

2025 Earnings – Third Quarter

November 5, 2025

Elanco

Notices and Disclaimers

Forward-Looking Statements. This presentation contains forward-looking statements within the meaning of the federal securities laws, including, without limitation, statements concerning product launches and revenue from such products, our 2025 full year and fourth quarter guidance, long-term expectations, our expectations regarding debt levels, and expectations regarding our industry and our operations, performance and financial condition, and including, in particular, statements relating to our business, growth strategies, distribution strategies, product development efforts and future expenses. Forward-looking statements are based on our current expectations and assumptions regarding our business, the economy and other future conditions. Because forward-looking statements relate to the future, by their nature, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. As a result, our actual results may differ materially from those contemplated by the forward-looking statements. Important risk factors that could cause actual results to differ materially from those in the forward-looking statements include regional, national or global political, economic, business, competitive, market and regulatory conditions, including but not limited to the following: operating in a highly competitive industry; the success of our research and development (R&D), regulatory approval and licensing efforts; the impact of disruptive innovations and advances in veterinary medical practices, animal health technologies and alternatives to animal-derived protein; competition from generic products that may be viewed as more cost-effective; changes in regulatory restrictions on the use of antibiotics in farm animals; an outbreak of infectious disease carried by farm animals; risks related to the evaluation of animals; consolidation of our customers and distributors; the impact of increased or decreased sales into our distribution channels resulting in fluctuations in our revenues; our dependence on the success of our top products; our ability to complete acquisitions and divestitures and to successfully integrate the businesses we acquire; our ability to implement our business strategies or achieve targeted cost efficiencies and gross margin improvements; manufacturing problems and capacity imbalances, including at our contract manufacturers; fluctuations in inventory levels in our distribution channels; risks related to the use of artificial intelligence in our business; our dependence on sophisticated information technology systems and infrastructure, including the use of third-party, cloud-based technologies, and the impact of outages or breaches of the information technology systems and infrastructure we rely on; the impact of weather conditions, including those related to climate change, and the availability of natural resources; demand, supply and operational challenges associated with the effects of a human disease outbreak, epidemic, pandemic or other widespread public health concern; the loss of key personnel or highly skilled employees; adverse effects of labor disputes, strikes and/or work stoppages; the effect of our substantial indebtedness on our business, including restrictions in our debt agreements that limit our operating flexibility and changes in our credit ratings that lead to higher borrowing expenses and restrict access to credit; changes in interest rates that adversely affect our earnings and cash flows; risks related to the write-down of goodwill or identifiable intangible assets; the lack of availability or significant increases in the cost of raw materials; risks related to foreign and domestic economic, political, legal, and business environments; risks related to foreign currency exchange rate fluctuations; risks related to underfunded pension plan liabilities; our current plan not to pay dividends and restrictions on our ability to pay dividends; the potential impact that actions by activist shareholders could have on the pursuit of our business strategies; risks related to tax expense or exposures; actions by regulatory bodies, including as a result of their interpretation of studies on product safety; the possible slowing or cessation of acceptance and/or adoption of our farm animal sustainability initiatives; the impact of increased regulation or decreased governmental financial support related to the raising, processing or consumption of farm animals; risks related to tariffs, trade protection measures or other modifications of foreign trade policy; the impact of litigation, regulatory investigations and other legal matters, including the risk to our reputation and the risk that our insurance policies may be insufficient to protect us from the impact of such matters; challenges to our intellectual property rights or our alleged violation of rights of others; misuse, off-label or counterfeiting use of our products; unanticipated safety, quality or efficacy concerns and the impact of identified concerns associated with our products; insufficient insurance coverage against hazards and claims; compliance with privacy laws and security of information; risks related to environmental, health and safety laws and regulations; and inability to achieve goals or meet expectations of stakeholders with respect to environmental, social and governance matters. For additional information about the factors that could cause actual results to differ materially from forward-looking statements, please see the company's latest Form 10-K and Form 10-Qs filed with the Securities and Exchange Commission. We undertake no duty to update forward-looking statements.

Non-GAAP Financial Measures. This presentation contains non-GAAP financial measures, such as organic constant currency (CC) revenue growth, adjusted gross profit, adjusted gross margin, adjusted net income, adjusted earnings per share (EPS), EBITDA, adjusted EBITDA and adjusted EBITDA margin and net debt and net debt leverage, which we use to assess and analyze our operational results and trends. Reconciliation of non-GAAP financial measures and reported GAAP financial measures are included in the tables in the appendix to this presentation and are posted on our website at www.elanco.com. These non-GAAP measures are not, and should not be viewed as, substitutes for U.S. GAAP reported measures.

On Today's Call

Jeff Simmons

Elanco Animal Health
*President and
Chief Executive Officer*



Bob VanHimbergen

Elanco Animal Health
*Executive Vice President,
Chief Financial Officer*



Accelerating Growth Through Delivering Our Diverse Portfolio of Innovation

Q3 2025 vs Guidance¹

✓ Revenue **+\$42M**

✓ Adj. EBITDA² **+\$28M**

✓ Adj. EPS² **+\$0.05**

¹Results compared to the midpoint of the company's third quarter guidance provided August 7, 2025. ²Non-GAAP financial measures. See Appendix to this presentation for more information, including GAAP to non-GAAP reconciliations. ³Organic CC growth represents revenue growth excluding the impacts from our prior year divestiture of the aqua business, which was divested July 9, 2024, royalty revenue that was sold to a third party and the impact of foreign exchange rates.



Strong Q3 Exceeding Expectations

Revenue, Adj. EBITDA, and Adj. EPS all above guidance ranges; **9% organic CC³ revenue growth** led by **U.S. Farm Animal up 20% and U.S. Pet Health up 9%**; **9th consecutive quarter** of underlying growth



Innovation Tracking Above Expectations

YTD innovation revenue contribution of \$655M; **raising 2025 target to \$840-\$880M** driven by our major innovation products



Deleveraging Faster Than Planned; Refinanced 2027 TLB

Achieved **quarter-end net leverage ratio (NLR)² of 3.7x**, enabled by strong Q3 results and working capital discipline; **improved year-end NLR target of 3.7x-3.8x**; successfully **refinanced 2027 Term Loan B**, extending maturity and lowering cost of debt



Neutralizing the Potential Tariff Impact

Estimated full year tariff net impact of \$10-\$14M more than offset by YTD execution; risks balanced by intervention actions and FX tailwind



