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, 2025
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 001-38485

Amneal Pharmaceuticals, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**93-4225266**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
Amneal Pharmaceuticals, Inc. **400 Crossing Boulevard, Bridgewater, NJ**	**08807**
(Address of principal executive offices)	**(Zip Code)**

(908) 947-3120
(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**
Class A Common Stock, par value $0.01 per share	AMRX	The Nasdaq Stock Market LLC

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 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 ☒

As of October 31, 2025, there were 314,362,920 shares of the registrant's Class A common stock outstanding, with a par value of $0.01.

Amneal Pharmaceuticals, Inc.

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Cautionary Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q and other publicly available documents of Amneal Pharmaceuticals, Inc. contain "forward-looking statements" within the meaning of the safe harbor provisions of the United States ("U.S.") Private Securities Litigation Reform Act of 1995. Management and representatives of Amneal Pharmaceuticals, Inc. and its subsidiaries ("the Company", "we", "us", or "our") also may from time to time make forward-looking statements. Forward-looking statements do not relate strictly to historical or current facts and reflect management's assumptions, views, plans, objectives and projections about the future. Forward-looking statements may be identified by the use of words such as "plans," "expects," "will," "anticipates," "targets," "estimates," and other words of similar meaning in conjunction with, among other things: discussions of future operations; expected operating results and financial performance; impact of planned acquisitions and dispositions; our strategy for growth; product development; regulatory approvals; market position and expenditures.

Because forward-looking statements are based on current beliefs, expectations and assumptions regarding future events, they are subject to uncertainties, risks and changes that are difficult to predict and many of which are outside of our control. Investors should realize that if underlying assumptions prove inaccurate, known or unknown risks or uncertainties materialize, or other factors or circumstances change, our actual results and financial condition could vary materially from expectations and projections expressed or implied in our forward-looking statements. Investors are therefore cautioned not to rely on these forward-looking statements.

Summary of Material Risks

Risks and uncertainties that make an investment in the Company speculative or risky or that could cause our actual results to differ materially from the forward-looking statements contained in this Quarterly Report on Form 10-Q include, but are not limited to:

- our ability to successfully develop, license, acquire and commercialize new products on a timely basis;
- the competition we face in the pharmaceutical industry from brand and generic drug product companies, and the impact of that competition on our ability to set prices;
- our ability to obtain exclusive marketing rights for our products;
- the impact of illegal distribution and sale by third parties of counterfeit versions of our products or stolen products;
- the impact of negative market perceptions of us and the safety and quality of our products;
- our revenues are derived from the sales of a limited number of products, a substantial portion of which are through a limited number of customers;
- the continuing trend of consolidation of certain customer groups;
- our dependence on third-party suppliers and distributors for raw materials for our products and certain finished goods;
- the imposition of tariffs may adversely affect our business, results of operations and financial condition;
- a U.S. government shutdown could adversely impact our regulatory, operational and financial performance;
- legal, regulatory and legislative efforts by our brand competitors to deter competition from our generic alternatives;
- our dependence on information technology systems and infrastructure and the potential for cybersecurity incidents, and risks associated with artificial intelligence;
- the impact of a prolonged business interruption within our supply chain;
- our ability to attract, hire and retain highly skilled personnel;
- risks related to federal regulation of arrangements between manufacturers of branded and generic products;
- our reliance on certain licenses to proprietary technologies from time to time;
- the significant amount of resources we expend on research and development;
- the risk of claims brought against us by third parties such as those described in *Note 16. Commitments and Contingencies - Other Litigation Related to the Company's Business*;
- risks related to changes in the regulatory environment, including U.S. federal and state laws related to government contracting, healthcare fraud abuse and health information privacy and security and changes in such laws;
- changes to Food and Drug Administration product approval requirements;
- the impact of healthcare reform and changes in coverage and reimbursement levels by governmental authorities and other third-party payers;
- our ability to identify, make and integrate acquisitions or investments in complementary businesses and products on advantageous terms;
- our dependence on third-party agreements for a portion of our product offerings;
- our potential expansion into additional international markets subjecting us to increased regulatory, economic, social and political uncertainties;

- the impact of global economic, political or other catastrophic events;
- our substantial amount of indebtedness and our ability to generate sufficient cash to service our indebtedness in the future, and the impact of interest rate fluctuations on such indebtedness;
- our obligations under a tax receivable agreement may be significant;
- the high concentration of ownership of our Class A common stock and the fact that we are controlled by the Amneal Group (as defined in *Item 1. Business* in the Company's 2024 Annual Report on Form 10-K); and
- such other factors as may be set forth elsewhere in the Company's Annual Report on Form 10-K for the year ended December 31, 2024, particularly in the section entitled *1A. Risk Factors* and our public filings with the SEC.

Investors should carefully read our Annual Report on Form 10-K for the year ended December 31, 2024, including the section *1A. Risk Factors*, for a description of certain risks that could, among other things, cause our actual results to differ materially from those expressed in our forward-looking statements. Investors should understand that it is not possible to predict or identify all such factors and should not consider the risks described herein and in our Annual Report to be a complete statement of all potential risks and uncertainties. The Company does not undertake to publicly update any forward-looking statement that may be made from time to time, whether as a result of new information or future events or developments.

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements (Unaudited)

Amneal Pharmaceuticals, Inc.
Consolidated Statements of Operations
(unaudited; in thousands, except per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	**2024**	**2025**	**2024**
Net revenue	$ 784,513	$ 702,468	$ 2,204,441	$ 2,063,439
Cost of goods sold	510,539	432,910	1,388,323	1,305,874
Gross profit	273,974	269,558	816,118	757,565
Selling, general and administrative	137,815	118,692	380,369	347,749
Research and development	63,352	61,097	151,356	136,449
Intellectual property legal development expenses	2,437	1,967	6,221	3,993
Restructuring and other charges	143	172	1,738	1,862
(Credit) charges related to legal matters, net	—	(149)	(390)	94,909
Other operating income	(117)	(1,030)	(5,239)	(930)
Operating income	70,344	88,809	282,063	173,533
Other (expense) income:				
Interest expense, net	(62,814)	(65,511)	(184,854)	(196,933)
Foreign exchange (loss) gain, net	(3,431)	2,274	9,072	815
Decrease (increase) in tax receivable agreement liability	20,808	(11,327)	5,701	(26,719)
Loss on refinancing	(31,365)	—	(31,365)	—
Other income, net	1,235	1,178	3,357	9,610
Total other expense, net	(75,567)	(73,386)	(198,089)	(213,227)
Income (loss) before income taxes	(5,223)	15,423	83,974	(39,694)
(Benefit from) provision for income taxes	(23,355)	3,666	5,614	13,440
Net income (loss)	18,132	11,757	78,360	(53,134)
Less: Net income attributable to non-controlling interests	(15,763)	(11,913)	(41,379)	(32,671)
Net income (loss) attributable to Amneal Pharmaceuticals, Inc.	$ 2,369	$ (156)	$ 36,981	$ (85,805)
Net income (loss) per share attributable to Amneal Pharmaceuticals, Inc.'s Class A common stockholders:				
Basic	$ 0.01	$ (—)	$ 0.12	$ (0.28)
Diluted	$ 0.01	$ (—)	$ 0.11	$ (0.28)
Weighted-average common shares outstanding:				
Basic	314,168	309,647	312,998	308,685
Diluted	324,754	309,647	323,704	308,685

The accompanying notes are an integral part of these consolidated financial statements.

Amneal Pharmaceuticals, Inc.
Consolidated Statements of Comprehensive Loss
(unaudited; in thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	**2024**	**2025**	**2024**
Net income (loss)	$ 18,132	$ 11,757	$ 78,360	$ (53,134)
Less: Net income attributable to non-controlling interests	(15,763)	(11,913)	(41,379)	(32,671)
Net income (loss) attributable to Amneal Pharmaceuticals, Inc.	2,369	(156)	36,981	(85,805)
Other comprehensive (loss) income:				
Foreign currency translation adjustments arising during the period	(9,088)	(2,236)	(15,648)	(2,665)
Unrealized loss on cash flow hedge, net of tax of $0	(3,526)	(34,523)	(23,011)	(19,150)
Reclassification of cash flow hedge to earnings, net of tax of $0	4,162	(6,587)	(1,714)	(19,618)
Other comprehensive loss attributable to Amneal Pharmaceuticals, Inc.	(8,452)	(43,346)	(40,373)	(41,433)
Comprehensive loss attributable to Amneal Pharmaceuticals, Inc.	$ (6,083)	$ (43,502)	$ (3,392)	$ (127,238)

The accompanying notes are an integral part of these consolidated financial statements.

Amneal Pharmaceuticals, Inc.
Consolidated Balance Sheets
(unaudited; in thousands, except per share amounts)

	September 30, 2025	December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	$ 201,249	$ 110,552
Restricted cash	34,727	7,868
Trade accounts receivable, net	885,199	775,731
Inventories	614,500	612,454
Prepaid expenses and other current assets	101,511	80,717
Related party receivables	1,292	484
Total current assets	1,838,478	1,587,806
Property, plant and equipment, net	434,991	424,908
Goodwill	595,945	597,436
Intangible assets, net	587,938	732,377
Operating lease right-of-use assets	31,769	31,388
Operating lease right-of-use assets - related party	16,875	10,964
Financing lease right-of-use assets	54,420	56,433
Other assets	39,458	60,133
Total assets	$ 3,599,874	$ 3,501,445
Liabilities and Stockholders' Deficiency		
Current liabilities:		
Accounts payable and accrued expenses	$ 731,825	$ 735,450
Current portion of liabilities for legal matters	40,598	31,755
Revolving credit facility	—	100,000
Current portion of long-term debt, net	7,202	224,213
Current portion of operating lease liabilities	7,985	9,435
Current portion of operating lease liabilities - related party	2,826	3,396
Current portion of financing lease liabilities	3,458	3,211
Related party payables - short term	68,212	22,311
Total current liabilities	862,106	1,129,771
Long-term debt, net	2,566,500	2,161,790
Operating lease liabilities	26,405	24,814
Operating lease liabilities - related party	15,676	9,391
Financing lease liabilities	55,672	56,889
Related party payables - long term	8,587	50,900
Liabilities for legal matters - long term	74,477	85,479
Other long-term liabilities	32,626	26,949
Total long-term liabilities	2,779,943	2,416,212
Commitments and contingencies (Notes 3, 16 and 18)		
Redeemable non-controlling interests	67,780	64,974
Stockholders' Deficiency		
Preferred stock, $0.01 par value, 2,000 shares authorized at both September 30, 2025 and December 31, 2024; none issued at both September 30, 2025 and December 31, 2024	—	—
Class A common stock, $0.01 par value, 900,000 shares authorized at both September 30, 2025 and December 31, 2024; 314,311 and 309,881 shares issued at September 30, 2025 and December 31, 2024, respectively	3,143	3,099
Class B common stock, $0.01 par value, 300,000 shares authorized at both September 30, 2025 and December 31, 2024; none issued at both September 30, 2025 and December 31, 2024	—	—
Additional paid-in capital	563,363	560,206
Stockholders' accumulated deficit	(570,081)	(607,062)
Accumulated other comprehensive loss	(105,883)	(65,510)
Total Amneal Pharmaceuticals, Inc. stockholders' deficiency	(109,458)	(109,267)
Non-controlling interests	(497)	(245)
Total stockholders' deficiency	(109,955)	(109,512)
Total liabilities and stockholders' deficiency	$ 3,599,874	$ 3,501,445

The accompanying notes are an integral part of these consolidated financial statements.

Amneal Pharmaceuticals, Inc.
Consolidated Statements of Cash Flows
(unaudited; in thousands)

	Nine Months Ended September 30,	
	2025	**2024**
Cash flows from operating activities:		
Net income (loss)	$ 78,360	$ (53,134)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	174,345	170,061
Unrealized foreign currency gain	(8,606)	(754)
Amortization of debt issuance costs and discount	18,716	22,280
Reclassification of cash flow hedge	(1,713)	(19,618)
Loss on refinancing	31,365	—
Intangible asset impairment charges	22,784	920
Stock-based compensation	23,751	20,558
Inventory provision	59,326	63,611
Other operating charges and credits, net	3,575	(980)
Changes in assets and liabilities:		
Trade accounts receivable, net	(110,228)	(134,031)
Inventories	(66,846)	(78,545)
Prepaid expenses, other current assets and other assets	(20,173)	(2,082)
Related party receivables	(830)	(483)
Accounts payable, accrued expenses and other liabilities	2,744	168,879
Related party payables	3,107	20,339
Net cash provided by operating activities	209,677	177,021
Cash flows from investing activities:		
Purchases of property, plant and equipment	(48,290)	(36,769)
Acquisition of intangible assets	(12,514)	(14,050)
Deposits for future acquisition of property, plant and equipment	(7,384)	(1,107)
Proceeds from sale of property, plant and equipment	1,379	—
Proceeds from sale of subsidiary	—	4,989
Net cash used in investing activities	(66,809)	(46,937)
Cash flows from financing activities:		
Proceeds from issuance of debt	2,694,750	—
Payments of principal on debt, revolving credit facilities, financing leases and other	(2,805,384)	(133,383)
Payments of deferred financing and refinancing costs	(74,973)	—
Borrowings on revolving credit facilities	218,000	48,000
Proceeds from exercise of stock options	1,407	1,003
Employee payroll tax withholding on restricted stock unit and performance stock unit vesting	(21,957)	(7,565)
Tax and other distributions to non-controlling interests	(38,825)	(14,442)
Payment of principal on notes payable - related party	—	(44,200)
Proceeds from alliance party	5,572	—
Net cash used in financing activities	(21,410)	(150,587)
Effect of foreign exchange rate on cash	(1,471)	(259)
Net increase (decrease) in cash, cash equivalents, and restricted cash	119,987	(20,762)
Cash, cash equivalents, and restricted cash - beginning of period	118,420	99,107
Cash, cash equivalents, and restricted cash - end of period	$ 238,407	$ 78,345
Cash and cash equivalents - end of period	$ 201,249	$ 74,006
Restricted cash - end of period	34,727	4,339
Long-term restricted cash included in other assets - end of period	2,431	—
Cash, cash equivalents, and restricted cash - end of period	$ 238,407	$ 78,345

The accompanying notes are an integral part of these consolidated financial statements.

Amneal Pharmaceuticals, Inc.
Consolidated Statements of Cash Flows (continued)
(unaudited; in thousands)

	Nine Months Ended September 30,	
	2025	**2024**
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 156,447	$ 202,914
Cash paid, net for income taxes	$ 17,576	$ 9,056
Supplemental disclosure of non-cash investing and financing activity:		
Payable for acquisition of intangible assets	$ 411	$ 2,000
Note receivable for sale of subsidiary - related party	$ —	$ 7,177
Loan for land purchase - related party	$ 482	$ —

The accompanying notes are an integral part of these consolidated financial statements.

