, pending and threatened legal matters relating to the Upjohn Business and has agreed to indemnify Pfizer for liabilities arising out of such assumed legal matters. Pfizer, however, has agreed to retain various matters—including certain specified competition law matters—to the extent they arise from conduct during the pre-Distribution period and has agreed to indemnify the Company for liabilities arising out of such matters. If Pfizer were to successfully dispute its retention of these matters, or if there is an adverse outcome in the matters that Pfizer has agreed to retain, this could have an adverse impact on Viatris. In addition, Viatris agreed to pay Pfizer an amount equal to 57% of any losses actually incurred or suffered by Viatris, its predecessors or subsidiaries, since July 29, 2019, arising out of third-party actions relating to the manufacture, distribution, marketing, promotion or sale of opioids by or on behalf of Viatris, its predecessors or subsidiaries. In June 2026, the Company received a letter from Pfizer inquiring about the Company's plan for payment to Pfizer under the foregoing agreement. The Company disagrees that the payment Pfizer requests is owed. Any loss to the Company as a result of the foregoing disagreement could have an adverse impact on Viatris.

ITEM 3. *QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK*

For a discussion of the Company's market risk, see "Item 7A. Quantitative and Qualitative Disclosures about Market Risk" in Viatris' 2025 Form 10-K.

ITEM 4. *CONTROLS AND PROCEDURES*

An evaluation was performed under the supervision and with the participation of the Company's management, including the Principal Executive Officer and the Principal Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures as of September 30, 2026. Based upon that evaluation, the Principal Executive Officer and the Principal Financial Officer concluded that the Company's disclosure controls and procedures were effective.

Except as noted below, management has not identified any changes in the Company's internal control over financial reporting ("ICFR") that occurred during the third quarter of 2026 that have materially affected, or are reasonably likely to materially affect, the Company's ICFR.

During the third quarter of 2026, the Company implemented a new ERP system for entities outside of the U.S. The Company has modified and will continue to modify its internal controls relating to its business and financial processes throughout the entire ERP system implementation, which is expected through the end of calendar year 2026. While the Company believes that this new system and the related changes to internal controls will ultimately strengthen its ICFR, there are inherent risks in implementing any new ERP system and the Company will continue to evaluate and test control changes in order to provide certification as of its fiscal year ending December 31, 2026 on the effectiveness of its ICFR.

PART II — OTHER INFORMATION

ITEM 1. *LEGAL PROCEEDINGS*

For information regarding legal proceedings, refer to Note 18 *Litigation*, in the accompanying Notes to interim financial statements in this Form 10-Q.

ITEM 1A. *RISK FACTORS*

Except as set forth below, there have been no material changes in the Company's risk factors from those disclosed in Viatris' 2025 Form 10-K.

We may not complete the proposed acquisition of Pacira within the timeframe we anticipate or at all and, if completed, we may not realize the anticipated benefits, synergies and operating efficiencies of the proposed acquisition.

The completion of the acquisition of Pacira is subject to a number of conditions, including (i) that there have been validly tendered (and not validly withdrawn) prior to the expiration of the Pacira Offer a number of Pacira Shares that, together with the number of Pacira Shares then owned by us, if any, would represent at least one Pacira Share more than 50% of the total number of Pacira Shares then issued and outstanding, (ii) the accuracy of the representations and warranties of Pacira contained in the Pacira Merger Agreement, subject to customary materiality thresholds and qualifications, (iii) Pacira's compliance with, or performance of, in all material respects, its covenants and agreements required to be complied with or performed by it under the Pacira Merger Agreement at or prior to the time of acceptance for payment of Pacira Shares validly tendered and not validly withdrawn, (iv) the expiration or termination of the waiting period (or any extension thereof) applicable to the Pacira Offer under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, (v) the absence of any legal restraint that prohibits or makes illegal the consummation of the Pacira Offer or the Pacira Merger and (vi) other customary conditions set forth in the Pacira Merger Agreement. No assurance can be given that a sufficient number of Pacira Shares will be tendered or that the other required conditions to closing will be satisfied, or when such conditions may be satisfied. The failure to satisfy all of the required conditions could delay the completion of the acquisition for a significant period of time or prevent it from occurring at all. In addition, the Pacira workforce is expected to provide U.S. innovative commercial, market access, medical affairs and global R&D capabilities that are highly complementary to our existing infrastructure and portfolio. Any delay in

completing the acquisition or, following its completion, any underperformance of the acquired business relative to our expectations, our inability to successfully integrate the acquired business or our inability to retain the talent necessary to provide expected capabilities could cause us not to realize some or all of the anticipated benefits, synergies and operating efficiencies of the acquisition or cause us to realize them on a different timeline than expected. The occurrence of any one or more of the above risks could have a material adverse effect on our business, financial condition, results of operations, cash flows, ability to pay dividends or repurchase shares, and/or stock price.