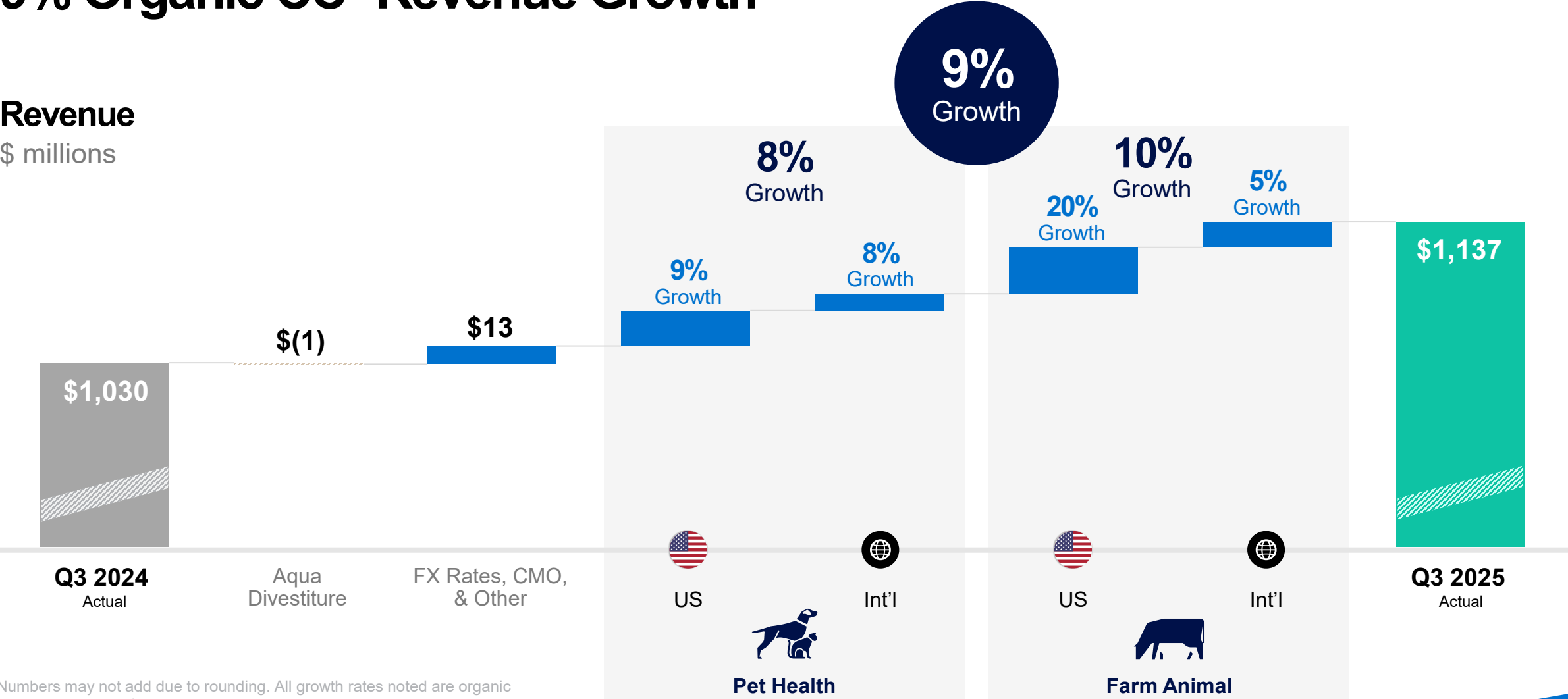
Raising 2025 Revenue, Adj. EBITDA, & Adj. EPS Guidance

Increasing expected **organic CC revenue growth** to **6%-6.5%** with Adj. EBITDA \$880-\$900M and Adj. EPS \$0.91-\$0.94

Q3 2024 to Q3 2025 Revenue Bridge

9% Organic CC¹ Revenue Growth

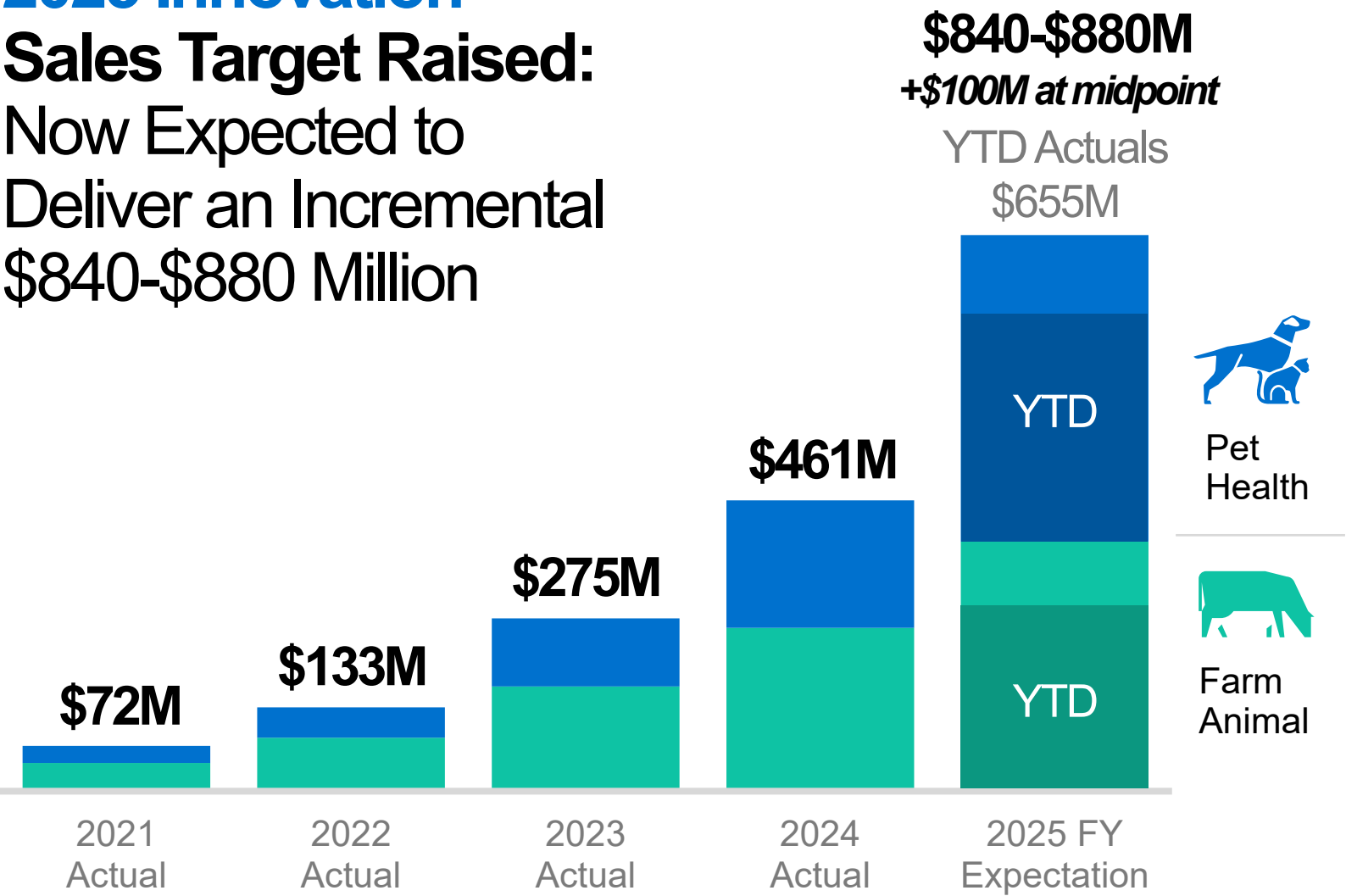
Revenue
\$ millions



Numbers may not add due to rounding. All growth rates noted are organic constant currency. ¹Organic CC growth represents revenue growth excluding the impacts from our prior year divestiture of the aqua business, which was divested July 9, 2024, royalty revenue that was sold to a third party and the impact of foreign exchange rates

2025 Innovation

Sales Target Raised: Now Expected to Deliver an Incremental \$840-\$880 Million



Major innovation early in launch curve with portfolio exceeding the corporate gross margin average

Note: Expected innovation revenue of \$840-\$880 million is incremental in reference to 2020 sales and does not include the expected impact of cannibalization on the base portfolio.