Amneal Pharmaceuticals, Inc.
Consolidated Statements of Changes in Stockholders' (Deficiency) Equity
(unaudited; in thousands)

	Class A Common Stock		Additional Paid-in Capital	Stockholders' Accumulated Deficit	Accumulated Other Comprehensive Loss	Non-Controlling Interests	Total Deficiency	Redeemable Non-Controlling Interests
	Shares	Amount						
Balance at June 30, 2025	314,043	$ 3,140	$ 554,623	$ (572,450)	$ (97,431)	$ (415)	$ (112,533)	$ 65,802
Net income (loss)	—	—	—	2,369	—	(82)	2,287	15,845
Foreign currency translation adjustments	—	—	—	—	(9,088)	—	(9,088)	—
Stock-based compensation	—	—	8,219	—	—	—	8,219	—
Exercise of stock options	238	3	650	—	—	—	653	—
Restricted stock unit and performance stock unit vesting, net of shares withheld to cover payroll taxes	30	—	(129)	—	—	—	(129)	—
Unrealized loss on cash flow hedge, net of tax of $0	—	—	—	—	(3,526)	—	(3,526)	—
Tax and other distributions, net	—	—	—	—	—	—	—	(13,867)
Reclassification of cash flow hedge to earnings, net of tax of $0	—	—	—	—	4,162	—	4,162	—
Balance at September 30, 2025	314,311	$ 3,143	$ 563,363	$ (570,081)	$ (105,883)	$ (497)	$ (109,955)	$ 67,780

	Class A Common Stock		Additional Paid-in Capital	Stockholders' Accumulated Deficit	Accumulated Other Comprehensive Loss	Non-Controlling Interests	Total Deficiency	Redeemable Non-Controlling Interests
	Shares	Amount						
Balance at December 31, 2024	309,881	$ 3,099	$ 560,206	$ (607,062)	$ (65,510)	$ (245)	$ (109,512)	$ 64,974
Net income (loss)	—	—	—	36,981	—	(252)	36,729	41,631
Foreign currency translation adjustments	—	—	—	—	(15,648)	—	(15,648)	—
Stock-based compensation	—	—	23,751	—	—	—	23,751	—
Exercise of stock options	512	5	1,402	—	—	—	1,407	—
Restricted stock unit and performance stock unit vesting, net of shares withheld to cover payroll taxes	3,918	39	(21,996)	—	—	—	(21,957)	—
Unrealized loss on cash flow hedge, net of tax of $0	—	—	—	—	(23,011)	—	(23,011)	—
Tax and other distributions, net	—	—	—	—	—	—	—	(38,825)
Reclassification of cash flow hedge to earnings, net of tax of $0	—	—	—	—	(1,714)	—	(1,714)	—
Balance at September 30, 2025	314,311	$ 3,143	$ 563,363	$ (570,081)	$ (105,883)	$ (497)	$ (109,955)	$ 67,780

The accompanying notes are an integral part of these consolidated financial statements.

Amneal Pharmaceuticals, Inc.
Consolidated Statements of Changes in Stockholders' (Deficiency) Equity
(unaudited; in thousands)

	Class A Common Stock		Additional Paid-in Capital	Stockholders' Accumulated Deficit	Accumulated Other Comprehensive Loss	Non-Controlling Interests	Total Deficiency	Redeemable Non-Controlling Interests
	Shares	Amount						
Balance at June 30, 2024	309,499	$ 3,095	$ 545,701	$ (575,825)	$ (30,436)	$ (24)	$ (57,489)	$ 53,422
Net (loss) income	—	—	—	(156)	—	(111)	(267)	12,024
Foreign currency translation adjustments	—	—	—	—	(2,236)	—	(2,236)	—
Stock-based compensation	—	—	7,112	—	—	—	7,112	—
Exercise of stock options	224	3	614	—	—	—	617	—
Restricted stock unit vesting, net of shares withheld to cover payroll taxes	47	—	(194)	—	—	—	(194)	—
Unrealized loss on cash flow hedge, net of tax of $0	—	—	—	—	(34,523)	—	(34,523)	—
Tax distributions	—	—	—	—	—	—	—	(5,559)
Reclassification of cash flow hedge to earnings, net of tax of $0	—	—	—	—	(6,587)	—	(6,587)	—
Balance at September 30, 2024	309,770	$ 3,098	$ 553,233	$ (575,981)	$ (73,782)	$ (135)	$ (93,567)	$ 59,887

	Class A Common Stock		Additional Paid-in Capital	Stockholders' Accumulated Deficit	Accumulated Other Comprehensive Loss	Non-Controlling Interests	Total Equity (Deficiency)	Redeemable Non-Controlling Interests
	Shares	Amount						
Balance at December 31, 2023	306,565	$ 3,066	$ 539,240	$ (490,176)	$ (32,349)	$ 230	$ 20,011	$ 41,293
Net (loss) income	—	—	—	(85,805)	—	(365)	(86,170)	33,036
Foreign currency translation adjustments	—	—	—	—	(2,665)	—	(2,665)	—
Stock-based compensation	—	—	20,558	—	—	—	20,558	—
Exercise of stock options	363	4	999	—	—	—	1,003	—
Restricted stock unit vesting, net of shares withheld to cover payroll taxes	2,842	28	(7,564)	—	—	—	(7,536)	—
Unrealized loss on cash flow hedge, net of tax of $0	—	—	—	—	(19,150)	—	(19,150)	—
Tax distributions, net	—	—	—	—	—	—	—	(14,442)
Reclassification of cash flow hedge to earnings, net of tax of $0	—	—	—	—	(19,618)	—	(19,618)	—
Balance at September 30, 2024	309,770	$ 3,098	$ 553,233	$ (575,981)	$ (73,782)	$ (135)	$ (93,567)	$ 59,887

The accompanying notes are an integral part of these consolidated financial statements.

Amneal Pharmaceuticals, Inc.
Notes to Consolidated Financial Statements
(unaudited)

1. Summary of Significant Accounting Policies

Basis of Presentation

The interim unaudited consolidated financial statements have been prepared in accordance with the requirements of the U.S. Securities and Exchange Commission and U.S. generally accepted accounting principles ("U.S. GAAP") for interim reporting. These financial statements include all adjustments that in the opinion of management are necessary for a fair presentation of the financial position, results of operations, and cash flows of Amneal Pharmaceuticals, Inc. (the "Company") for the periods presented. However, these financial statements do not include all information and accompanying notes required for annual financial statements prepared in accordance with U.S. GAAP. The interim unaudited consolidated financial statements should be read in conjunction with the audited annual financial statements included in the Company's 2024 Annual Report on Form 10-K.

Use of Estimates

The preparation of financial statements requires the Company's management to make estimates and assumptions that affect the reported financial position at the date of the financial statements and the reported results of operations during the reporting period. Such estimates and assumptions affect the reported amounts of assets, liabilities, revenues and expenses, and disclosure of contingent assets and liabilities in the consolidated financial statements and accompanying notes. The following are some, but not all, of such estimates: the determination of chargebacks, sales returns, rebates, valuation of intangible and other assets acquired in business combinations, allowances for accounts receivable, accrued liabilities, liabilities for legal matters, contingent liabilities, stock-based compensation, valuation of inventory balances, the determination of useful lives for product rights and the assessment of expected cash flows used in evaluating goodwill and other long-lived assets for impairment. Actual results could differ from those estimates.

Reclassification

The prior period balances of $1.0 million and $0.9 million, formerly included in the caption "change in fair value of contingent consideration" for the three and nine months ended September 30, 2024, respectively, have been reclassified to the caption "other operating income" in the consolidated statements of operations to conform to the current period presentation. This reclassification did not impact operating income or net loss.

Restricted Cash

As of September 30, 2025, the Company had a total restricted cash balance of $34.7 million in its bank accounts, of which $24.2 million was associated with a short-term liability for a settlement in principle on the primary financial terms for a nationwide resolution to the opioids cases filed and that might have been filed by state Attorneys General, political subdivisions and Native American tribes (refer to *Note 16. Commitments and Contingencies* for additional information). The remainder of the restricted cash balance as of September 30, 2025 primarily related to the purchase of certain land and equipment in India. As of December 31, 2024, the Company had a total restricted cash balance of $7.9 million in its bank accounts primarily related to the purchase of certain land and equipment in India.

Recently Issued Accounting Pronouncements

In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures* ("ASU 2023-09"), which enhances the transparency and usefulness of income tax disclosures. ASU 2023-09 requires that public business entities on an annual basis disclose specific categories in the rate reconciliation and provide additional information for reconciling items that meet a quantitative threshold. ASU 2023-09 is effective for fiscal years beginning after December 15, 2024, with early adoption permitted for annual financial statements that have not yet been issued or made available for issuance. The Company is currently evaluating the impact this guidance will have on its consolidated financial statements.

In November 2024, the FASB issued ASU 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses* ("ASU 2024-03"), which requires a public business entity to provide disaggregated disclosures, in the notes to the financial statements, of certain

categories of expenses that are included in expense captions on the face of the income statement. ASU 2024-03 is effective for fiscal years beginning after December 15, 2026, and interim reporting periods beginning December 15, 2027, with early adoption permitted. Upon adoption, ASU 2024-03 may be applied prospectively for reporting periods after the effective date or retrospectively to any or all prior periods presented in the financial statements. The Company is currently evaluating the impact this guidance will have on its consolidated financial statements.

In September 2025, the FASB issued ASU 2025-07, *Derivatives and Hedging (Topic 815) and Revenue from Contracts with Customers (Topic 606)* ("ASU 2025-07"), which amends the accounting guidance to exclude from derivative accounting non-exchange-traded contracts with underlyings that are based on operations or activities specific to one of the parties to the contract. ASU 2025-07 is effective for fiscal years beginning after December 15, 2026, with early adoption permitted. The Company is currently evaluating the impact this guidance will have on its consolidated financial statements.

2. Revenue Recognition

The Company recognizes revenue in accordance with Accounting Standards Codification ("ASC") Topic 606, *Revenue from Contracts with Customers* ("ASC 606"). Revenue is recognized when the Company transfers control of its products to the customer, which typically occurs at a point-in-time, either upon shipment or delivery. Substantially all of the Company's net revenues relate to products which are transferred to the customer at a point-in-time.

License Agreements

Refer to *Note 5. Alliance and Collaboration* in the Company's 2024 Annual Report on Form 10-K for further information related to revenue recognition associated with license agreements.

Concentration of Revenue

The following table summarizes revenues from each of the Company's customers that individually accounted for 10% or more of its total net revenue in any of the periods presented:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Customer A	23 %	24 %	24 %	22 %
Customer B	14 %	14 %	15 %	15 %
Customer C	22 %	24 %	21 %	23 %
Customer D	10 %	11 %	9 %	10 %

Disaggregated Revenue

During the fourth quarter of 2024, the Company changed the presentation of disaggregated net revenue in its Affordable Medicines segment from a classification primarily based on significant therapeutic classes to a classification primarily based on significant dosage forms to reflect the full product offering of the segment. The new presentation did not change the composition of the Company's reportable segments and, therefore, did not change historical total net revenue in any segment. All prior periods were changed to conform to the current period's presentation.

The Company's significant dosage forms for its Affordable Medicines segment, therapeutic classes for its Specialty segment and sales channels for its AvKARE segment, as determined based on net revenue for the three and nine months ended September 30, 2025 and 2024, are set forth below (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Affordable Medicines				
Oral solid	$ 180,460	$ 161,215	$ 537,675	$ 506,484
Auto-Injector	78,940	70,690	193,694	171,589
Transdermal	47,599	43,891	131,372	134,113
Injectable	54,368	43,169	123,802	117,472
Biosimilar	17,009	30,678	70,797	86,870
Oral liquid	16,415	22,543	57,842	78,568
Other dosage forms [1]	59,662	50,652	184,269	143,213
Subtotal dosage forms	454,453	422,838	1,299,451	1,238,309
International	6,288	4,507	9,423	7,658
Total Affordable Medicines Revenue	460,741	427,345	1,308,874	1,245,967
Specialty				
Central nervous system	77,631	73,401	228,666	203,583
Hormonal / allergy	37,685	32,283	107,302	93,433
Other therapeutic classes	9,924	7,906	25,112	21,370
Subtotal therapeutic classes	125,240	113,590	361,080	318,386
License agreement [2]	—	2,048	500	6,527
Total Specialty net revenue	125,240	115,638	361,580	324,913
AvKARE				
Distribution	96,216	101,605	300,774	327,453
Government label	87,755	41,936	183,313	113,098
Institutional	5,853	9,394	26,994	32,020
Other	8,708	6,550	22,906	19,988
Total AvKARE net revenue	198,532	159,485	533,987	492,559
Total net revenue	$ 784,513	$ 702,468	$ 2,204,441	$ 2,063,439

[1] Includes net revenue from sales of transmucosal, ophthalmic, topical, nasal and inhalation dosage forms.

[2] Refer to *Note 5. Alliance and Collaboration* in the Company's 2024 Annual Report on Form 10-K for information about revenue recognized under license agreements for the three and nine months ended September 30, 2024.

A rollforward of the major categories of sales-related deductions for the nine months ended September 30, 2025 is as follows (in thousands):

	Contract Charge - Backs and Sales Volume Allowances	Cash Discount Allowances	Accrued Returns Allowance	Accrued Medicaid and Commercial Rebates
Balance at December 31, 2024	$ 498,537	$ 25,968	$ 160,490	$ 135,488
Provision related to sales recorded in the period	2,997,271	101,106	66,146	197,417
Credits/payments issued during the period	(2,971,261)	(96,116)	(59,468)	(215,925)
Balance at September 30, 2025	$ 524,547	$ 30,958	$ 167,168	$ 116,980

3. Alliance and Collaboration

The Company has entered into several alliance, collaboration, license, distribution and similar agreements with respect to certain of its products and services with third-party pharmaceutical companies. The consolidated statements of operations include revenue recognized under agreements the Company has entered into to develop marketing and/or distribution relationships with its partners to fully leverage the technology platform and revenue recognized under development agreements.

These agreements generally obligate the Company to provide research and development ("R&D") services over multiple periods.

Except as disclosed below, as of and for the three and nine months ended September 30, 2025, there were no material changes to our alliance and collaboration agreements as described and defined in *Note 5. Alliance and Collaboration* in our 2024 Annual Report on Form 10-K.