ITEM 2. *UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS*

Viatris Inc.
Issuer purchases of equity securities

Period	Total Number of Shares Purchased [a] [b]	Average Price Paid per Share [c]	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs [a] [b]	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs [a]
July 1 - July 31, 2026	6,084,948	$ 16.88	6,084,948	$ 746,819,124
August 1 - August 31, 2026	2,829,063	16.71	2,829,063	699,532,414
September 1 - September 30, 2026	—	—	—	699,532,414
Total	8,914,011	$ 16.83	8,914,011	$ 699,532,414

[a] Refer to Note 9 *Loss per Share* included in Part I, Item 1 of this Form 10-Q for additional information regarding the Company's authorized share repurchase program. During the three months ended September 30, 2026, the Company repurchased approximately 8.9 million shares of common stock at a cost of approximately $150.0 million under this program.

[b] The number of shares purchased is based on the purchase date and not the settlement date.

[c] Average price per share includes commissions.

ITEM 5. *OTHER INFORMATION*

Trading Arrangements

During the three months ended September 30, 2026, no director or "officer" of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408 of Regulation S-K.

ITEM 6. *EXHIBITS*

10.1	Amended and Restated Term Loan Credit Agreement, dated as of July 1, 2026, among Viatris, the guarantors from time to time party thereto, the lenders from time to time party thereto and Mizuho Bank, Ltd., as administrative agent, filed as Exhibit 10.1 to the Report on Form 8-K filed by Viatris Inc. with the SEC on July 1, 2026, and incorporated herein by reference.^
22	List of subsidiary guarantors and issuers of guaranteed securities, filed by Viatris Inc. as Exhibit 22 to Form 10-Q for the quarter ended June 30, 2026, and incorporated herein by reference.
31.1	Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32	Certification of Principal Executive Officer and Principal Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase
101.DEF	Inline XBRL Taxonomy Definition Linkbase
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase
104	Cover Page Interactive Data File - the cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document (included in Exhibit 101).
^	Annexes, schedules and/or exhibits have been omitted pursuant to Item 601(a)(5) of Regulation S-K. Viatris agrees to furnish supplementally a copy of any omitted attachment to the SEC on a confidential basis upon request.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Viatris Inc.

By: /s/ SCOTT A. SMITH

Scott A. Smith
Chief Executive Officer
(Principal Executive Officer)

November 5, 2026

/s/ PAUL CAMPBELL

Paul Campbell
Interim Chief Financial Officer, Chief Accounting Officer & Corporate Controller
(Principal Financial and Accounting Officer)

November 5, 2026

Exhibit 31.1

Certification of Principal Executive Officer Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002

I, Scott A. Smith, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Viatris Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ SCOTT A. SMITH

Scott A. Smith
Chief Executive Officer
(Principal Executive Officer)

Date: November 5, 2026

Exhibit 31.2

Certification of Principal Financial Officer Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002

I, Paul Campbell, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Viatris Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ PAUL CAMPBELL

Paul Campbell

Interim Chief Financial Officer, Chief Accounting Officer & Corporate Controller

(Principal Financial and Accounting Officer)

Date: November 5, 2026

Exhibit 32

Certification of Principal Executive Officer and Principal Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report on Form 10-Q of Viatris Inc. (the "Company") for the period ended September 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned, in the capacities and on the date indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ SCOTT A. SMITH

Scott A. Smith
Chief Executive Officer
(Principal Executive Officer)

/s/ PAUL CAMPBELL

Paul Campbell
Interim Chief Financial Officer, Chief Accounting Officer & Corporate Controller
(Principal Financial and Accounting Officer)

Date: November 5, 2026

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished in accordance with Securities and Exchange Commission Release No. 34-47551 and shall not be considered filed as part of the Form 10-Q.