Updates on Select Major Innovation Products

Zenrelia™



- Global sales nearly doubled vs. Q2
- Estimated market share ~5% in countries where launched¹
- ~12,000 clinics buying; reorder rate >80%
- ~18% of Zenrelia patients are new to therapy, further expanding the dermatology market²
- U.S. label updated to remove vaccine-induced disease language; additional data submitted to FDA to address vaccination response
- Approved and launched in the EU, GB, and Australia; consistent label vs. other international markets

Credelio Quattro™



- Continued to gain dollar share of broad-spectrum sales out of U.S. vet clinics in Q3³
- Elanco's fastest pet health blockbuster and one of the industry's fastest ever
- Highest puppy index vs. other broad-spectrum endectos⁴
- Switches from competition, new starts, and repeat patients representing ~70% of sales
- Label expansion with Lyme disease protection
- International approvals expected in 2026

AdTab™

Chewable Tablets



- Continued robust growth trajectory with Q3 sales up over 25%
- Expanding leadership in outside-the-vet channel oral isoxazolines
- Strategic DTC investment leading to improved consumer brand awareness and continued strong performance

Canine Parvovirus Monoclonal Antibody



- Expanding access through shelter promotions
- Pursuing interventions on pricing to address the cost of the treatment
- International expansion after 2030 expected to drive further growth

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Exporior™



- Q3 sales up ~70% on top of >100% PY
- Benefitting from producer economics with historically small U.S. cattle herd
- Customer retention over 90%
- Potential annual U.S. and Canada market size of \$350M+
- Heifer clearance expected to continue market expansion opportunity

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Bovaer®



- Sustained CPG demand supports consistent cattle numbers on Bovaer
- Customer retention over 90%
- Further widespread adoption expected over time from achievement of expanded claim, enhanced value, and user flexibility

¹Based on Elanco estimates of aggregate share and total dermatology market at quarter end

³Per Kynetec Q3 data

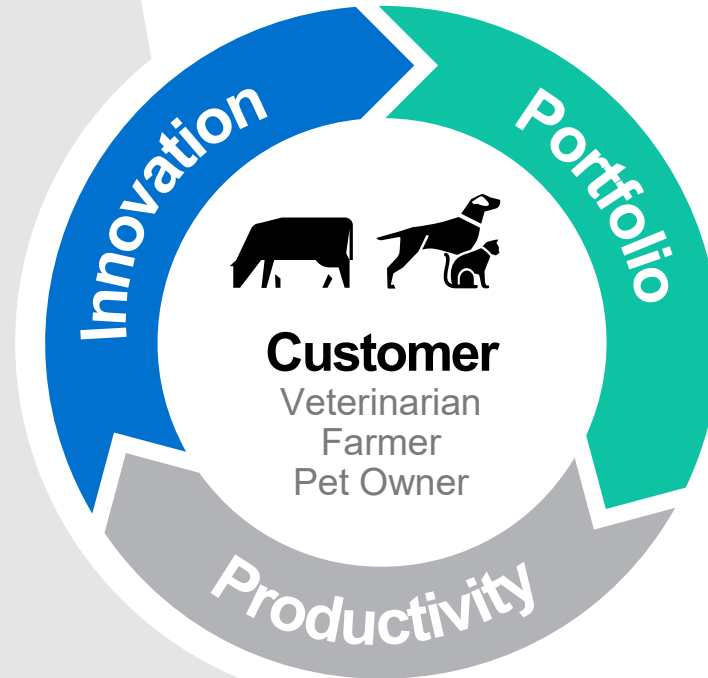
⁴Kynetec Puppy Index, September YTD

²Estimated based on responses to Elanco survey

IPP

Innovation, Portfolio, Productivity

Recent Highlights



Consistent Progress Across Our Strategic Priorities

Deliver Consistent, High-Impact **Innovation**

IL-31

H1 2026 expected launch; cautiously optimistic for Q4 approval subject to government shutdown

Zenrelia

8 global approvals in 1.5 years; revised U.S. label language implemented

Credelio Quattro

Blockbuster status achieved; market share gains ahead of expectations

Optimize Our Diverse **Portfolio** to Grow Share

Broad-Based Growth

All quadrants positive with a stabilizing base; 9th consecutive quarter of growth

Price Contribution

2% YTD and expected FY; excludes products launched this year

U.S. Farm Animal Share Gains

11% growth over trailing 12 months, led by beef cattle

Continuously Improve **Productivity** & Cash Flow

Improving NLR

Expecting 3.7x-3.8x at year-end, marking ~2 turns of improvement in 2 years

Capex Investments

Elwood, Kansas and Ft. Dodge, Iowa expansions on track

Debt Refinancing

Refinanced 2027 Term Loan B; improved maturity profile and cost of debt

Financial Results

Third Quarter 2025

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Third Quarter 2025

Impact of Price, Rate, and Volume on Revenue

\$ Millions	Revenue	Price	FX Rate	Organic Volume	Aqua Volume	Total	Organic CC ¹ Change
Pet Health	\$533	(1)%	1%	9%		10%	8%
Cattle	\$289		1%			14%	13%
Poultry	\$217		2%			15%	13%
Swine	\$87		2%			(1)%	(3)%
Farm Animal	\$593	1%	2%	9%	0%	12%	10%
Contract Mfg. / Other	\$11					(21)%	
Total Elanco	\$1,137	0%	1%	9%	0%	10%	9%

Reported revenue in millions. Numbers may not add due to rounding.

¹Organic CC growth represents revenue growth excluding the impacts from our prior year divestiture of the aqua business, which was divested July 9, 2024, royalty revenue that was sold to a third party and the impact of foreign exchange rates.

Third Quarter 2025

Revenue by Geography and Species

\$ Millions	2025	2024	Change (%)	Organic CC ¹ Change (%)
US Pet Health	\$314	\$289	9%	9%
Int'l Pet Health	\$219	\$197	11%	8%
Total Pet Health	\$533	\$486	10%	8%
US Farm Animal	\$233	\$194	20%	20%
Int'l Farm Animal	\$360	\$336	7%	5%
Total Farm Animal	\$593	\$530	12%	10%
Contract Mfg. / Other	\$11	\$14	(21)%	
Total Elanco	\$1,137	\$1,030	10%	9%

Reported revenue in millions. Numbers may not add due to rounding.

¹Organic CC growth represents revenue growth excluding the impacts from our prior year divestiture of the aqua business, which was divested July 9, 2024, royalty revenue that was sold to a third party and the impact of foreign exchange rates.

Third Quarter 2025

Adjusted¹ Income Statement Highlights

\$ millions, except per share values	2025	2024	Change (\$) ²	Change (%) ²
Revenue	\$1,137	\$1,030	\$107	10%
Adjusted Gross Profit	\$601	\$538	\$63	12%
Adjusted Gross Margin	53.1%	52.2%	NM	+90 bps
Operating Expense	\$440	\$410	\$30	7%
Interest Expense, Net	\$34	\$46	\$(12)	(26)%
Other (Expense) Income	\$(1)	\$1	\$(2)	NM
Effective Tax Rate	26.5%	18.7%	NM	NM
Adjusted Net Income	\$94	\$66	\$28	42%
Adjusted Diluted Earnings Per Share	\$0.19	\$0.13	\$0.06	46%
Adjusted EBITDA	\$198	\$163	\$35	21%
Adjusted EBITDA Margin	17.5%	15.8%	NM	+170 bps

Note: Numbers may not add due to rounding. NM – Not meaningful.

¹Non-GAAP financial measures. See Appendix to this presentation for more information, including GAAP to non-GAAP reconciliations.