The following table summarizes the activity in the Company's consolidated statements of operations related to alliance and collaboration agreements for the three and nine months ended September 30, 2025 and 2024 (in thousands):

		Three Months Ended September 30,		Nine Months Ended September 30,	
Party	**Caption in Statement of Operations**	**2025**	**2024**	**2025**	**2024**
Orion Corporation	Research and development [1]	$ (1,285)	$ (506)	$ (3,808)	$ (1,800)
Zambon Biotech S.A.	Net revenue [2]	$ —	$ 1,048	$ —	$ 4,527
Knight Therapeutics International S.A.	Net revenue [3]	$ —	$ 1,000	$ —	$ 2,000
mAbxience S.L.	Research and development [4]	$ —	$ 3,500	$ —	$ 6,500
Metsera, Inc.	Net revenue [5]	$ 245	$ —	$ 2,218	$ —

[1] Services performed for Orion Corporation on a cost basis are recorded as a reduction to R&D expense.
[2] Delivery of a functional license (out-licensing revenue).
[3] Non-refundable license fee.
[4] Clinical milestone payment.
[5] Development activities performed on behalf of Metsera, Inc. on a cost plus margin basis are recorded as net revenue.

The following table summarizes the balances in the Company's consolidated balance sheets related to alliance and collaboration agreements as of September 30, 2025 and December 31, 2024 (in thousands):

Party	**Caption in Balance Sheet**	**September 30, 2025**	**December 31, 2024**
Orion Corporation	Accounts payable and accrued expenses [1]	$ 4,754	$ 5,008
Orion Corporation	Other long-term liabilities [1]	$ 1,031	$ 3,453
Zambon Biotech S.A.	Other long-term liabilities [1]	$ 2,530	$ 2,530
Metsera, Inc.	Prepaid expenses and other current assets [2]	$ 318	$ 335
Metsera, Inc.	Other long-term liabilities [3]	$ 8,208	$ —

[1] Comprised of deferred income as of September 30, 2025 and December 31, 2024.
[2] Comprised primarily of unbilled receivables for R&D services performed as of December 31, 2024.
(3) Comprised of construction costs contributed, as defined in the Company's collaboration agreement with Metsera, Inc. The Company concluded the funding received from Metsera shall be allocated between two performance obligations: (i.) a financing obligation in accordance with *ASC 470, Debt* and (ii.) a contract obligation for future manufacturing services. For the nine months ended September 30, 2025, the Company recorded $5.6 million as a cash inflow from financing activities for the financing obligation and $2.6 million as a cash inflow from operating activities for the contract obligation.

ApiJect Systems Collaboration Agreement

On May 8, 2025, the Company entered into a 15-year strategic collaboration agreement with ApiJect Systems, Corp. and related entities ("ApiJect"), a medical technology company focused on advanced drug delivery ("ApiJect Agreement"). Under the ApiJect Agreement, Amneal will install and operate manufacturing equipment leased from Apiject at the Company's Brookhaven, New York facility. This equipment will be used to support production of ApiJect's proprietary blow fill seal ("BFS") delivery systems and Amneal's growing injectable portfolio.

The Company concluded the agreement contains a financing lease pursuant to Accounting Standards Codification Topic 842, *Leases*. The lease will commence on the date the equipment is available for Amneal's use. During the lease term, the Company shall pay ApiJect a low-digit royalty for any of Amneal's commercial products that are manufactured utilizing the equipment, which will be accounted for as variable lease payments. At the conclusion of the ApiJect Agreement, the Company has the right to purchase the equipment from ApiJect for a nominal amount. Amneal and ApiJect will also collaborate on the development of additional injectable product programs utilizing ApiJect's BFS platform. The Company is entitled to receive consideration from ApiJect for development work performed under these programs.

The ApiJect Agreement did not have a material impact on the Company's financial statements as of and for the three and nine months ended September 30, 2025.

4. Income Taxes

(Benefit from) Provision for Income Taxes

Set forth in the following table is the Company's provision for income taxes (in thousands) and effective tax rate:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
(Benefit from) provision for income taxes	$ (23,355)	$ 3,666	$ 5,614	$ 13,440
Effective tax rate	447.2 %	23.8 %	6.7 %	(33.9)%

For the three and nine months ended September 30, 2025, the period-over-period change in the provision for income taxes was primarily related to differences in jurisdictional mix of income, the utilization of net operating losses in the prior period, the impact of the One Big Beautiful Bill Act (the "OBBBA") and discrete items related to share-based compensation in the current period.

One Big Beautiful Bill Act

On July 4, 2025, President Trump signed the OBBBA, which includes a broad range of tax reform provisions affecting businesses, including, but not limited to, extending or making permanent certain business and international tax measures initially established under the 2017 Tax Cuts and Jobs Act and eliminating the requirement to capitalize and amortize U.S.-based research and experimental expenditures over five years, making these expenditures fully deductible in the period incurred. These provisions resulted in a reduction of the Company's current income tax liabilities of $23.5 million during each of the three and nine months ended September 30, 2025.

Tax Receivable Agreement

The following table summarizes the Company's tax receivable agreement ("TRA") (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
(Decrease) increase in tax receivable agreement liability	$ (20,808)	$ 11,327	$ (5,701)	$ 26,719

	September 30, 2025	December 31, 2024
Tax receivable agreement liability - short term [(1)]	$ 37,093	$ 2,985
Tax receivable agreement liability - long term [(1)]	8,105	50,900
Total	$ 45,198	$ 53,885

[(1)] Refer to *Note 18. Related Party Transactions*.

The decrease in the tax receivable agreement liability for the three and nine months ended September 30, 2025 is a result of income tax planning, the effects of the OBBBA, and the refinancing of the Company's debt in the third quarter of 2025 (refer to *Note 12. Debt* for additional information).

Refer to *Note 6. Income Taxes* in the Company's 2024 Annual Report on Form 10-K for information about the Company's TRA. During the nine months ended September 30, 2025, the Company made payments of $3.0 million, associated with the TRA.

Contingent Tax Receivable Agreement Liability

The Company had an unrecorded contingent TRA liability of $141.4 million as of September 30, 2025. If utilization of the Company's deferred tax assets becomes more-likely-than-not in the future, at such time, the unrecorded contingent TRA

liability will be recorded through charges in the Company's consolidated statements of operations.

5. Earnings (Loss) per Share

The computation of basic and diluted earnings per share was as follows (in thousands, except per share amounts):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Numerator:				
Net income (loss) attributable to Amneal Pharmaceuticals, Inc.	$ 2,369	$ (156)	$ 36,981	$ (85,805)
Denominator:				
Weighted-average shares outstanding - basic	314,168	309,647	312,998	308,685
Effect of dilutive securities:				
Stock options	882	—	981	—
Restricted stock units	4,129	—	4,303	—
Performance stock units	5,575	—	5,422	—
Weighted-average shares outstanding - diluted	324,754	309,647	323,704	308,685
Net income (loss) per share attributable to Amneal Pharmaceuticals, Inc.'s Class A common stockholders:				
Basic	$ 0.01	$ (—)	$ 0.12	$ (0.28)
Diluted	$ 0.01	$ (—)	$ 0.11	$ (0.28)

The following table presents potentially dilutive securities excluded from the computations of diluted earnings (loss) per share of Class A common stock (in thousands):

	Three and Nine Months Ended September 30,	
	2025	2024
Stock options	347 [1]	2,054 [3]
Restricted stock units	—	10,059 [3]
Performance stock units	1,960 [2]	7,609 [3]

[1] Excluded from the computation of diluted earnings per share of Class A common stock because the exercise price of the stock options exceeded the average market price of the Class A common stock during the period (out-of-the-money).

[2] Excluded from the computation of diluted earnings per share of Class A common stock because the performance vesting conditions were not met during the period.

[3] Excluded from the computation of diluted loss per share of Class A common stock because the effect of their inclusion would have been anti-dilutive since there was a net loss attributable to the Company during the period.

6. Trade Accounts Receivable, Net

Trade accounts receivable, net was comprised of the following (in thousands):

	September 30, 2025	December 31, 2024
Gross accounts receivable	$ 1,444,631	$ 1,303,788
Allowance for credit losses	(3,927)	(3,552)
Contract charge-backs and sales volume allowances	(524,547)	(498,537)
Cash discount allowances	(30,958)	(25,968)
Subtotal	(559,432)	(528,057)
Trade accounts receivable, net	$ 885,199	$ 775,731

Concentration of Receivables

Trade accounts receivable from customers representing 10% or more of the Company's total trade accounts receivable were as follows:

	September 30, 2025	December 31, 2024
Customer A	35 %	37 %
Customer B	23 %	21 %
Customer C	28 %	29 %

7. Inventories

Inventories were comprised of the following (in thousands):

	September 30, 2025	December 31, 2024
Raw materials	$ 219,741	$ 207,697
Work in process	53,472	52,835
Finished goods	341,287	351,922
Total inventories	$ 614,500	$ 612,454

8. Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets were comprised of the following (in thousands):

	September 30, 2025	December 31, 2024
Deposits and advances	$ 2,226	$ 1,868
Prepaid insurance	10,488	8,264
Prepaid regulatory fees	6,437	6,958
Income and other tax receivables	15,777	16,829
Prepaid taxes	18,194	7,516
Other current receivables	14,841	9,142
Chargebacks receivable	7,028	6,378
Other prepaid assets	26,520	23,762
Total prepaid expenses and other current assets	$ 101,511	$ 80,717

9. Goodwill and Other Intangible Assets

The changes in goodwill by segment were as follows (in thousands):

	Affordable Medicines	Specialty	AvKARE	Total
Balance as of December 31, 2023	$ 162,852	$ 366,312	$ 69,465	$ 598,629
Currency translation	(1,193)	—	—	(1,193)
Balance as of December 31, 2024	161,659	366,312	69,465	597,436
Currency translation	(1,491)	—	—	(1,491)
Balance as of September 30, 2025	$ 160,168	$ 366,312	$ 69,465	$ 595,945

Intangible assets as of September 30, 2025 and December 31, 2024 were comprised of the following (in thousands):

		September 30, 2025			December 31, 2024		
	Weighted-Average Amortization Period (in years)	Cost	Accumulated Amortization	Net	Cost	Accumulated Amortization	Net
Amortizing intangible assets:							
Product rights	6.5	$ 1,517,578	$ (954,013)	$ 563,565	$ 1,550,469	$ (856,914)	$ 693,555
Other intangible assets	2.0	83,200	(66,927)	16,273	83,200	(58,678)	24,522
Subtotal		1,600,778	(1,020,940)	579,838	1,633,669	(915,592)	718,077
In-process research and development		8,100	—	8,100	14,300	—	14,300
Total intangible assets		$ 1,608,878	$ (1,020,940)	$ 587,938	$ 1,647,969	$ (915,592)	$ 732,377

Amortization expense related to intangible assets for the three months ended September 30, 2025 and 2024 was $39.6 million and $43.3 million, respectively. Amortization expense related to intangible assets for the nine months ended September 30, 2025 and 2024 was $130.6 million and $123.3 million, respectively.

The Company reviews intangible assets with finite lives for recoverability whenever events or changes in circumstances indicate that the carrying amount of the assets may not be fully recoverable. Indefinite-lived intangible assets, including in-process research and development intangible assets, are tested for impairment if impairment indicators arise and, at a minimum, annually.

For each of the three and nine months ended September 30, 2025, the Company recorded $22.8 million of intangible asset impairment charges in cost of goods sold. The charges primarily related to a Specialty segment product right for which the Company significantly reduced the cash flow forecast after receipt of a complete response letter dated July 22, 2025 from the U.S. Food and Drug Administration (“FDA”) regarding a supplemental new drug application.

Intangible asset impairments were immaterial for the three and nine months ended September 30, 2024.

10. Other Assets

Other assets were comprised of the following (in thousands):

	September 30, 2025	December 31, 2024
Interest rate swap [1]	$ 5,168	$ 35,921
Security deposits	3,795	3,752
Long-term prepaid expenses	13,115	12,362
Deferred revolving credit facility costs	5,488	2,820
Long-term restricted cash	2,431	—
Other long term assets	9,461	5,278
Total other assets	$ 39,458	$ 60,133

[1] Refer to *Note 14. Fair Value Measurements* and *Note 15. Financial Instruments* for information about the Company’s interest rate swap.

11. Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses were comprised of the following (in thousands):

	September 30, 2025	December 31, 2024
Accounts payable	$ 266,358	$ 258,691
Accrued returns allowance [1]	167,168	160,490
Accrued compensation	63,899	72,959
Accrued Medicaid and commercial rebates [1]	116,980	135,488
Accrued royalties	27,493	23,687
Commercial chargebacks and rebates	10,226	10,226
Accrued professional fees	19,424	17,339
Accrued other	60,277	56,570
Total accounts payable and accrued expenses	$ 731,825	$ 735,450

[1] Refer to *Note 2. Revenue Recognition* for a rollforward of the balance from December 31, 2024 to September 30, 2025.

12. Debt

Changes in the Company's long-term debt since December 31, 2024 are disclosed below. Refer to *Note 15. Debt* in the Company's 2024 Annual Report on Form 10-K for additional information and definitions of certain terms used in this note.

The following is a summary of the Company's indebtedness under its term loans and senior notes (in thousands):

	September 30, 2025	December 31, 2024
Term Loan Due 2032	$ 2,100,000	$ —
Senior Notes Due 2032	600,000	—
Term Loan Due 2025	—	191,979
Term Loan Due 2028	—	2,292,856
Total debt	2,700,000	2,484,835
Less: debt issuance costs	(126,298)	(98,832)
Total debt, net of debt issuance costs	2,573,702	2,386,003
Less: current portion of long-term debt	(7,202)	(224,213)
Total long-term debt, net	$ 2,566,500	$ 2,161,790

Term Loan Due 2025

In January 2025, the Company paid the entire remaining principal balance of $192.0 million then outstanding on its Term Loan Due 2025, plus accrued interest thereon of $0.7 million, with $190.0 million of new borrowings under the Amended New Revolving Credit Facility and cash on hand.

Refinancing

On August 1, 2025, the Company borrowed $2.1 billion under new seven-year term loans (the "Term Loan Due 2032") pursuant to an amendment to the Term Loan Credit Agreement (the "Amended Term Loan Agreement") and completed a private offering of $600 million aggregate principal amount of 6.875% senior secured notes due 2032 at par (the "Senior Notes Due 2032"). The Company also entered into an amendment to the New Revolving Credit Facility (the "Amended New Revolving Credit Facility"). The Company used the net proceeds of the Term Loan Due 2032 and the Senior Notes due 2032 to refinance the Term Loan Due 2028 in full, to repay outstanding amounts borrowed under the New Revolving Credit Facility in full, and to pay related fees, premiums and expenses. Additionally, the amendment to the Term Loan Credit Agreement modified the Term Loan Credit Agreement, to provide additional flexibility to the Company and its restricted subsidiaries, including without limitation, with respect to representations and warranties, affirmative and negative covenants and incremental and equivalent term loan facilities.