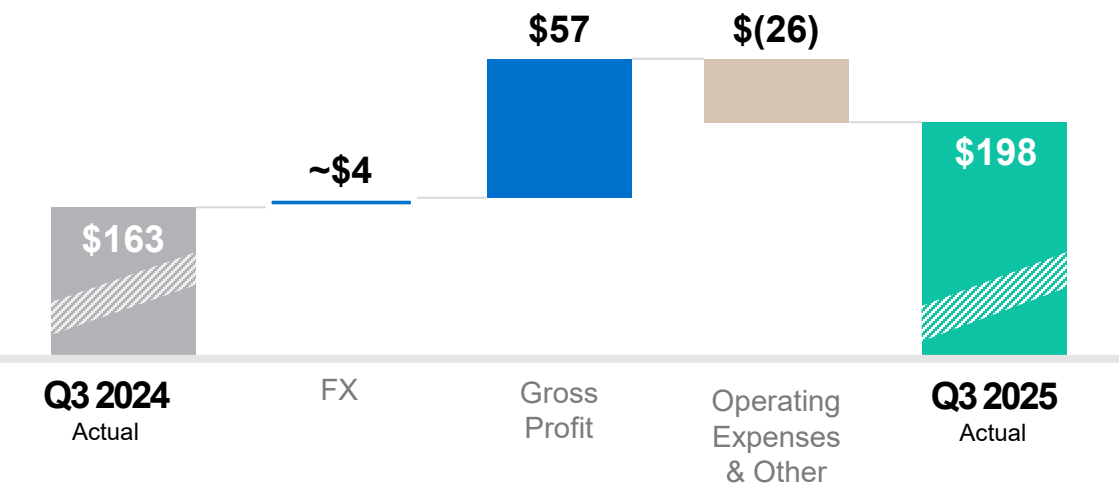
²Comparisons have not been adjusted for the unfavorable impact of the aqua divestiture which was completed on July 9, 2024.

Third Quarter 2025

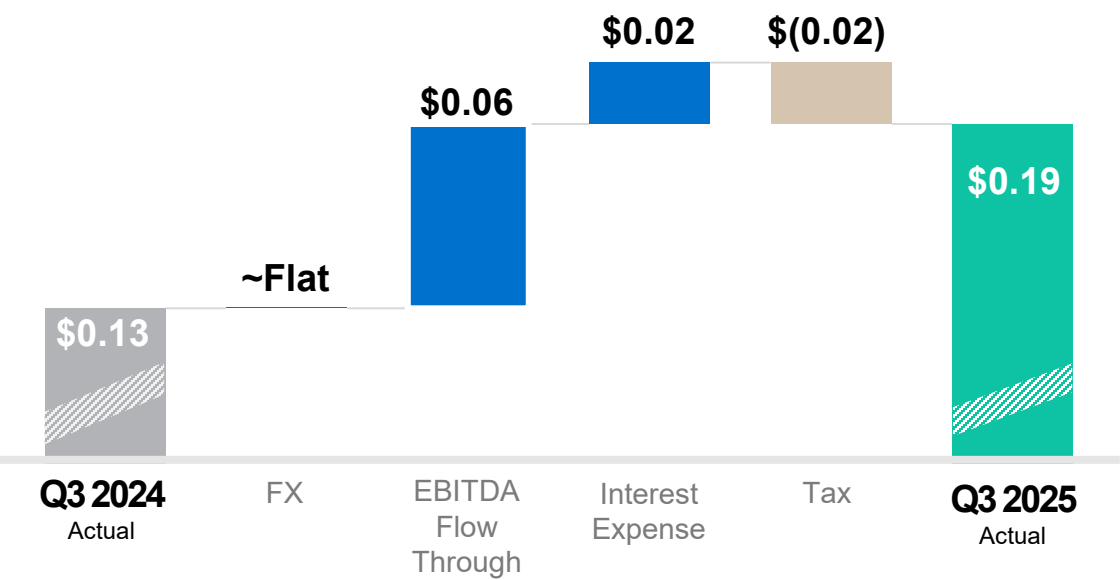
Adjusted EBITDA¹ and Adjusted EPS¹ Drivers

Q3 Adjusted EBITDA

\$ millions



Q3 Adjusted EPS



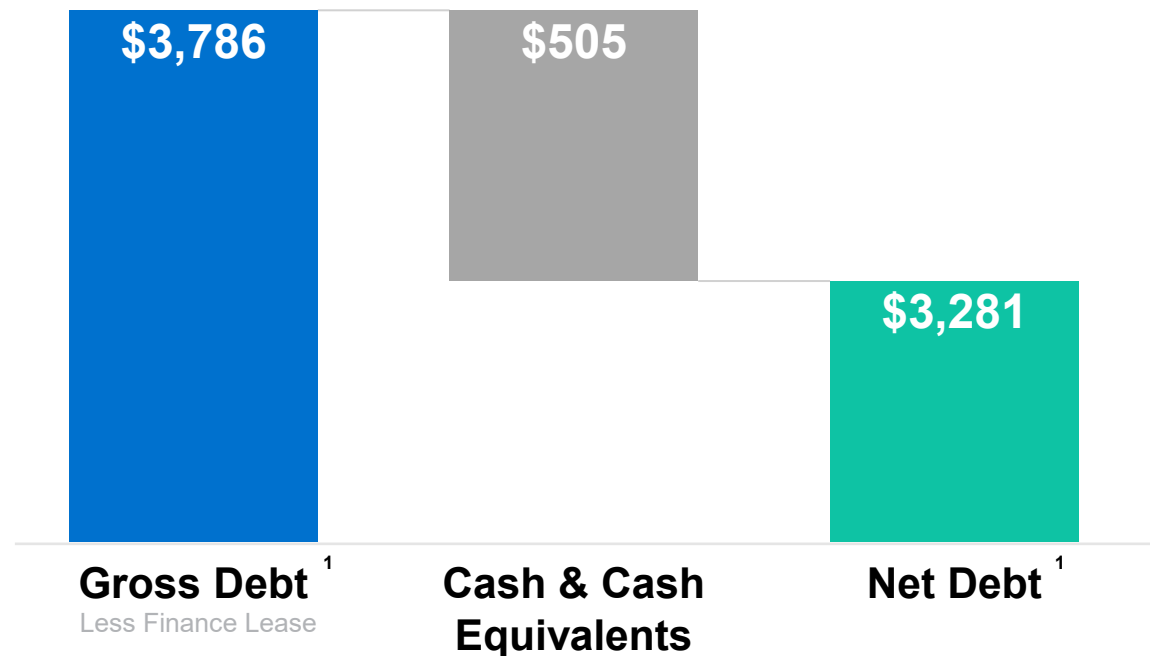
Note: Numbers may not add due to rounding and ranges.
¹Non-GAAP financial measures. See Appendix to this presentation for more information, including GAAP to non-GAAP reconciliations.

Key Balance Sheet and Cash Flow Metrics

Debt Balances

as of September 30, 2025

\$ millions



Q3 Net Leverage Ratio³ 3.7x

Net debt decreased by \$153M in the quarter

Operating Cash Flow of \$219M

Reflects continued focus on working capital discipline and strong business performance

Days Sales Outstanding² remained at 73 days

Year over year decrease of 2 days

2025 Net Leverage Ratio target

Expect end of year NLR of 3.7x-3.8x; includes ~\$55M of cash taxes related to the 2024 aqua divestiture expected to be paid in Q4

Note: Numbers may not add due to rounding.

¹Net debt is a non-GAAP measure calculated as gross debt, excluding finance lease liabilities, less cash and cash equivalents on our balance sheet.

Gross debt is the sum of current portion of long-term debt and long-term debt and excludes unamortized debt issuance costs.

²Days Sales Outstanding calculated as the trailing 12-month average.

³Net leverage ratio calculated as gross debt less cash and cash equivalents and finance lease liabilities on our balance sheet divided by adjusted EBITDA.

Consistent Capital Allocation Strategy

Capital Allocation Priorities



Debt Paydown

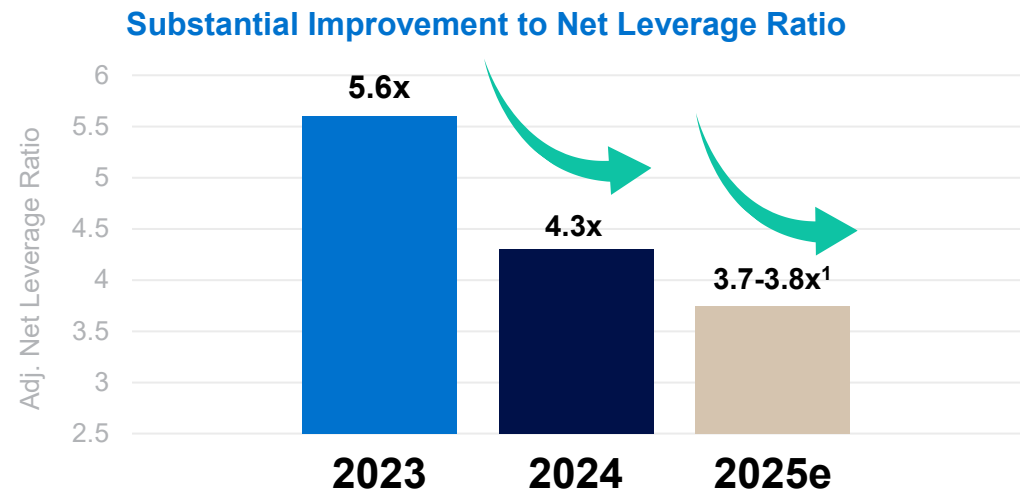
Primary use of free cash flow
Targeting below 3x over time



Investment in Business

R&D, manufacturing capex, bolt-on M&A, commercial launches investment expected to drive sustainable topline growth

Strengthening Balance Sheet



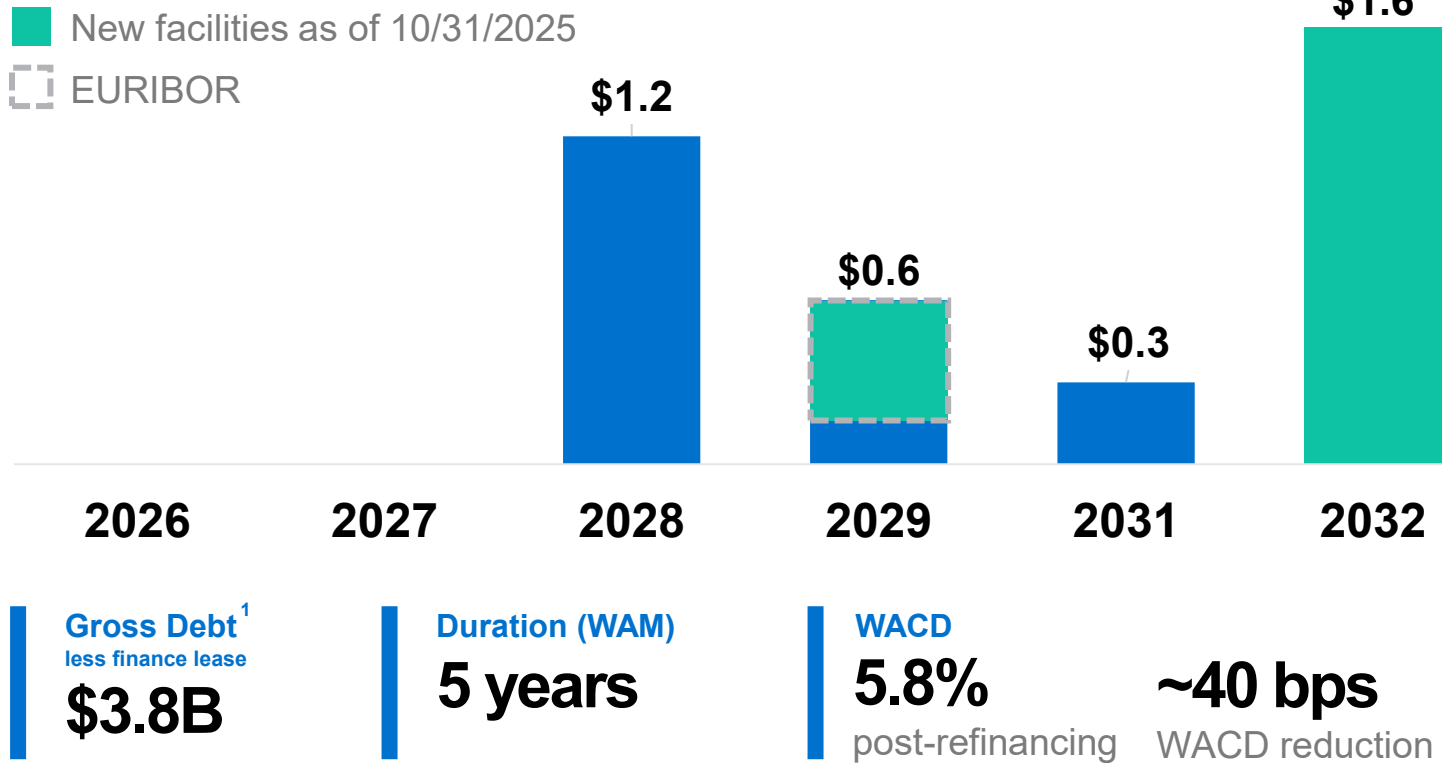
Anticipate Future Capital Allocation Flexibility as Net Leverage Ratio Expected to Move Below 3x

¹Based on 2025 guidance as provided on November 5, 2025.

Successful Debt Refinancing Extends Maturities and Reduces Interest

Maturity Schedule

Post-Refinancing



\$2.1B Term Loan B refinanced on October 31, 2025

3 new debt facilities extend 2027 maturity to 2029 and 2032 and reduce interest cost

€400M debt added to portfolio; better aligns currency with location of cash generation

2026 interest expense step-up vs. 2025 of ~\$15M results from the expiration of a favorable amortization benefit from a 2022 interest rate swap restructuring and includes interest expense savings secured from October 31, 2025 debt refinancing

¹Gross debt is the sum of current portion of long-term debt and long-term debt and excludes unamortized debt issuance costs

Financial Guidance

Fourth Quarter and Full Year 2025

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2025 Full Year

Financial Guidance

\$ millions, except
per share values

	August	November	Comments
Revenue	\$4,570 - \$4,620	\$4,645 - \$4,670	Expect 6%-6.5% organic CC ² growth
Reported Net Loss	\$(38) - \$(14)	\$(56) - \$(41)	
Adjusted EBITDA¹	\$850 - \$890	\$880 - \$900	Includes estimate for net tariff impact
Reported Diluted EPS	\$(0.08) - \$(0.03)	\$(0.11) - \$(0.08)	
Adjusted Diluted EPS¹	\$0.85 - \$0.91	\$0.91 - \$0.94	Reflects adj. EBITDA flow through and favorable interest



FX Impact YOY

Relative tailwind for full-year FX impact now expected



FY Price Expectation Unchanged

Continue to expect 2% price increase; excludes products launched this year



Balance Sheet

Expect end of year NLR 3.7x-3.8x; ~\$55M of cash taxes related to the 2024 aqua divestiture expected to be paid in Q4