Amended Term Loan Agreement

The Term Loan Due 2032 has a maturity date of August 1, 2032. Quarterly principal payments are due in an amount equal to 1.00% per annum of the original principal amount thereof, commencing on the last business day of the fiscal quarter ending December 31, 2025, with the remaining balance due on August 1, 2032. From the date of the refinancing to September 30, 2025, no principal payments were due or paid under the Term Loan Due 2032. Interest is payable on the Term Loan Due 2032 at a rate equal to the term secured overnight financing rate ("SOFR") benchmark rate or the base rate, plus an applicable margin, in each case, subject to a term SOFR benchmark rate floor of 0.50% or a base rate floor of 1.00%, as applicable. The applicable margin for the Term Loan Due 2032 is 3.50% per annum for term SOFR benchmark rate loans and 2.50% per annum for base rate loans.

The Term Loan Agreement involved multiple lenders that were considered members of a loan syndicate. In determining whether the refinancing of the Term Loan Due 2028 was to be accounted for as a debt extinguishment or a debt modification, the Company considered whether creditors remained the same or changed and whether the changes in debt terms were substantial, on a lender-by-lender basis, in accordance with the guidance in ASC 470, Debt. As a result of this analysis, the Company legally has separate loans from each lender in the syndicate of the Term Loan Due 2032, and each lender has a contractual right to payments from the Company. The Company concluded that, on a lender-by-lender basis, debt held by 99% of the lenders included in the refinancing was considered modified, with the remaining debt held by lenders considered to be extinguished. In accordance with ASC 470, the Company capitalized costs of $49.4 million associated with the Term Loan Due 2032, primarily comprised of lender fees, which were combined with $73.4 million of unamortized debt issuance costs associated with the Term Loan Due 2028. The resulting debt discount balance of $122.8 million will be amortized to interest expense over the life of the Term Loan Due 2032 using the effective interest method. In connection with the refinancing, the Company recognized a loss of $31.4 million for the three and nine months ended September 30, 2025, which was primarily comprised of debt issuance costs associated with the portion of the Term Loan Due 2028 that was modified.

Amended New Revolving Credit Facility

The Amended New Revolving Credit Facility extends the maturity of the New Revolving Credit Facility to August 1, 2030 and contains modifications to certain provisions of the New Revolving Credit Agreement including, without limitation, the representations and warranties and affirmative and negative covenants thereunder, to incorporate most of the modifications that were made to the corresponding provisions in the Term Loan Credit Agreement under the Amended Term Loan Agreement. The aggregate revolving commitments of the lenders under the Amended New Revolving Credit Facility continue to be $600.0 million.

In connection with this amendment, the Company incurred costs of $2.0 million, which were capitalized and combined with the existing $2.0 million of unamortized deferred financing costs associated with the New Revolving Credit Facility at the time of the refinancing. These costs will be amortized over the life of the New Amended Revolving Credit Facility.

Senior Notes

The Senior Notes Due 2032 were issued at par pursuant to an indenture dated August 1, 2025. The Senior Notes Due 2032 mature on August 1, 2032 (no principal is due until maturity) and bear interest at a rate of 6.875% per year. Interest is payable on February 1 and August 1 of each year, beginning on February 1, 2026.

In accordance with ASC 470, Debt, the Company capitalized costs of $6.0 million associated with the issuance of the Senior Secured Notes Due 2032, primarily comprised of lender fees. Capitalized costs will be amortized to interest expense over the life of the Senior Secured Notes Due 2032 using the effective interest method.

The Senior Notes Due 2032 and related guarantees represent senior secured obligations of the Company and the guarantors, respectively, ranking pari passu with existing and future senior indebtedness and senior to any future subordinated debt. The Senior Notes Due 2032 and the related guarantees are secured (x) on a first-priority basis by liens on fixed asset collateral, which consists of substantially all of the assets (other than ABL priority collateral) that secure the Company's and the guarantors' obligations under the Term Loan due 2032 on a pari passu basis, and (y) on a second-priority basis by liens on the collateral that secures the obligations under the New Revolving Credit Facility on a first-priority basis, which generally includes the Company's and the guarantors' cash, inventory and accounts receivable and related assets.

The indenture governing the Senior Notes Due 2032 includes customary high-yield covenants that restrict the Company's ability to incur additional indebtedness, pay dividends or make other restricted payments, create liens, engage in affiliate transactions, merge or consolidate, dispose of substantial assets, and imposes limitations on the ability of restricted subsidiaries to make payments to the Company.

Rondo Revolving Credit Facility

On April 9, 2025, the Company amended and restated the Rondo Revolving Credit Facility ("Amended Rondo Revolving Credit Facility") to, among other things, (i) increase the aggregate revolving commitment from $70 million to $125 million, (ii) increase the letter of credit commitment from $60 million to $90 million, and (iii) extend the maturity to April 9, 2030. The Amended Rondo Credit Facility bears a variable annual interest rate of adjusted term SOFR or the base rate, plus the applicable margin, in each case, subject to a floor of 0.0%. The applicable margin is between 1.75% and 3.00% (in the case of adjusted term SOFR loans) and 0.75% and 2.00% (in the case of base rate loans), and may be reduced or increased by 0.25% based on step-downs and step-ups determined by the total net leverage ratio, as defined in the Amended Rondo Revolving Credit Facility.

In addition, a commitment fee based on the average daily unused amount of the Amended Rondo Revolving Credit Facility is assessed at a rate based on total net leverage ratio, between 0.20% and 0.35% per annum.

In connection with this amendment, the Company incurred costs of $1.7 million associated with the Amended Rondo Revolving Credit Facility, which were capitalized and will be amortized over the life of the Amended Rondo Revolving Credit Facility.

13. Other Long-Term Liabilities

Other long-term liabilities were comprised of the following (in thousands):

	September 30, 2025	December 31, 2024
Uncertain tax positions	$ 216	$ 1,252
Long-term compensation	18,353	17,125
Other long-term liabilities	14,057	8,572
Total other long-term liabilities	$ 32,626	$ 26,949

14. Fair Value Measurements

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The Company evaluates its financial assets and liabilities subject to fair value measurements on a recurring basis to determine the appropriate level of classification for each reporting period. The following table sets forth the Company's financial assets and liabilities that were measured at fair value on a recurring basis as of September 30, 2025 and December 31, 2024 (in thousands):

		Fair Value Measurement Based on		
September 30, 2025	**Total**	**Quoted Prices in Active Markets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Assets				
Interest rate swap [(1)]	$ 5,168	$ —	$ 5,168	$ —
December 31, 2024				
Assets				
Interest rate swap [(1)]	$ 35,921	$ —	$ 35,921	$ —

(1) The fair value measurement of the Company's interest rate swap classified within Level 2 of the fair value hierarchy is a model-derived valuation as of a given date in which all significant inputs are observable in active markets including certain financial information and certain assumptions regarding past, present, and future market conditions. Refer to *Note 15. Financial Instruments* for information on the Company's interest rate swap.

There were no transfers between levels in the fair value hierarchy during the nine months ended September 30, 2025.

Assets and Liabilities Not Measured at Fair Value on a Recurring Basis

The carrying amounts of cash, accounts receivable and accounts payable approximate their fair values due to the short-term maturity of these instruments.

The following is a summary of the Company's indebtedness at fair value (in thousands):

	September 30, 2025	December 31, 2024
Term Loan Due 2032	$ 2,107,875	$ —
Senior Notes Due 2032	$ 621,750	$ —
Term Loan Due 2025	$ —	$ 192,579
Term Loan Due 2028	$ —	$ 2,364,508

The Term Loan Due 2032, Senior Notes Due 2032, Term Loan Due 2025, and Term Loan Due 2028 are each in the Level 2 category within the fair value level hierarchy. The fair values were determined using market data for valuation.

Refer to *Note 12. Debt* in this Quarterly Report on Form 10-Q and *Note 15. Debt* in the Company's 2024 Annual Report on Form 10-K for detailed information about its indebtedness, including definitions of terms.

Assets and Liabilities Measured at Fair Value on a Non-Recurring Basis

There were no fair value measurements during the nine months ended September 30, 2025 and 2024.

15. Financial Instruments

On August 28, 2025, the Company completed a transaction whereby it (i) terminated the November 2023 Swap (as defined in *Note 19. Financial Instruments* in our 2024 Annual Report on Form 10-K); (ii) received cash settlement of $7.7 million from the counterparty to the November 2023 Swap, which represented approximately 50% of the fair value of the November 2023 Swap as of August 28, 2025, and (iii) entered into a new interest rate lock agreement with the same counterparty by blending and extending the remaining asset position, or $7.7 million, of the November 2023 Swap into the new agreement (the "August 2025 Swap").

The August 2025 Swap has a notional value of $650.0 million associated with the Term Loan Due 2032. Under the terms of the August 2025 Swap, the Company will make payments based on a fixed interest rate of 3.1636% in exchange for receiving payments from the counterparty based on a variable interest rate of one-month SOFR, subject to a 0.50% floor. The August 2025 Swap has a termination date of May 6, 2030.

The August 2025 Swap qualifies for hedge accounting. Changes in fair value will be recognized in other comprehensive loss and reclassified to interest expense, net, in the period in which the hedged transaction affect earnings. During the three and nine months ended September 30, 2025, the Company reclassified a net loss (increase in interest expense) of $4.2 million and a net income (decrease in interest expense) of $1.7 million, respectively, from accumulated other comprehensive loss. As of September 30, 2025, $18.4 million in net losses were recorded in accumulated other comprehensive loss associated with the impact of all interest rates swaps, with $11.7 million, net, expected to be reclassified within 12 months. Refer to *Note 17. Stockholders' Deficiency* in this Quarterly Report on Form 10-Q and *Note 19. Financial Instruments* in our 2024 Annual Report on Form 10-K for defined terms and additional information.

A summary of the fair values of derivative instruments in the consolidated balance sheets was as follows (in thousands):

	September 30, 2025		December 31, 2024	
Derivatives Designated as Hedging Instruments	**Balance Sheet Classification**	**Fair Value**	**Balance Sheet Classification**	**Fair Value**
Variable-to-fixed interest rate swap	Other Assets	$ 5,168	Other Assets	$ 35,921

16. Commitments and Contingencies

Commitments

Commercial Manufacturing, Collaboration, License, and Distribution Agreements

The Company continues to seek to enhance its product line and develop a balanced portfolio of differentiated products through product acquisitions and in-licensing. Accordingly, the Company, in certain instances, may be contractually obligated to make potential future development, regulatory, and commercial milestone, royalty and/or profit-sharing payments in conjunction with collaborative agreements or acquisitions that the Company has entered with third parties. The Company has also licensed certain technologies or IP from various third parties. The Company is generally required to make upfront payments and other payments upon successful completion of regulatory or sales milestones. The agreements generally permit the Company to terminate the agreement with no significant continuing obligation. The Company could be required to make significant payments pursuant to these arrangements. These payments are contingent upon the occurrence of certain future events and, given the nature of these events, it is unclear when, if ever, the Company may be required to pay such amounts. Further, the timing of any future payment is not reasonably estimable. Refer to *Note 3. Alliance and Collaboration* for additional information. Certain of these arrangements are with related parties. Refer to *Note 18. Related Party Transactions* for additional information.

Contingencies

Legal Proceedings

The Company's legal proceedings are complex, constantly evolving, and subject to uncertainty. As such, the Company cannot predict the outcome or impact of its significant legal proceedings which are set forth below. Additionally, the Company manufactures and derives a portion of its revenue from the sale of pharmaceutical products in the opioid class of drugs and may therefore face claims arising from the regulation and/or consumption of such products. While the Company believes it has meritorious claims and/or defenses to the matters described below (and intends to vigorously prosecute and defend them), the nature and cost of litigation is unpredictable, and an unfavorable outcome of such proceedings could include damages, fines, penalties and injunctive or administrative remedies.

For any proceedings where losses are probable and reasonably capable of estimation, the Company accrues a potential loss. When the Company has a probable loss for which a reasonable estimate of the liability is a range of losses and no amount within that range is a better estimate than any other amount, the Company records the loss at the low end of the range. While these accruals have been deemed reasonable by the Company’s management, the assessment process relies heavily on estimates and assumptions that may ultimately prove inaccurate or incomplete. Additionally, unforeseen circumstances or events may lead the Company to subsequently change its estimates and assumptions. Unless otherwise indicated below, the Company is unable at this time to estimate the possible loss or the range of loss, if any, associated with such legal proceedings and claims. Any such claims, proceedings, investigations or litigation, regardless of the merits, might result in substantial costs to defend or settle, borrowings under the Company’s debt agreements, restrictions on product use or sales, or otherwise harm the Company’s business. The ultimate resolution of any or all claims, legal proceedings or investigations are inherently uncertain and difficult to predict, could differ materially from the Company’s estimates and could have a material adverse effect on its results of operations and/or cash flows in any given accounting period, or on its overall financial condition. The Company currently intends to vigorously prosecute and/or defend these proceedings as appropriate. From time to time, however, the Company may settle or otherwise resolve these matters on terms and conditions that it believes to be in its best interest. An insurance recovery, if any, is recorded in the period in which it is probable the recovery will be realized.

For the nine months ended September 30, 2024, charges related to legal matters, net of $94.9 million were primarily associated with a settlement in principle on the primary financial terms for a nationwide resolution to the opioids cases that have been filed and that might have been filed against the Company by political subdivisions and Native American tribes across the U.S. (refer to the section *Civil Prescription Opioid Litigation* below). (Credit) charges related to legal matters, net, for all other periods presented were immaterial.

Liabilities for legal matters were comprised of the following (in thousands):

Matter	September 30, 2025	December 31, 2024
Civil prescription opioid litigation	$ 39,613	$ 29,671
Other	985	2,084
Current portion of liabilities for legal matters	$ 40,598	$ 31,755
Civil prescription opioid litigation (Liabilities for legal matters - long term)	$ 74,477	$ 85,479

Refer to the respective discussions below for information about the significant matters summarized above.

Refer to *Note 20. Commitments and Contingencies* in our Annual Report on Form 10-K for a general discussion of Medicaid Reimbursement and Price Reporting Matters and Patent Litigation.

Other Litigation Related to the Company's Business

United States Department of Justice Investigations

On May 15, 2023, Amneal Pharmaceuticals LLC ("Amneal") received a Civil Investigative Demand ("CID") from the Civil Division of the United States Department of Justice (the "Civil Division") requesting information and documents related to the manufacturing and shipping of diclofenac sodium 1% gel labeled as "prescription only" after the reference listed drug's label was converted to over-the-counter. In October 2024, the Company received supplemental CIDs seeking additional information related to the same subject matter. The Company is continuing to cooperate with the Civil Division's investigation. However, no assurance can be given as to the timing or outcome of the investigation.