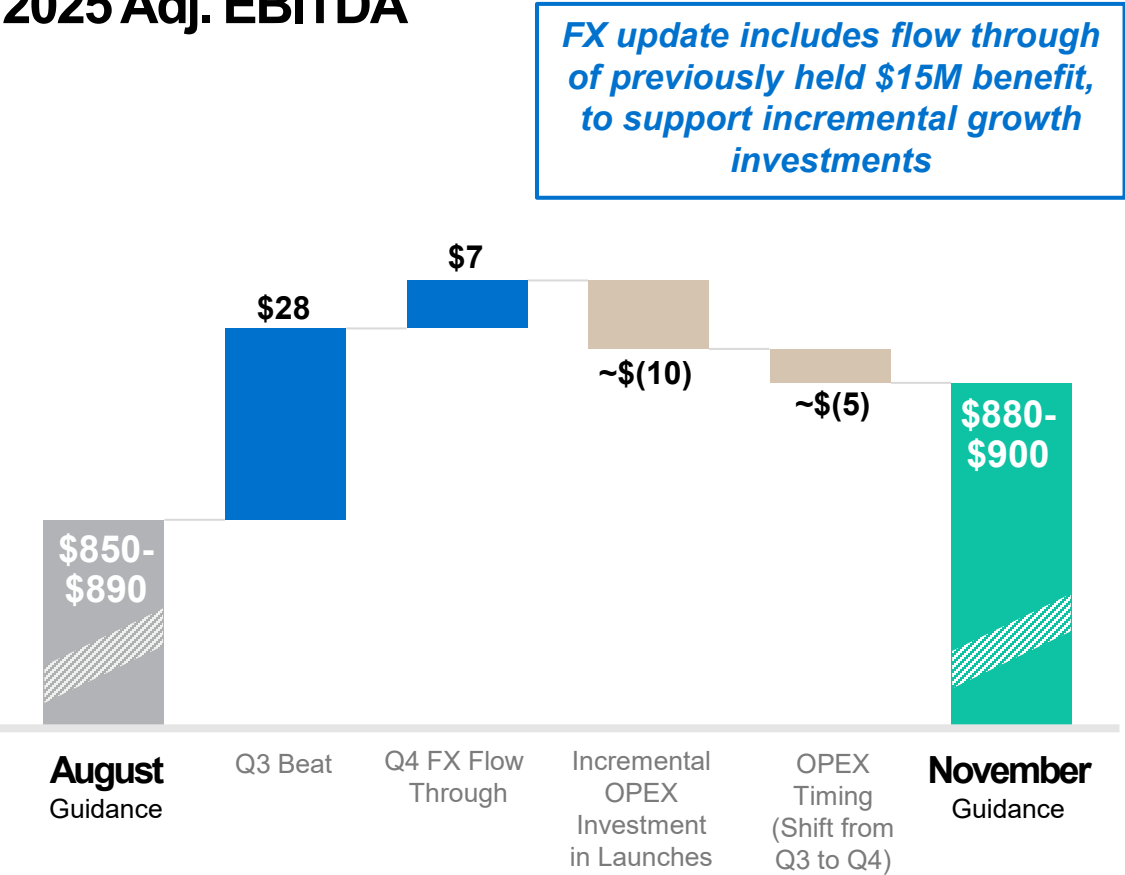
¹Non-GAAP financial measure. See Appendix to this presentation for more information, including GAAP to non-GAAP reconciliations.

²Organic CC growth represents revenue growth excluding the impacts from our prior year divestiture of the aqua business, which was divested July 9, 2024, royalty revenue that was sold to a third party and the impact of foreign exchange rates.

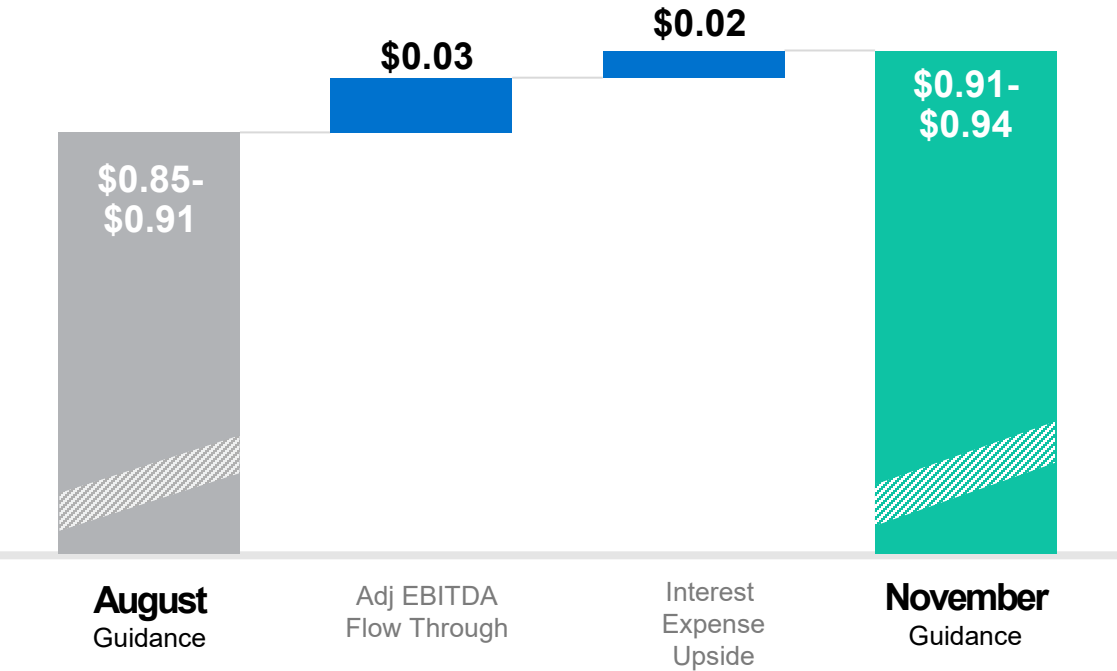
August Guidance to November Guidance Bridge

Raising Adj. EBITDA¹ and Adj. EPS¹ Guidance

2025 Adj. EBITDA



2025 Adj. EPS



Note: Numbers may not add due to rounding and ranges. Dollars in millions, except per share amounts.
¹Non-GAAP financial measures. See Appendix to this presentation for more information, including GAAP to non-GAAP reconciliations.

Balanced Approach to Guidance

Intervention Actions, FX & Business Execution Mitigating Potential Tariff Impacts

Current State

Expect **~\$10M-\$14M impact** to 2025 Adj. EBITDA as of November 3rd, 2025

Flowing through ~\$15M FX benefit to Adj. EBITDA that was previously held to cover potential risk scenarios

Potential Risk Scenarios

- 2025 tariffs related to pharmaceutical products
- Tariff escalation
- Moderate economic slowdown
- Farm trade disruption

Mitigating Actions Being Implemented

- + Supply chain optimization
- + Inventory management
- + Tactical pricing in select geographies
- + Strategic API sourcing

Tariff Impacts and Risks Covered by Business Performance and Balanced Approach to Guidance

Fourth Quarter 2025

Financial Guidance

\$ millions, except per share values

	Q4 Guidance	Comments
Revenue	\$1,085 - \$1,110	Expect 4%-6% organic CC ² growth; FX rates reflect end of October; slight tailwind expected
Reported Net Loss	\$(100) - \$(86)	
Adjusted EBITDA ¹	\$168 - \$188	Includes operating expenses up ~10%
Reported Diluted EPS	\$(0.20) - \$(0.17)	
Adjusted Diluted EPS ¹	\$0.09 - \$0.12	Tax rate expected ~40% due to timing and one-time expenses



Seasonal Cadence

Reflective of seasonality of Elanco's higher-margin parasiticide products



OPEX Investments

~\$10M of incremental support for innovation product launches



Additional Q4 Assumptions

Interest expense of ~\$55M; quarterly step-up due to the maturity of a derivative benefit in Q3 2025

¹Non-GAAP financial measure. See Appendix to this presentation for more information, including GAAP to non-GAAP reconciliations.

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Early Considerations for 2026

Tailwinds

Diverse portfolio of innovation continuing to scale globally, on a stabilizing base

Price growth

More complete portfolio enhancing our customer offer

OTC Pet Health retail leadership

Cattle and poultry leadership

Moving past launch investments

Elanco Ascend

Headwinds

Competitive pressure and innovation

Consumer/macro pressure and U.S. vet visit volume declines

Tariff impacts and risks

Inflation

Interest expense step-up

**Continued Focus on Growth, Innovation and Cash:
Expecting Sustainable, Competitive Revenue Growth and Margin Expansion**

Elanco's Strategic Trajectory: Powerful Momentum into 2025

2018-2020

Established Foundation Focused on Animal Health

Acquisitions for portfolio diversity; Spin-out of Eli Lilly with 2018 IPO; Dedicated sites & systems

2019-2021

Balanced Mix & Increased Scale

Portfolio diversifying acquisition of Bayer Animal Health increased global scale, with productivity focus

2021-2024

Innovation Delivered & Enhanced Capabilities

Late-stage pipeline delivered; Strategy streamlined; Launch efforts re-imagined

2025 & Beyond

Poised for Sustainable Revenue Growth

Multiple potential blockbusters in market and a stabilizing base to drive growth

Accelerating contribution from innovation, majority already approved, and a stabilizing base business expected to drive sustainable growth. Leveraging the existing cost base allows for expected margin expansion in 2026 and beyond

Appendix

Reference slides and GAAP reported to non-GAAP
adjusted reconciliations

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Year to Date

Impact of Price, Rate, and Volume on Revenue

	Revenue	Price	FX Rate	Organic Volume	Aqua Volume	Total	Organic CC ¹ Change
Pet Health	\$1,811	2%	0%	4%		6%	6%
Cattle	\$829		0%			10%	10%
Poultry	\$621		0%			7%	7%
Swine	\$272		0%			4%	4%
Farm Animal	\$1,722	2%	0%	6%	(5)%	3%	8%
Contract Manufacturing	\$38					9%	
Total Elanco	\$3,571	2%	0%	5%	(3)%	4%	7%

Note: Reported revenue in millions. Numbers may not add due to rounding.

¹Organic CC growth represents revenue growth excluding the impacts from our prior year divestiture of the aqua business, which was divested July 9, 2024, royalty revenue that was sold to a third party and the impact of foreign exchange rates.

Year to Date

Revenue by Geography and Species

	2025	2024	Change	Organic CC ¹ Change
US Pet Health	\$1,014	\$960	\$54	6%
Int'l Pet Health	\$797	\$744	\$53	6%
Total Pet Health	\$1,811	\$1,704	\$107	6%
US Farm Animal	\$678	\$596	\$82	14%
Int'l Farm Animal	\$1,044	\$1,084	\$(40)	4%
Total Farm Animal	\$1,722	\$1,680	\$42	8%
Contract Manufacturing	\$38	\$35	\$3	
Total Elanco	\$3,571	\$3,419	\$152	7%

Note: Reported revenue in millions. Numbers may not add due to rounding.

¹Organic CC growth represents revenue growth excluding the impacts from our prior year divestiture of the aqua business, which was divested July 9, 2024, royalty revenue that was sold to a third party and the impact of foreign exchange rates.

Year to Date

Adjusted¹ Income Statement Highlights

Including Impact from Aqua Divestiture

\$ millions, except per share values	2025	2024	Change (\$) ²	Change (%) ²
Revenue	\$3,571	\$3,419	\$152	4 %
Adjusted Gross Profit	\$1,995	\$1,917	\$78	4 %
Adjusted Gross Margin	56.0%	56.1%	NM	(10) bps
Operating Expense	\$1,367	\$1,277	\$90	7 %
Interest Expense, Net	\$112	\$177	\$(65)	(37)%
Other Expense	\$18	\$8	\$10	125 %
Effective Tax Rate	17.8%	16.5%	NM	+130 bps
Adjusted Net Income	\$409	\$380	\$29	8 %
Adjusted Diluted Earnings Per Share	\$0.82	\$0.76	\$0.06	8 %
Adjusted EBITDA	\$712	\$733	\$(21)	(3)%
Adjusted EBITDA Margin	20.0%	21.4%	NM	(140) bps

Note: Numbers may not add due to rounding.

¹Non-GAAP financial measures. See Appendix to this presentation for more information, including GAAP to non-GAAP reconciliations.²Comparisons have not been adjusted for the unfavorable impact of the aqua divestiture which was completed on July 9, 2024.

Full Year 2025

Financial Guidance & Additional Assumptions

\$ millions, except
per share values

	August	November
Total Revenue	\$4,570 – \$4,620	\$4,645 – \$4,670
Adjusted Gross Margin ¹	54.5% – 55.0%	54.9% – 55.2%
Operating Expenses	\$1,760 – \$1,770	\$1,790 – \$1,800
Adjusted EBITDA¹	\$850 – \$890	\$880 – \$900
Adjusted EBITDA Margin¹	18.6% – 19.3%	18.9% – 19.3%
Adjusted Interest Expense, Net	Approx. \$180	Approx. \$170
Tax Rate	20% – 22%	Approx 21%
Adjusted Earnings per Share¹	\$0.85 – \$0.91	\$0.91 – \$0.94
Weighted Average Diluted Share Count	Approx. 500 million	Approx. 502 million
Capital Expenditures	\$225 – \$255	\$245 – \$260 ²
Cash Taxes	Approx. \$230	Approx. \$215
Cash Interest	Approx. \$210	Approx. \$210

¹Non-GAAP financial measure. See Appendix to this presentation for more information, including GAAP to non-GAAP reconciliations.

²Guidance includes a \$35 million dollar inflow of cash included in Cash Flows Used for Financing Activities related to the inclusion of certain capital expenditures in the financing lease of the Company's new headquarters.

Third Quarter 2025

Adjusted EBITDA Reconciliation

\$ millions

	2025	2024
Reported Net (Loss) Income	\$(34)	\$364
Net Interest Expense	\$52	\$58
Income Tax (Benefit) Expense	\$(16)	\$195
Depreciation and Amortization	\$176	\$169
EBITDA	\$178	\$786
Non-GAAP Adjustments		
Asset Impairment, Restructuring, and Other Special Charges	\$25	\$17
Impact of Royalty Revenue on EBITDA	\$(6)	\$0
Gain on Divestiture	\$0	\$(640)
Other Income, Net	\$1	\$0
Adjusted EBITDA	\$198	\$163
Adjusted EBITDA Margin	17.5%	15.8%

Note: Numbers may not add due to rounding.

Third Quarter 2025

Reconciliation of GAAP Reported to Non-GAAP Adjusted Income Statement Items

\$ millions, except
per share values

	2025		2024	
	Net Income	EPS	Net Income	EPS
GAAP Reported Net (Loss) Income	\$(34)	\$(0.07)	\$364	\$73
Amortization of Intangible Assets	\$140	\$0.28	\$133	\$0.27
Asset Impairment, Restructuring, and Other Special Charges ⁽¹⁾	\$25	\$0.05	\$17	\$0.04
Sold Royalty Revenue	\$(6)	\$(0.01)	-	-
Gain on Divestiture	-	-	\$(640)	\$(1.29)
Interest Expense, Net of Capitalized Interest ⁽²⁾	\$18	\$0.04	\$12	\$0.02
Other Expense, Net	\$1	\$0.00	-	-
Income Tax (Benefit) Expense ⁽³⁾	\$(50)	\$(0.10)	\$180	\$0.36
Adjusted Net Income	\$94	\$0.19	\$66	\$0.13

Note: Numbers may not add due to rounding.