In Re Generic Pharmaceuticals Pricing Antitrust Litigation

Beginning in March 2016, various purchasers of generic drugs filed multiple putative antitrust class action complaints against a substantial number of generic pharmaceutical manufacturers, including the Company, alleging an illegal conspiracy to fix, maintain, stabilize, and/or raise prices, rig bids, and allocate markets or customers. They seek unspecified monetary damages and equitable relief, including disgorgement and restitution. Most of these lawsuits were consolidated in the United States District Court for the Eastern District of Pennsylvania (See *In re Generic Pharmaceuticals Pricing Antitrust Litigation, No. 2724* (E.D. Pa.)). Some purchasers have brought similar lawsuits in state courts in Pennsylvania, Connecticut, and New York.

In 2019 and 2020, Attorneys General of 43 States and the Commonwealth of Puerto Rico named the Company in two complaints alleging a similar conspiracy and seeking similar damages. These cases are pending in the District of Connecticut. See *Connecticut, et al. v. Teva Pharmaceuticals USA, Inc., et al., 3:19-cv-00710-MPS* and *Connecticut, et al. v. Sandoz, Inc. et al., 3:2*0-cv-00802-MPS.

In these matters, the Company has filed various motions to dismiss, some of which remain pending. Fact discovery is underway in MDL No. 2724 and in one of the State Attorneys General cases naming the Company as a defendant, Connecticut, et al. v. Teva Pharmaceuticals USA, Inc., et al.. In the other, Connecticut, et al. v. Sandoz, Inc. et al., defendants' joint motions for summary judgment were fully briefed on April 7, 2025. The Court denied one of those motions, related to claim-splitting, on August 13, 2025, and denied in substantial part another of those motions, related to the timeliness of Plaintiffs' claims, on October 31, 2025. two other joint motions for summary judgment, related to Plaintiffs' overarching conspiracy and state law claims, remain pending. In *Connecticut, et al. v. Sandoz, Inc. et al*., defendant-specific motions for summary judgment, including a motion filed by the Company, were served on July 9, 2025. Responses to those defendant-specific motions were served on October 7, 2025, and replies are due November 21, 2025.

Trials for the first multi-district litigation ("MDL") cases chosen for bellwether treatment, none of which name the Company as a defendant, have been stayed pending the Third Circuit's review of the MDL court's class certification decision. The MDL court selected the Humana I case – which names Impax Laboratories, LLC ("Impax") as a defendant – as a subsequent bellwether. See Humana Inc. v. Actavis Elizabeth, LLC et al., No. 2:18-cv-03299-CMR. Summary judgment motions in Humana I are due on March 6, 2026, and replies are due on April 20, 2026. Trial is scheduled to begin on September 15, 2026.

Civil Prescription Opioid Litigation

The Company is named in over 900 state and federal cases relating to the sale of prescription opioid pain relievers. Plaintiffs are political subdivisions, schools, hospitals, Native American tribes, pension funds, third-party payors, and individuals. Nearly all federal court cases are consolidated for pre-trial proceedings in Case No. 17-mdl-2804 (N.D. Ohio). The Company also is named in state court cases pending in seven states. There are no firm trial dates in those state-court cases.

The Company has received a subpoena from the New York Attorney General, a subpoena from the Maryland Attorney General, and a CID issued by the Alaska Attorney General all seeking information regarding its business concerning opioid-containing products. The Company has cooperated and continues to cooperate with these requests.

In 2023, the Company reached settlements with the New Mexico Attorney General and West Virginia political subdivisions and a settlement in principle with a group of private hospitals in Alabama. In late April 2024, the Company reached a nationwide settlement in principle on the primary financial terms, with no admission of wrongdoing, for a nationwide resolution to the opioids cases filed and that might have been filed by state Attorneys General, political subdivisions and Native American tribes.

The settlement in principle is subject to execution of a definitive settlement agreement. The settlement would be payable over ten years. Under the settlement in principle, the Company would agree to pay $92.5 million in cash and provide $180.0 million (valued at $125/twin pack) in naloxone nasal spray to help treat opioid overdoses. In lieu of receiving product, the settling parties can opt to receive 25% of the naloxone nasal spray's value (up to $45.0 million) in cash during the last four years of the ten years payment term, which could increase the total amount of cash the Company would agree to pay up to $137.5 million. In April 2025, the Company finalized documentation for the nationwide resolution, which is contingent upon reaching sufficient participation from state Attorneys General, political subdivisions, and Native American tribes. In June 2025, the Company confirmed participation from all state Attorneys General and territorial Attorneys General. In September 2025, the Native American tribal participation reached a sufficient percentage to effectuate the tribal settlement. The process for political subdivision and Native American tribe participation is ongoing.

As of March 31, 2024, the Company concluded the loss related to the opioid litigation was probable, and the related loss was reasonably estimable considering the settlement in principle. As a result, the Company recorded a charge of $94.4 million associated with the settlement in principle during the three months ended March 31, 2024, to increase the liability as of March 31, 2024 to $115.6 million. The liability as of September 30, 2025 was $114.1 million, of which $74.5 million was classified as long-term. While this liability has been deemed reasonable by the Company's management, it could significantly change as the definitive settlement agreement with state Attorneys General and political subdivisions is finalized. As of December 31, 2024, the Company had a liability of $115.2 million related to its prescription opioid litigation, of which $85.5 million was classified as long-term. For the remaining cases not covered by the settlement in principle, primarily brought by other hospitals, schools and individuals, the Company has not recorded a liability as of September 30, 2025 or December 31, 2024, because it concluded that a loss was not probable and estimable.

During July 2025, the Company deposited an aggregate of $24.2 million into dedicated accounts as a step in the process to finalize a definitive settlement agreement. These deposits, which were classified as restricted cash in the Company's consolidated balance sheet as of September 30, 2025, remain the property of the Company until a definitive settlement agreement is reached and the funds are used to make the first installment payment.

United States Department of Justice / Drug Enforcement Administration Subpoenas

On July 7, 2017, Amneal Pharmaceuticals of New York, LLC received an administrative subpoena issued by the Long Island, NY District Office of the Drug Enforcement Administration (the "DEA") requesting information related to compliance with certain recordkeeping and reporting requirements. On or about April 12, 2019 and May 28, 2019, the Company received grand jury subpoenas from the U.S. Attorney's Office for the Eastern District of New York (the "USAO") relating to similar topics concerning the Company's suspicious order monitoring program and its compliance with the Controlled Substances Act. The Company is cooperating with the USAO in responding to the subpoenas. The Company has entered into a tolling agreement with respect to potential criminal charges through November 15, 2025. The Company entered into a tolling agreement with the USAO that tolled the statute of limitations for potential civil claims through November 15, 2024. It is not possible to determine the exact outcome of these investigations.

On March 14, 2019, Amneal received a subpoena from an Assistant U.S. Attorney for the Southern District of Florida (the "AUSA"). The subpoena requested information and documents generally related to the marketing, sale, and distribution of oxymorphone. The Company is cooperating with the AUSA regarding the subpoena. However, no assurance can be given as to the timing or outcome of its underlying investigation.

On October 7, 2019, Amneal received a subpoena from the New York State Department of Financial Services seeking documents and information related to sales of opioid products in the state of New York. The Company is cooperating with the request and providing responsive information. It is not possible to determine the exact outcome of this investigation.

Ranitidine Litigation

The Company was named, along with numerous other brand and generic pharmaceutical manufacturers, wholesale distributors, retail pharmacy chains, and repackagers of ranitidine-containing products in a federal MDL (In *re Zantac/Ranitidine NDMA Litigation* (MDL No. 2924), Southern District of Florida). Plaintiffs alleged defendants failed to disclose and/or concealed the alleged inherent presence of N-Nitrosodimethylamine (or "NDMA") in ranitidine products and the alleged associated risk of cancer. The MDL court's dismissal of claims by all plaintiffs against the Company and other generic drug manufacturers on preemption grounds is on appeal in the 11th Circuit. Plaintiffs filed their merits brief on April 10, 2024. The generic drug manufacturers, including the Company, filed their briefs on July 25, 2024. Plaintiffs' reply brief was filed November 8, 2024. The briefing also addresses the MDL court's December 6, 2022 exclusion of plaintiff's general causation experts. The 11th Circuit heard oral argument on October 2025. The timeline for the 11th Circuit Court of Appeals' rulings is uncertain.

The Company has also been named in state court cases in four states. The Company has filed motions to dismiss those cases. On August 17, 2023, the judge in the consolidated Illinois state court cases granted a motion to dismiss all such cases in which the Company had been named, holding all claims preempted. The Company has reached an agreement, which is not material, to settle the 95 cases pending against it in California state court. The process for completing the settlement, which the Company does not expect to be material, is in progress. There are no trial dates involving the Company in any of the state court cases.

Metformin Litigation

Beginning in 2020, Amneal was named as a defendant in several putative class action lawsuits filed and consolidated in the United States District Court for the District of New Jersey, seeking compensation for economic loss allegedly incurred in connection with their purchase of generic metformin allegedly contaminated with NDMA. See *In Re Metformin Marketing and Sales Practices Litigation* (No. 2:20-cv-02324-MCA-MAH) ("*In re Metformin*"), *Marcia E. Brice v. Amneal Pharmaceuticals, Inc*., *No. 2:20-cv-13728* (D.N.J.), and *Michael Hann v. Amneal Pharmaceuticals of New York, LLC* et al., *No. 2:23-cv-22902* (D.N.J.). On January 7, 2025, the court dismissed the Third Amended Complaint in *In re Metformin* without prejudice and granted plaintiffs the opportunity to amend their complaint. On February 20, 2025, plaintiffs filed a Fourth Amended Complaint in *In re Metformin*, which incorporated the allegations of plaintiff Brice and plaintiff Hann, and then filed notices of voluntary dismissal of *Marcia E. Brice v. Amneal Pharmaceuticals, Inc.*, *No. 2:20-cv-13728* (D.N.J.) and *Michael Hann v. Amneal Pharmaceuticals of New York, LLC et al., No. 2:23-cv-22902* (D.N.J.) as standalone actions. Defendants filed a motion to dismiss the Fourth Amended Complaint. Plaintiffs' response in opposition was filed on April 7, 2025 and defendants' reply was filed on April 22, 2025.

On March 29, 2021, a plaintiff filed a complaint in the United States District Court for the Middle District of Alabama asserting claims against manufacturers of valsartan, losartan, and metformin based on the alleged presence of nitrosamines in those products. The only allegations against the Company concern metformin (See *Davis v. Camber Pharmaceuticals, Inc.*, *et al., C.A. No. 2:21-00254* (M.D. Ala.) (the "Davis Action")). On May 5, 2021, the United States Judicial Panel on Multidistrict Litigation transferred the Davis Action into the *In re: Valsartan, Losartan, and Irbesartan Products Liability Litigation* MDL for pretrial proceedings.

UFCW Local 1500 Welfare Fund v. Takeda Pharmaceuticals U.S.A., Inc.

On November 14, 2023, UFCW Local 1500 Welfare Fund and other health plans filed a purported class action lawsuit in the United States District Court for the Southern District of New York against multiple manufacturers, including the Company, alleging an illegal conspiracy to restrict output of generic COLCRYS®. See *UFCW Local 1500 Welfare Fund et al. v. Takeda Pharma. U.S.A., Inc. et al,* No. 1:23-cv-10030 (S.D.N.Y.). On February 28, 2024, Takeda Pharmaceuticals U.S.A., Inc. filed a motion to transfer the case to the United States District Court for the Eastern District of Pennsylvania. On March 13, 2024 and March 27, 2024, Amneal submitted a letter and brief, respectively, informing the court of its position that the Eastern District of Pennsylvania lacks personal jurisdiction over Amneal. That motion remains pending and the deadline to respond to the complaint is set at 45 days after the court resolves the motion to transfer.

Indian Tax Authority Matters

Amneal Pharmaceuticals Pvt. Ltd. and RAKS Pharmaceuticals Pvt. Ltd., which are subsidiaries of the Company, are currently involved in litigations with Indian tax authorities concerning Central Excise Tax, Service Tax, Goods & Services Tax, and Value Added Tax for various periods of time between 2014 and 2017. These subsidiaries have contested certain of these assessments, which are at various stages of the administrative process. The Company strongly believes its Indian subsidiaries have meritorious defenses in the matter.

Guaifenesin Litigation

On September 5, 2024, Amneal was named as a defendant along with CVS Pharmacy, Inc. ("CVS") in a putative consumer class action lawsuit in the United States District Court for the Northern District of California alleging that generic guaifenesin products manufactured by Amneal contain benzene through the use of carbomer, an inactive ingredient. See Leonard v. CVS Pharmacy, Inc., No. 5:24-cv-06280 (N.D. Cal.). The complaint purported to plead, on behalf of a nationwide class and California subclass, the following counts: breach of warranty; unjust enrichment; fraud; and violation of California's Unfair Competition Law. The complaint sought damages, including punitive damages, restitution, other equitable monetary relief, injunctive relief, prejudgment interest and attorneys' fees and costs. On December 30, 2024, the Company and CVS jointly filed a motion to dismiss. On January 21, 2025, in lieu of filing a response to defendants' motion to dismiss, plaintiff filed a First Amended complaint. Defendants moved to dismiss the First Amended Complaint on February 20, 2025, and on September 29, 2025, the court granted the motion to dismiss without prejudice, holding that plaintiff's claims were preempted by the Federal Food, Drug, and Cosmetic Act. On October 3, 2025, plaintiff filed a Second Amended Complaint with additional factual allegations and added counts of breach of express warranty and negligence. Defendants' motion to dismiss the Second

Amendment Complaint was filed on October 31, 2025, plaintiff's response is due on December 5, 2025, and defendants' reply is due on January 9, 2026.

In addition, on June 27, 2025, Amneal was named as a defendant along with CVS in a putative consumer class action lawsuit in the United States District Court for the Northern District of Illinois. See Hatfield v. CVS Health Corporation, No. 1:25-cv-7248 (N.D. Ill.). The complaint in Hatfield made factual allegations similar to those in the Leonard case and purported to plead, individually and on behalf of a class of purchasers in Illinois and states with similar consumer protection laws, counts of violation of the Illinois Consumer Fraud Act and unjust enrichment. On June 30, 2025, plaintiff filed a motion for class certification, and, upon joint stipulation of the parties, the court agreed to hold that motion in abeyance. On July 28, 2025, plaintiff filed an amended complaint to identify the correct defendants and add jurisdictional allegations. On September 26, 2025, defendants moved to dismiss plaintiff's amended complaint. Plaintiff's response to the motion to dismiss was filed on October 27, 2025, and defendants' reply is due on November 17, 2025.

Amneal Pharmaceuticals LLC et al. v. Sandoz Inc.