Third Quarter 2025

Details of Adjustments to Certain GAAP Reported Measures

For the three months ended September 31, 2025 and 2024:

- (1) Adjustments of \$25 million for the three months ended September 30, 2025, primarily related to two early-stage capital projects totaling \$16 million that were indefinitely suspended during the third quarter. Adjustments of \$17 million for the three months ended September 30, 2024, principally reflected \$15 million of asset impairments tied to the financial difficulties of our former contract manufacturing supply partner, TriRx Speke.
- (2) Adjustments of \$18 million for the three months ended September 30, 2025, primarily related to \$13 million of imputed interest expense on our liability for sale of future revenue, and to a lesser degree, the write-off of previously deferred financing costs, given accelerated principal repayments. Adjustments of \$12 million for the three months ended September 30, 2024, were attributable to the write-off of previously deferred financing costs, given the accelerated principal repayments made with the proceeds from the sale of our aqua business.
- (3) Adjustments of \$50 million for the three months ended September 30, 2025 primarily represented the income tax expense associated with the adjusted items discussed above and the discrete tax impact from the remeasurement of certain deferred tax positions due to a foreign tax rate change. Adjustments of \$180 million for the three months ended September 30, 2024, represented the income tax expense associated with the adjusted items discussed above, particularly the gain on divestiture (approximately \$170 million).

Year to Date 2025

Adjusted EBITDA Reconciliation

\$ millions

	2025	2024
Reported Net Income	\$44	\$346
Net Interest Expense	\$140	\$189
Income Tax (Benefit) Expense	\$(9)	\$193
Depreciation and Amortization	\$506	\$489
EBITDA	\$681	\$1,226
Non-GAAP Adjustments		
Cost of Sales	\$1	-
Asset Impairment, Restructuring, and Other Special Charges	\$35	\$143
Impact of Royalty Revenue on EBITDA	\$(10)	-
Gain on Divestiture	-	\$(640)
Other Expense, Net	\$5	\$4
Adjusted EBITDA	\$712	\$733
Adjusted EBITDA Margin	20.0%	21.4%

Note: Numbers may not add due to rounding.

Year to Date 2025

Reconciliation of GAAP Reported to Non-GAAP Adjusted Income Statement Items

\$ millions, except
per share values

	2025		2024	
	Net Income	EPS	Net Income	EPS
GAAP Reported Net Income	\$44	\$0.09	\$346	\$0.70
Cost of Sales	\$1	\$0.00	-	-
Amortization of Intangible Assets	\$404	\$0.81	\$397	\$0.80
Asset Impairment, Restructuring, and Other Special Charges ⁽¹⁾	\$35	\$0.07	\$143	\$0.29
Sold Royalty Revenue	\$(10)	\$(0.02)	-	-
Gain on Divestiture	-	-	\$(640)	\$(1.29)
Interest Expense, Net of Capitalized Interest ⁽²⁾	\$28	\$0.06	\$12	\$0.02
Other Expense, Net	\$5	\$0.01	\$4	\$0.01
Income Tax (Benefit) Expense ⁽³⁾	\$(98)	\$(0.20)	\$118	\$0.23
Adjusted Net Income	\$409	\$0.82	\$380	\$0.76

Note: Numbers may not add due to rounding.

Year to Date 2025

Details of Adjustments to Certain GAAP Reported Measures

For the nine months ended September 31, 2025 and 2024:

- (1) Adjustments of \$35 million for the nine months ended September 30, 2025, included two early-stage capital projects totaling \$16 million that were indefinitely suspended during the third quarter of 2025 and \$7 million of upfront payments made in relation to new licensing arrangements. Amounts recorded during the nine months ended September 30, 2024, included impairment charges of \$53 million related to a pet health IPR&D asset (IL-4R) during the second quarter of 2024, \$15 million of asset impairments tied to the financial difficulties of our former contract manufacturing supply partner, TriRx Speke, \$45 million of costs associated with our restructuring plan announced in February 2024 and \$17 million of transaction costs related to the sale of our aqua business.
- (2) Adjustments of \$28 million for the nine months ended September 30, 2025, primarily related to \$20 million of imputed interest expense on our liability for sale of future revenue and the write-off of previously deferred financing costs, given accelerated principal repayments made throughout 2025. Adjustments of \$12 million for the nine months ended September 30, 2024, were attributable to the write-off of previously deferred financing costs, given the accelerated principal repayments made with the proceeds from the sale of our aqua business.
- (3) Adjustments of \$98 million for the nine months ended September 30, 2025, primarily represented the income tax expense associated with the adjusted items discussed above and the discrete tax impacts from the remeasurement of certain deferred tax positions due to foreign tax rate changes, partially offset by a \$35 million benefit related to a discrete tax item recognized during the first quarter of 2025. Adjustments of \$118 million for the nine months ended September 30, 2024, represented the income tax expense associated with the adjusted items discussed above, particularly the gain on divestiture of our aqua business (approximately \$170 million).

Full Year 2025

EBITDA Guidance Reconciliation

\$ millions

Reported Net Loss	\$(56) - \$(41)
Net Interest Expense	Approx. \$215 w/ Royalty Monetization Liability
Income Tax Expense	\$9 - \$19
Depreciation and Amortization	Approx. \$680
EBITDA	\$849 - \$873
Non-GAAP Adjustments	
Cost of Sales	Approx. \$2
Asset Impairment, Restructuring, and Other Special Charges	Approx. \$40
Other Expense, Net	Approx. \$8
Sold Royalty Revenue	Approx. \$(15)
Adjusted EBITDA	\$880 - \$900
Adjusted EBITDA Margin	18.9% - 19.3%

Note: Numbers may not add due to rounding.

Full Year 2025

EPS Guidance Reconciliation

Reported Loss per Share	\$(0.11) - \$(0.08)
Cost of Sales	Approx. \$0.00
Amortization of Intangible Assets	Approx. \$1.08
Asset Impairment, Restructuring, and Other Special Charges	\$0.07 - \$0.08
Other Expense, Net	Approx. \$0.05
Royalty Monetization	Approx. \$0.03
Subtotal	\$1.24 - \$1.25
Tax Impact of Adjustments	\$(0.22) - \$(0.23)
Total Adjustments to Earnings per Share	Approx. \$1.02
Adjusted Earnings per Share¹	\$0.91 - \$0.94

Note: Numbers may not add due to rounding.

¹Adjusted EPS is calculated as the sum of reported EPS and total adjustments to EPS.

Fourth Quarter 2025

EBITDA Guidance Reconciliation

\$ millions

Reported Net Loss	\$(100) - \$(86)
Net Interest Expense	Approx. \$75
Income Tax Expense	\$17 - \$27
Depreciation and Amortization	Approx. \$175
EBITDA	\$168 - \$193
Non-GAAP Adjustments	
Asset Impairment, Restructuring, and Other Special Charges	Approx. \$5
Other Expense, Net	Approx. \$2
Sold Royalty Revenue	Approx. \$(7)
Adjusted EBITDA	\$168 - \$188
Adjusted EBITDA Margin	15.5% - 16.9%

Note: Numbers may not add due to rounding.

Fourth Quarter 2025

EPS Guidance Reconciliation

Reported Loss per Share	\$(0.20) - \$(0.17)
Amortization of Intangible Assets	Approx. \$0.28
Asset Impairment, Restructuring, and Other Special Charges	\$0.00 - \$0.01
Other Expense, Net	Approx. \$0.03
Royalty Monetization	Approx. \$0.01
Subtotal	\$0.32 - \$0.33
Tax Impact of Adjustments	Approx. \$(0.03)
Total Adjustments to Earnings per Share	Approx. \$0.29
Adjusted Earnings per Share¹	\$0.09 - \$0.12

Note: Numbers may not add due to rounding.

¹Adjusted EPS is calculated as the sum of reported EPS and total adjustments to EPS.



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