On November 25, 2024, the Company and Impax received the first of five notice letters from Sandoz Inc. ("Sandoz") stating that it had filed an ANDA with the FDA seeking approval to market generic versions of CREXONT®, an extended-release oral capsule formulation of carbidopa and levodopa for the treatment of Parkinson's disease. The notice letters included a Paragraph IV certifications alleging that certain patents covering CREXONT® are invalid, unenforceable, or will not be infringed by the manufacture, use, or sale of Sandoz's generic product.

In response to these notice letters, on January 7, 2025, the Company and Impax filed a first patent infringement lawsuit against Sandoz in the U.S. District Court for the District of New Jersey, Case No. 3:25-cv-00181-GC-TJB. On April 1, 2025, the Company and Impax filed a First Amended Complaint in response to a second notice letter from Sandoz, adding claims for infringement of additional patents. On April 14, 2025, Sandoz filed an Answer, Affirmative Defense, and Counterclaims for non-infringement and invalidity of the asserted patents. This lawsuit is currently in discovery. The filing of this lawsuit triggered a 30-month stay of FDA approval of the Sandoz ANDA from the date of receipt of the notice letter. CREXONT® is also subject to a regulatory exclusivity until August 7, 2027.

On June 20, 2025, the Company and Impax filed a new patent infringement lawsuit against Sandoz in the U.S. District Court for the District of New Jersey, captioned Amneal Pharmaceuticals LLC et al. v. Sandoz Inc., D.N.J. 2:25-11981-GC-TJB, in response to a third notice letter from Sandoz relating to CREXONT®. On September 4, 2025, the Company and Impax filed a First Amended Complaint in response to a fourth notice letter from Sandoz, adding claims for infringement of additional patents. On October 2, 2025, Sandoz filed an Answer, Affirmative Defense, and Counterclaims for non-infringement and invalidity of the asserted patents. No schedule has yet been set in this lawsuit.

Carickhoff v. Amneal Pharmaceuticals, Inc., et al.

On May 7, 2025, the Liquidating Trustee on Behalf of the Vyera Liquidating Trust Established Under the Subchapter V Plan of Reorganization of debtors Vyera Pharmaceuticals, LLC and Phoenixus AG filed an adversary proceeding in the United States Bankruptcy Court for the District of Delaware against the Company and Impax, seeking to recover approximately $55.4 million in allegedly fraudulent transfers made by the debtors to Impax to purchase the drug Daraprim in 2015. (See Carickhoff v. Amneal Pharmaceuticals, Inc, et al., Adv. Pro. No. 25-50903-JKS (Bankr. D. Del.)). Impax filed a motion to dismiss on September 9, 2025. Plaintiff's response to the motion to dismiss is due on December 1, 2025, and Impax's reply is due on January 26, 2026.

17. Stockholders' (Deficiency) Equity

Refer to *Note 21. Stockholders' (Deficiency) Equity* in our 2024 Annual Report on Form 10-K for additional information.

Changes in Accumulated Other Comprehensive Loss by Component (in thousands):

	Foreign currency translation adjustments	Unrealized gain (loss) on cash flow hedge, net of tax	Accumulated other comprehensive loss
Balance December 31, 2024	$ (71,860)	$ 6,350	$ (65,510)
Other comprehensive loss before reclassification	(15,648)	(23,011)	(38,659)
Reclassification of cash flow hedge to earnings, net of tax of $0	—	(1,714)	(1,714)
Balance September 30, 2025	$ (87,508)	$ (18,375)	$ (105,883)
Balance December 31, 2023	$ (66,072)	$ 33,723	$ (32,349)
Other comprehensive loss before reclassification	(2,665)	(19,150)	(21,815)
Reclassification of cash flow hedge to earnings, net of tax of $0	—	(19,618)	(19,618)
Balance September 30, 2024	$ (68,737)	$ (5,045)	$ (73,782)

18. Related Party Transactions

The Company has various business agreements with certain parties in which there is some common ownership. However, the Company does not directly own or manage any of such related parties. Except as disclosed below, as of and for the three and nine months ended September 30, 2025, there were no material changes to our related party agreements or relationships as described in *Note 23. Related Party Transactions* and *Note 21. Stockholders' (Deficiency) Equity* in our 2024 Annual Report on Form 10-K.

The following table summarizes the Company's related party transactions (in thousands):

Related Party and Nature of Transaction	Caption in Balance Sheet and Statement of Operations	Three Months Ended September 30, 2025	Three Months Ended September 30, 2024	Nine Months Ended September 30, 2025	Nine Months Ended September 30, 2024
Kashiv Biosciences LLC					
Development and commercialization agreement - Omaluzimab	Research and development	$ 22,500	$ 20,000	$ 22,500	$ 20,000
Inventory purchases under development and commercialization agreement - Filgrastim and Pegfilgrastim (Releuko and Fylnetra)	Inventory and cost of goods sold	$ 3,602	$ 2,783	$ 9,218	$ 6,425
Development and commercialization agreement - Filgrastim and Pegfilgrastim - Royalty expense (Releuko and Fylnetra)	Cost of goods sold	$ 3,353	$ 3,021	$ 11,148	$ 11,741
Development and commercialization agreement - Pegfilgrastim Auto Injector - milestone	Research and development	$ —	$ —	$ 3,000	$ —
Development and commercialization agreement - Carfilzomib	Research and development	$ —	$ —	$ 2,000	$ —
Parking space lease	Research and development	$ —	$ 25	$ 25	$ 75
Development and commercialization agreement - long-acting injectable	Research and development	$ —	$ —	$ —	$ 500
Sale of subsidiary - interest income on loan receivable	Interest expense, net	$ —	$ (198)	$ —	$ (330)
Sale of subsidiary - gain on sale	Other income, net	$ —	$ —	$ —	$ (3,760)
Generic development supply agreement - development activity deferred income	Accounts payable and accrued expenses	$ —	$ —	$ (99)	$ (422)
Storage agreement	Research and development	$ (71)	$ (63)	$ (189)	$ (189)
Generic development supply agreement - research and development material	Research and development	$ (502)	$ (633)	$ (502)	$ (681)
Other Related Parties					
Apace KY, LLC d/b/a Apace Packaging LLC - packaging agreement	Inventory and cost of goods sold	$ 4,634	$ 4,689	$ 15,973	$ 14,910
Kanan, LLC - operating lease	Inventory and cost of goods sold	$ 592	$ 592	$ 1,776	$ 1,776
Ellodi Pharmaceuticals, L.P. - securities purchase and license and collaboration agreements	Research and development	$ 338	$ —	$ 6,046	$ —
Sutaria Family Realty, LLC - operating lease	Inventory and cost of goods sold	$ 333	$ 324	$ 987	$ 962
AzaTech Pharma LLC - supply agreement	Inventory and cost of goods sold	$ 185	$ 3,771	$ 2,512	$ 9,016
Tracy Properties LLC - operating lease	Selling, general and administrative	$ 152	$ 98	$ 478	$ 462
Avtar Investments, LLC - consulting services	Research and development	$ 60	$ 66	$ 180	$ 195
R&S Solutions - equipment purchase	Property, plant and equipment	$ 47	$ —	$ 207	$ —
AvPROP, LLC - operating lease	Selling, general and administrative	$ 46	$ 45	$ 150	$ 139
Alkermes Plc	Inventory and cost of goods sold	$ 3	$ 83	$ 67	$ 189
Sellers Notes - interest expense	Interest expense, net	$ —	$ 266	$ —	$ 9,986
Land purchase from family members of the Co-Chief Executive Officers	Property, plant and equipment	$ —	$ —	$ 11,289	$ —
Members - tax receivable agreement (TRA liability)	(Decrease) increase in tax receivable agreement liability	$ (20,808)	$ 11,327	$ (5,701)	$ 26,719

The following table summarizes the amounts due to or from the Company for related party transactions (in thousands):

	September 30, 2025	December 31, 2024
Kashiv - various agreements	951	447
AzaTech Pharma LLC	223	21
Apace Packaging, LLC - packaging agreement	81	—
Alkermes Plc	37	16
Related party receivables - short term	$ 1,292	$ 484
Members - tax receivable agreement	$ 37,093	$ 2,985
Kashiv - various agreements	28,336	16,908
Apace Packaging, LLC - packaging agreement	1,390	1,205
Ellodi Pharmaceuticals, L.P.	1,014	—
AzaTech Pharma LLC - supply agreement	337	1,151
Avtar Investments LLC - consulting services	40	60
Alkermes Plc	2	2
Related party payables - short term	$ 68,212	$ 22,311
Members - tax receivable agreement	$ 8,105	$ 50,900
Land purchase from family members of the Co-Chief Executive Officers	482	—
Related party payables - long term	$ 8,587	$ 50,900

Equipment Purchases

The Company purchased $0.2 million of equipment from R&S Solutions LLC during the nine months ended September 30, 2025, which is included in property, plant and equipment in the Company's consolidated balance sheets. A member of Company management beneficially owns equity securities of R&S Solutions LLC.

Securities Purchase Agreement and License and Collaboration Agreement

On January 3, 2025, the Company entered into a securities purchase agreement and a license and collaboration agreement with Ellodi Pharmaceuticals, L.P. ("Ellodi") and certain entities affiliated with TPG for which the Company paid $3.0 million for limited liability partnership units of Ellodi and committed to fund certain research and development expenses. Ellodi is a pre-clinical gastroenterology-focused specialty pharmaceutical company. An observer of our Board is a partner in TPG Capital and a board director of Ellodi. During the three and nine ended September 30, 2025, the Company recorded research and development expense of $0.3 million and $6.0 million, respectively, related to these agreements, including a $0.3 million and $3.0 million estimate for funding the research and development commitment, respectively. As of September 30, 2025, the Company has a remaining liability of $1.0 million associated with these agreements.

Amneal has the option to obtain, under certain conditions, an exclusive royalty bearing and sub-licensable world-wide license to a late-stage gastroenterology-focused pipeline product under development. If exercised, the Company will be responsible for remaining development activities and obtaining regulatory approval of the product. The license and collaboration agreement provides for potential future milestone payments to Ellodi for regulatory and commercial milestones of up to $48.5 million and royalties on commercial sales.

Acquisition of Land from Related Parties

On April 18, 2025, the Company executed an agreement to acquire parcels of land in India from two family members of the Company's Co-Chief Executive Officers. The Company plans to utilize this land to construct two new greenfield peptide manufacturing facilities. The total purchase price for this acquisition was $11.3 million, of which $10.8 million was paid to the sellers. The remaining payment of $0.5 million will be deferred until three years following the acquisition date as partial security for the sellers' indemnity obligations.

The Company anticipates using the facilities to manufacture products for the Company, as well as support the Company's collaboration agreement with Metsera, Inc. For additional information related to the Company's agreement with Metsera, Inc., refer to *Note 3. Alliance and Collaboration* in this Quarterly Report on Form 10-Q and *Note 5. Alliance and Collaboration* in the Company's 2024 Annual Report on Form 10-K.

Kashiv Biosciences LLC Development Supply Agreement

In December 2022, Amneal and Kashiv entered into a development supply agreement specific to four generic product candidates. Under that agreement, Amneal maintained a right of first offer and negotiation to the in-licensing of each generic product candidate. Amneal and Kashiv previously entered into a license and supply agreement for one product candidate in March 2024. Refer to *Note 23. Related Party Transactions* in our 2024 Annual Report on Form 10-K for additional information.

In May 2025, Amneal and Kashiv entered into a separate license agreement for the development and commercialization of Carfilzomib (the "Carfilzomib License Agreement"). The existing development supply agreement remains effective for the remaining two generic product candidates. Subject to the terms of the Carfilzomib License Agreement, Amneal is responsible for development, regulatory approval, and commercialization of the product candidate in the U.S. The term of the agreement is 10 years from the respective product's launch date in the U.S.

During the nine months ended September 30, 2025, the Company recorded R&D expense for a $2.0 million payment made upon execution of the license agreement. The agreement provides for potential future milestone payments to Kashiv of up to $23.0 million as follows: (i) up to $18.0 million for U.S. regulatory approval and initial commercial launch milestones and (ii) up to $5.0 million for the achievement of annual commercial milestones. In addition, the agreement provides for Amneal to pay a profit share up 50% of net profits, after considering manufacturing and allowable costs to deduct as defined in the agreement.

Lease Extension

Refer to *Note 20. Leases* in this Quarterly Report on Form 10-Q for information on a lease extension with a related party.

Refer to *Note 3. Acquisitions* and *Note 23. Related Party Transactions* in the Company's 2024 Annual Report on Form 10-K for information on the Company's other agreements with Kashiv.

19. Segment Information

The Company has three reportable segments: Affordable Medicines, Specialty, and AvKARE.

Chief Operating Decision Makers

The Company's Co-Chief Executive Officers are the Company's chief operating decision makers ("CODMs"). The CODMs evaluate the financial performance of the Company based upon segment operating income (loss). Items below operating income (loss) are not reported by segment, since they are excluded from the measure of segment profitability reviewed by the Company's CODMs. Additionally, general and administrative expenses, certain selling expenses, certain litigation settlements, and non-operating income and expenses are included in "Corporate and Other." The Company does not report balance sheet information by segment since it is not reviewed by the Company's CODMs.

The tables below present segment information reconciled to total Company financial results, with segment operating income or loss, including gross profit less direct selling expenses, research and development expenses, and other operating expenses to the extent specifically identified by segment (in thousands):

Three Months Ended September 30, 2025	Affordable Medicines [1]	Specialty	AvKARE	Corporate and Other	Total Company
Net revenue	$ 460,741	$ 125,240	$ 198,532	$ —	$ 784,513
Cost of goods sold	280,463	73,808	156,268	—	510,539
Gross profit	180,278	51,432	42,264	—	273,974
Selling, general and administrative	37,173	33,580 A	15,234	51,828	137,815
Research and development	55,124 B	8,228 B	—	—	63,352
Intellectual property legal development expenses	2,378	59	—	—	2,437
Restructuring and other charges	90	—	—	53	143
Other operating income	(117)	—	—	—	(117)
Operating income (loss)	$ 85,630	$ 9,565	$ 27,030	$ (51,881)	$ 70,344

Three Months Ended September 30, 2024	Affordable Medicines [1]	Specialty	AvKARE	Corporate and Other	Total Company
Net revenue	$ 427,345	$ 115,638	$ 159,485	$ —	$ 702,468
Cost of goods sold	249,342	52,342	131,226	—	432,910
Gross profit	178,003	63,296	28,259	—	269,558
Selling, general and administrative	30,951	27,723 A	15,145	44,873	118,692
Research and development	57,099 B	3,998 B	—	—	61,097
Intellectual property legal development expenses	1,786	181	—	—	1,967
Restructuring and other charges	17	—	—	155	172
Credit related to legal matters, net	(149)	—	—	—	(149)
Other operating income	—	(1,030)	—	—	$ (1,030)
Operating income (loss)	$ 88,299	$ 32,424	$ 13,114	$ (45,028)	$ 88,809

Nine Months Ended September 30, 2025	Affordable Medicines [1]	Specialty	AvKARE	Corporate and Other	Total Company
Net revenue	$ 1,308,874	$ 361,580	$ 533,987	$ —	$ 2,204,441
Cost of goods sold	775,742	182,686	429,895	—	1,388,323
Gross profit	533,132	178,894	104,092	—	816,118
Selling, general and administrative	105,114	94,872 A	46,007	134,376	380,369
Research and development	128,003 B	23,353 B	—	—	151,356
Intellectual property legal development expenses	6,069	152	—	—	6,221
Restructuring and other charges	773	471	—	494	1,738
Credit related to legal matters, net	(390)	—	—	—	(390)
Other operating income	(5,239)	—	—	—	(5,239)
Operating income (loss)	$ 298,802	$ 60,046	$ 58,085	$ (134,870)	$ 282,063

Nine Months Ended September 30, 2024	Affordable Medicines [1]		Specialty		AvKARE	Corporate and Other	Total Company
Net revenue	$ 1,245,967		$ 324,913		$ 492,559	$ —	$ 2,063,439
Cost of goods sold	750,167		143,284		412,423	—	1,305,874
Gross profit	495,800		181,629		80,136	—	757,565
Selling, general and administrative	95,663		79,529	A	44,694	127,863	347,749
Research and development	123,173	B	13,276	B	—	—	136,449
Intellectual property legal development expenses	3,778		215		—	—	3,993
Restructuring and other charges	70		1,024		—	768	1,862
Charges related to legal matters, net	94,909		—		—	—	94,909
Other operating income	—		(930)		—	—	(930)
Operating income (loss)	$ 178,207		$ 88,515		$ 35,442	$ (128,631)	$ 173,533

[1] Revenue, cost of goods sold, and gross profit from the sale of Amneal products by AvKARE were included in Affordable Medicines.

Significant Expense Categories Provided to the Chief Operating Decision Makers

Selling, General and Administrative Expenses - Specialty Segment

A. The CODMs review certain selling, general and administrative expenses ("SG&A") for the Specialty segment and, separately, on a departmental basis. The CODMs do not review SG&A for the Affordable Medicines and AvKARE segments. SG&A for the Specialty segment was comprised of the following (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Employee compensation and benefits	$ 10,972	$ 8,163	$ 32,635	$ 26,055
Product marketing	11,273	12,129	29,168	32,272
Commercial operations and salesforce	9,769	6,467	29,347	17,494
Other [1]	1,566	964	3,722	3,708
Total	$ 33,580	$ 27,723	$ 94,872	$ 79,529

[1] Other includes professional fees and other expenses not presented to the CODMs.

Research and Development Expenses - Affordable Medicines and Specialty Segments

B. Research and development expenses for the Affordable Medicines and Specialty segments were comprised of the following (in thousands):

	Three Months Ended September 30,			
	2025		2024	
	Affordable Medicines	Specialty	Affordable Medicines	Specialty
Employee compensation and benefits	$ 13,905	$ 1,089	$ 11,182	$ 1,940
Materials and supplies	6,230	1,358	8,873	138
Product development and studies [1]	673	2,823	2,179	(34)
Milestones	22,500	—	23,850	—
Facilities costs	1,755	409	1,599	1,596
Regulatory fees	2,317	—	1,550	—
Other [2]	7,744	2,549	7,866	358
Total	$ 55,124	$ 8,228	$ 57,099	$ 3,998

	Nine Months Ended September 30,			
	2025		2024	
	Affordable Medicines	Specialty	Affordable Medicines	Specialty
Employee compensation and benefits	$ 42,139	$ 3,908	$ 35,258	$ 6,074
Materials and supplies	22,865	2,011	24,856	850
Product development and studies [1]	1,360	7,513	3,779	481
Milestones	29,100	3,000	28,475	—
Facilities costs	5,182	1,894	4,984	4,341
Regulatory fees	4,834	—	2,338	2,338	—
Other [2]	22,523	5,027	23,483	1,530
Total	$ 128,003	$ 23,353	$ 123,173	$ 13,276

[1] For the three and nine months ended September 30, 2025, Affordable Medicines included a $1.3 million and $3.8 million reduction to product development and studies expense, respectively, for services performed under the license agreement with Orion Corporation. Refer to *Note 3. Alliance and Collaboration*.

[2] For the Affordable Medicines segment, other includes repairs and maintenance, outside testing, professional fees, equipment calibration and other expenses not presented to the CODMs. For the Specialty segment, other includes repairs and maintenance, outside testing, professional fees and other expenses not presented to the CODMs.

20. Leases

Except as disclosed below, as of and for the three and nine months ended September 30, 2025, there were no material changes to our lease agreements as described in *Note 17. Leases* in our 2024 Annual Report on Form 10-K.

On April 23, 2025, the Company executed a lease renewal for an R&D and manufacturing facility in New Jersey. This renewal extended the lease term by ten years through November 30, 2035. The aggregate payments over the renewal period are $11.6 million.

On May 7, 2025, the Company executed a lease extension with a related party, Sutaria Family Realty, LLC, for a manufacturing facility in Hauppauge, New York. This agreement extended the existing lease term by seven years through March 31, 2033. The aggregate payments over the extension period are $12.4 million.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Amneal Pharmaceuticals, Inc. (the "Company", "we," "us," or "our") is a global biopharmaceutical company that develops, manufactures, markets, and distributes a diverse portfolio of essential medicines. Our Affordable Medicines segment includes retail generics, injectables, and biosimilars. In our Specialty segment, we offer a portfolio of branded pharmaceuticals focused primarily on central nervous system and endocrine disorders. Through our AvKARE segment, we are a distributor of pharmaceuticals and other products for the U.S. federal government, retail, and institutional markets. We operate principally in the United States ("U.S."), India, and Ireland.

The following discussion and analysis contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including those set forth under *Item 1A. Risk Factors* in our 2024 Annual Report on Form 10-K and under the heading *Cautionary Note Regarding Forward-Looking Statements* included elsewhere in this Quarterly Report on Form 10-Q.

The following discussion and analysis for the three and nine months ended September 30, 2025 should also be read in conjunction with the consolidated financial statements and related notes thereto included elsewhere in this Quarterly Report on Form 10-Q and with our audited consolidated financial statements for the year ended December 31, 2024 included in our 2024 Annual Report on Form 10-K.

Overview

We have three reportable segments: Affordable Medicines, Specialty, and AvKARE. Refer to *Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations* in our 2024 Annual Report on Form 10-K for a description of our segments.

The Pharmaceutical Industry

The pharmaceutical industry is highly competitive and highly regulated. As a result, we face a number of industry-specific factors and challenges, which can significantly impact our results. For a more detailed explanation of our business and its risks, refer to our 2024 Annual Report on Form 10-K, as supplemented by *Part II, Item 1A "Risk Factors"* of our subsequent Quarterly Reports on Form 10-Q.

Inflation

While it is difficult to accurately measure the impact of inflation, we do not currently expect a material impact related to inflation for the year ending December 31, 2025. Notwithstanding our estimates, rising inflationary pressures due to higher input costs, including higher material, transportation, tariff impacts on supply, labor and other costs, could exceed our expectations, which would further adversely impact our operating results in future periods.

Trade Policy and Tariffs

We are subject to certain trade and tariff requirements imposed by the U.S. and various foreign governments. The great majority of our net sales rely on finished dosage forms ("FDF") or active pharmaceutical ingredients ("API") produced in the U.S. or India. We have limited reliance on imports from Europe and China, and no reliance on imports from Mexico or Canada.

During 2025, President Trump has announced a number of tariff actions, and while there are currently no reciprocal tariffs on pharmaceutical products imported into the U.S., this can change at any moment. In addition, on April 14, 2025, the Department of Commerce Bureau of Industry and Security ("DOCBIS") announced that it had initiated, as of April 1, 2025, a broad investigation under section 232 of the Trade Expansion Act to determine the effects on national security of imports of pharmaceuticals (i.e. FDF, API, key starting materials, derivatives, and medical countermeasures). There is currently an investigation into whether trade remedies such as tariffs should be imposed and covers both generic and brand products. On September 26, 2025, DOCBIS announced that, as of September 2, 2025, it had initiated a separate section 232 national security investigation of imports of personal protective equipment, medical consumables (including syringes and intravenous bags), and medical equipment (including devices).

Given the global nature of pharmaceutical supply chains, any changes to historically prevailing tariff requirements could impact us and our industry (i.e., increase costs, product availability, and supply chain disruptions). The Company is closely monitoring these tariff and trade developments and will take actions to reduce or minimize any material negative impact.

One Big Beautiful Bill Act

On July 4, 2025, President Trump signed the One Big Beautiful Bill Act, which includes a broad range of tax reform provisions affecting businesses, including, but not limited to, extending or making permanent certain business and international tax measures initially established under the 2017 Tax Cuts and Jobs Act and eliminating the requirement to capitalize and amortize U.S.-based research and experimental expenditures over five years, making these expenditures fully deductible in the period incurred. These provisions resulted in a reduction of the Company's current income tax liabilities of $23.5 million during each of the three and nine months ended September 30, 2025.

Results of Operations

Comparison of Three Months Ended September 30, 2025 to Three Months Ended September 30, 2024

Consolidated Results

The following table sets forth our summarized, consolidated results of operations for the three months ended September 30, 2025 and 2024 (in thousands):

	Three Months Ended September 30,		Change	
	2025	**2024**	**$**	**%**
Net revenue	$ 784,513	$ 702,468	$ 82,045	11.7 %
Cost of goods sold	510,539	432,910	77,629	17.9 %
Gross profit	273,974	269,558	4,416	1.6 %
Selling, general and administrative	137,815	118,692	19,123	16.1 %
Research and development	63,352	61,097	2,255	3.7 %
Intellectual property legal development expenses	2,437	1,967	470	23.9 %
Restructuring and other charges	143	172	(29)	(16.9)%
Credit related to legal matters, net	—	(149)	149	nm
Other operating income	(117)	(1,030)	913	(88.6)%
Operating income	70,344	88,809	(18,465)	(20.8)%
Total other expense, net	(75,567)	(73,386)	(2,181)	3.0 %
Income before income taxes	(5,223)	15,423	(20,646)	(133.9)%
(Benefit from) provision for income taxes	(23,355)	3,666	(27,021)	nm
Net income	$ 18,132	$ 11,757	$ 6,375	54.2 %

nm - not meaningful

Net Revenue

Net revenue for the three months ended September 30, 2025 increased 11.7% from the prior year period, primarily due to:

- Growth in our Affordable Medicines segment net revenue of $33.4 million, primarily due to new products launched in 2025 and 2024, which contributed $24.3 million of year-over-year growth, and strong volume growth, partially offset by price erosion.
- Growth in our Specialty segment net revenue of $9.6 million, primarily driven by increases of $17.1 million and $5.3 million of CREXONT® and UNITHROID®, respectively, partially offset by declines in RYTARY® revenues of $10.0 million and our non-promoted products.
- Growth in our AvKARE segment net revenue of $39.0 million, primarily driven by growth in our government label channel resulting from new product introductions, partially offset by a decline in our lower margin distribution channel.

Cost of Goods Sold and Gross Profit

Cost of goods sold increased 17.9% for the three months ended September 30, 2025 as compared to the prior year period. The increase in cost of goods sold was primarily due to increased sales volume from all segments, increased plant and freight costs, and impairment charges related to non-promoted products of $22.8 million, partially offset by manufacturing efficiencies.

Gross profit as a percentage of net revenue decreased to 34.9% for the three months ended September 30, 2025 from 38.4% in the prior year period primarily as a result of the factors noted above.

Selling, General, and Administrative

Selling, general, and administrative ("SG&A") expenses for the three months ended September 30, 2025 increased 16.1% as compared to the prior year period, primarily due to increases in employee compensation, launch costs associated with CREXONT® and BREKIYA®, and expansion of our international sales and marketing organization.

Research and Development

Research and development ("R&D") expenses for the three months ended September 30, 2025 increased 3.7% as compared to the prior year period, primarily due to increases in employee compensation and a $22.5 million in-licensing payment relating to Omalizumab. R&D expenses for the three months ended September 30, 2024 included $20.0 million in in-licensing payments associated with our exclusive license of Omalizumab.

Total Other Expense, Net

Total other expense, net for the three months ended September 30, 2025 decreased 3.0% as compared to the prior year period. The decrease was primarily driven by a $32.1 million period-over-period decrease in the tax receivable agreement liability (refer to *Note 4. Income Taxes*), partially offset by a $31.4 million in loss on refinancing (refer to *Note 12. Debt*) in the current period.

(Benefit from) Provision for Income Taxes

For the three months ended September 30, 2025, our (benefit from) provision for income taxes and effective tax rate were $(23.4) million and 447.2%, respectively, as compared to $3.7 million and 23.8%, respectively, for the three months ended September 30, 2024. The period-over-period changes in the (benefit from) provision for income taxes and effective tax rate primarily related to differences in jurisdictional mix of income, the utilization of net operating losses in the prior period, impact of the OBBBA and discrete items related to share-based compensation in the current period.

Affordable Medicines

The following table sets forth results of operations for our Affordable Medicines segment for the three months ended September 30, 2025 and 2024 (in thousands):

	Three Months Ended September 30,		Change	
	2025	**2024**	**$**	**%**
Net revenue	$ 460,741	$ 427,345	$ 33,396	7.8 %
Cost of goods sold	280,463	249,342	31,121	12.5 %
Gross profit	180,278	178,003	2,275	1.3 %
Selling, general and administrative	37,173	30,951	6,222	20.1 %
Research and development	55,124	57,099	(1,975)	(3.5)%
Intellectual property legal development expenses	2,378	1,786	592	33.1 %
Restructuring and other charges	90	17	73	nm
Credit related to legal matters, net	—	(149)	149	nm
Other operating income	(117)	—	(117)	nm
Operating income	$ 85,630	$ 88,299	$ (2,669)	(3.0)%

nm - not meaningful

Net Revenue

Affordable Medicines net revenue for the three months ended September 30, 2025 increased 7.8% as compared to the prior year period, primarily due to new products launched in 2025 and 2024, which contributed $24.3 million of year-over-year growth, and strong volume growth, partially offset by price erosion.

Cost of Goods Sold and Gross Profit

Affordable Medicines cost of goods sold for the three months ended September 30, 2025 increased 12.5% as compared to the prior year period, primarily due to increased sales volume and increased plant and freight costs, partially offset by manufacturing efficiencies.

Affordable Medicines gross profit as a percentage of net revenue decreased to 39.1% for the three months ended September 30, 2025 from 41.7% in the prior year period primarily as a result of the factors noted above.

Selling, General, and Administrative

Affordable Medicines SG&A expense for the three months ended September 30, 2025 increased 20.1% as compared to the prior year period, primarily due to increases in employee compensation and expansion of our international sales and marketing organization.

Research and Development

Affordable Medicines R&D expenses for the three months ended September 30, 2025 decreased 3.5% as compared to the prior year period, primarily due to a reduction in project spend, partially offset by increases in employee compensation. The three months ended September 30, 2025 included a $22.5 million in-licensing payment relating to Omalizumab. R&D expenses for the three months ended September 30, 2024 included $20.0 million in in-licensing payments relating to Omalizumab.

Specialty

The following table sets forth results of operations for our Specialty segment for the three months ended September 30, 2025 and 2024 (in thousands):

	Three Months Ended September 30,		Change	
	2025	**2024**	**$**	**%**
Net revenue	$ 125,240	$ 115,638	$ 9,602	8.3 %
Cost of goods sold	73,808	52,342	21,466	41.0 %
Gross profit	51,432	63,296	(11,864)	(18.7)%
Selling, general and administrative	33,580	27,723	5,857	21.1 %
Research and development	8,228	3,998	4,230	105.8 %
Intellectual property legal development expenses	59	181	(122)	nm
Other operating income	—	(1,030)	1,030	nm
Operating income	$ 9,565	$ 32,424	$ (22,859)	(70.5)%

nm - not meaningful

Net Revenue

Specialty net revenue for the three months ended September 30, 2025 increased 8.3% compared to the prior year period, primarily driven by increases of $17.1 million and $5.3 million of CREXONT® and UNITHROID®, respectively, partially offset by declines in RYTARY® revenues of $10.0 million and our non-promoted products.

Cost of Goods Sold and Gross Profit

Specialty cost of goods sold for the three months ended September 30, 2025 increased 41.0% compared to the prior year period, primarily due to an impairment charge related to a non-promoted product of $22.1 million. Refer to *Note 9. Goodwill and Other Intangible Assets* for additional information.

Specialty gross profit as a percentage of net revenue decreased to 41.1% for the three months ended September 30, 2025 as compared to 54.7% in the prior year period primarily due to the impact of the impairment charge.

Selling, General, and Administrative

Specialty SG&A expense for the three months ended September 30, 2025 increased 21.1% as compared to the prior year period, primarily due to launch costs associated with CREXONT® and BREKIYA® and increases in employee compensation.

Research and Development

Specialty R&D expense for the three months ended September 30, 2025 increased 105.8% as compared to the prior year period, primarily due to higher project spend.

AvKARE

The following table sets forth results of operations for our AvKARE segment for the three months ended September 30, 2025 and 2024 (in thousands):

	Three Months Ended September 30,		Change	
	2025	**2024**	**$**	**%**
Net revenue	$ 198,532	$ 159,485	$ 39,047	24.5 %
Cost of goods sold	156,268	131,226	25,042	19.1 %
Gross profit	42,264	28,259	14,005	49.6 %
Selling, general and administrative	15,234	15,145	89	0.6 %
Operating income	$ 27,030	$ 13,114	$ 13,916	106.1 %

Net Revenue

AvKARE net revenue for the three months ended September 30, 2025 increased 24.5% as compared to the prior year period, primarily driven by growth in our government label channel resulting from new product introductions, partially offset by a decline in our lower margin distribution channel.

Cost of Goods Sold and Gross Profit

AvKARE cost of goods sold for the three months ended September 30, 2025 increased 19.1% as compared to the prior year period, primarily due to higher sales in our government label channel, partially offset by decreased sales in our lower margin distribution channel.

Gross profit as a percentage of net revenue increased to 21.3% for the three months ended September 30, 2025 from 17.7% in the prior year period, primarily as a result of the factors noted above.

Comparison of Nine Months Ended September 30, 2025 to Nine Months Ended September 30, 2024

Consolidated Results

The following table sets forth our summarized, consolidated results of operations for the nine months ended September 30, 2025 and 2024 (in thousands):

	Nine Months Ended September 30,		Change	
	2025	**2024**	**$**	**%**
Net revenue	$ 2,204,441	$ 2,063,439	$ 141,002	6.8 %
Cost of goods sold	1,388,323	1,305,874	82,449	6.3 %
Gross profit	816,118	757,565	58,553	7.7 %
Selling, general and administrative	380,369	347,749	32,620	9.4 %
Research and development	151,356	136,449	14,907	10.9 %
Intellectual property legal development expenses	6,221	3,993	2,228	55.8 %
Restructuring and other charges	1,738	1,862	(124)	(6.7)%
(Credit) charges related to legal matters, net	(390)	94,909	(95,299)	(100.4)%
Other operating income	(5,239)	(930)	(4,309)	nm
Operating income	282,063	173,533	108,530	62.5 %
Total other expense, net	(198,089)	(213,227)	15,138	(7.1)%
Income (loss) before income taxes	83,974	(39,694)	123,668	nm
Provision for income taxes	5,614	13,440	(7,826)	(58.2)%
Net income (loss)	$ 78,360	$ (53,134)	$ 131,494	nm

nm - not meaningful

Net Revenue

Net revenue for the nine months ended September 30, 2025 increased 6.8% from the prior year period primarily due to:

- Growth in our Affordable Medicines segment net revenue of $62.9 million, primarily due to new products launched in 2025 and 2024, which contributed $98.1 million of year-over-year growth, and strong volume growth, partially offset by price erosion.
- Growth in our Specialty segment net revenue of $36.7 million, primarily driven by increases of $37.4 million and $13.1 million of CREXONT® and UNITHROID®, respectively, partially offset by declines in RYTARY® revenues of $6.1 million and our non-promoted products. In addition, there was a period-over-period decrease of $6.0 million in out-licensing revenue associated with IPX203.
- Growth in our AvKARE segment net revenue of $41.4 million, primarily driven by growth in our government label channel resulting from new product introductions, partially offset by a decline in our lower margin distribution channel.

Cost of Goods Sold and Gross Profit

Cost of goods sold for the nine months ended September 30, 2025 increased 6.3% compared to the prior year period. The increase in cost of goods sold was primarily due to increased sales volume from all segments, impairment charges related to non-promoted products of $22.8 million, increased amortization related to CREXONT® and increased plant and freight costs, partially offset by manufacturing efficiencies.

Gross profit as a percentage of net revenue increased to 37.0% for the nine months ended September 30, 2025 from 36.7% in the prior year period, primarily as a result of the factors noted above.

Selling, General, and Administrative

SG&A expenses for the nine months ended September 30, 2025 increased 9.4% as compared to the prior year period, primarily due to increases in employee compensation and launch costs associated with CREXONT® and BREKIYA®.

Research and Development

R&D expenses for the nine months ended September 30, 2025 increased 10.9% as compared to the prior year period, primarily due to increases in employee compensation, increase in project spend and increase in in-licensing and upfront milestone payments.

(Credit) Charges Related to Legal Matters, Net

For the nine months ended September 30, 2024, (credit) charges related to legal matters, net of $94.9 million were primarily associated with a settlement in principle on the primary financial terms for a nationwide resolution to the opioids cases that have been filed and that might have been filed against us by political subdivisions and Native American tribes across the U.S. Refer to *Note 16. Commitments and Contingencies* for additional information.

Other Operating Income

Other operating income for the nine months ended September 30, 2025 was primarily comprised of income earned from the India Production Linked Incentive Scheme for the Pharmaceutical Sector (the "PLI Scheme").

Total Other Expense, Net

Total other expense, net for the nine months ended September 30, 2025 decreased 7.1% as compared to the prior year period. The decrease was driven by a period-over-period decrease in the tax receivable agreement liability of $32.4 million (refer to *Note 4. Income Taxes)* and a $12.1 million period-over-period decrease in interest expense as a result of lower rates and lower amounts outstanding on our variable-rate debt, partially offset by a $31.4 million in loss on refinancing in the third quarter of 2025.

Provision for Income Taxes

For the nine months ended September 30, 2025, our provision for income taxes and effective tax rate were $5.6 million and 6.7%, respectively, as compared to $13.4 million and (33.9)%, respectively, for the nine months ended September 30, 2024. The period-over-period changes in the provision for income taxes and effective tax rate primarily related to differences in jurisdictional mix of income, the utilization of net operating losses in the prior period, impact of the OBBBA and discrete items related to share-based compensation in the current period.

Affordable Medicines

The following table sets forth results of operations for our Affordable Medicines segment for the nine months ended September 30, 2025 and 2024 (in thousands):

	Nine Months Ended September 30,		Change	
	2025	**2024**	**$**	**%**
Net revenue	$ 1,308,874	$ 1,245,967	$ 62,907	5.0 %
Cost of goods sold	775,742	750,167	25,575	3.4 %
Gross profit	533,132	495,800	37,332	7.5 %
Selling, general and administrative	105,114	95,663	9,451	9.9 %
Research and development	128,003	123,173	4,830	3.9 %
Intellectual property legal development expenses	6,069	3,778	2,291	60.6 %
Restructuring and other charges	773	70	703	nm
(Credit) charges related to legal matters, net	(390)	94,909	(95,299)	(100.4)%
Other operating income	(5,239)	—	(5,239)	nm
Operating income	$ 298,802	$ 178,207	$ 120,595	67.7 %

nm - not meaningful

Net Revenue

Affordable Medicines net revenue for the nine months ended September 30, 2025 increased 5.0% as compared to the prior year period, primarily due to new products launched in 2025 and 2024, which contributed $98.1 million of year-over-year growth, and strong volume growth, partially offset by price erosion.

Cost of Goods Sold and Gross Profit

Affordable Medicines cost of goods sold for the nine months ended September 30, 2025 increased 3.4% as compared to the prior year period, primarily due to increased sales volume and increased plant and freight costs, partially offset by manufacturing efficiencies.

Affordable Medicines gross profit as a percentage of net revenue increased to 40.7% for the nine months ended September 30, 2025 from 39.8% in the prior year period, primarily as a result of the factors noted above.

Selling, General, and Administrative

Affordable Medicines SG&A expense for the nine months ended September 30, 2025 increased 9.9% as compared to the prior year period, primarily due to increases in employee compensation, costs of our international expansion, and shipping costs.

Research and Development

Affordable Medicines R&D expenses for the nine months ended September 30, 2025 increased 3.9% as compared to the prior year period, primarily due to increases in employee compensation and in-licensing and upfront milestone payments, partially offset by reduced project spend.

(Credit) Charges Related to Legal Matters, Net

For the nine months ended September 30, 2024, (credit) charges related to legal matters, net of $94.9 million were primarily associated with a settlement in principle on the primary financial terms for a nationwide resolution to the opioids cases that have been filed and that might have been filed against us by political subdivisions and Native American tribes across the U.S. Refer to *Note 16. Commitments and Contingencies* for additional information.

Other Operating Income

Other operating income for the nine months ended September 30, 2025 was primarily comprised of income earned from the PLI Scheme.

Specialty

The following table sets forth results of operations for our Specialty segment for the nine months ended September 30, 2025 and 2024 (in thousands):

	Nine Months Ended September 30,		Change	
	2025	**2024**	**$**	**%**
Net revenue	$ 361,580	$ 324,913	$ 36,667	11.3 %
Cost of goods sold	182,686	143,284	39,402	27.5 %
Gross profit	178,894	181,629	(2,735)	(1.5)%
Selling, general and administrative	94,872	79,529	15,343	19.3 %
Research and development	23,353	13,276	10,077	75.9 %
Intellectual property legal development expenses	152	215	(63)	nm
Restructuring and other charges	471	1,024	(553)	(54.0)%
Other operating income	—	(930)	930	nm
Operating income	$ 60,046	$ 88,515	$ (28,469)	(32.2)%

nm - not meaningful

Net Revenue

Specialty net revenue for the nine months ended September 30, 2025 increased 11.3% as compared to the prior year period, primarily driven by increases of $37.4 million and $13.1 million of CREXONT® and UNITHROID®, respectively, partially offset by declines in RYTARY® revenues of $6.1 million and our non-promoted products. In addition, there was a period-over-period decrease of $6.0 million in out-licensing revenue associated with IPX203.

Cost of Goods Sold and Gross Profit

Specialty cost of goods sold for the nine months ended September 30, 2025 increased 27.5% as compared to the prior year period, primarily due to an impairment charge related to non-promoted product of $22.1 million (refer to *Note 9. Goodwill and Other Intangible Assets* for additional information), increases in amortization related to CREXONT® and increased sales volume.

Specialty gross profit as a percentage of net revenue decreased to 49.5% for the nine months ended September 30, 2025 as compared to 55.9%, primarily as a result of the factors noted above.

Selling, General, and Administrative

Specialty SG&A expense for the nine months ended September 30, 2025 increased 19.3% as compared to the prior year period, primarily due to launch costs associated with CREXONT® and BREKIYA® and increases in employee compensation.

Research and Development

Specialty R&D expenses for the nine months ended September 30, 2025 increased 75.9% as compared to the prior year period, primarily due to increased in-licensing and upfront milestone payments of $3.0 million and higher project spend.

AvKARE

The following table sets forth results of operations for our AvKARE segment for the nine months ended September 30, 2025 and 2024 (in thousands):

	Nine Months Ended September 30,		Change	
	2025	**2024**	**$**	**%**
Net revenue	$ 533,987	$ 492,559	$ 41,428	8.4 %
Cost of goods sold	429,895	412,423	17,472	4.2 %
Gross profit	104,092	80,136	23,956	29.9 %
Selling, general and administrative	46,007	44,694	1,313	2.9 %
Operating income	$ 58,085	$ 35,442	$ 22,643	63.9 %

Net Revenue

AvKARE net revenue for the nine months ended September 30, 2025 increased 8.4% as compared to the prior year period primarily driven by growth in our government label channel resulting from new product introductions, partially offset by a decline in our lower margin distribution channel.

Cost of Goods Sold and Gross Profit

AvKARE cost of goods sold for the nine months ended September 30, 2025 increased 4.2% as compared to the prior year period primarily due to higher sales in our government label channel and an increase in the inventory provision, partially offset by decreased sales in our lower margin distribution channel.

Gross profit as a percentage of net revenue increased to 19.5% for the nine months ended September 30, 2025 from 16.3% in the prior year period, primarily as a result of the factors noted above.

Selling, General and Administrative

AvKARE SG&A expense for the nine months ended September 30, 2025 increased 2.9% as compared to the prior year period, primarily due to increases in employee compensation and shipping costs.

Liquidity and Capital Resources

Our primary source of liquidity is cash generated from operations, available cash on hand, and borrowings under debt financing arrangements as discussed and defined in *Note 12. Debt* in this Quarterly Report on Form 10-Q and in *Note 15. Debt* in our 2024 Annual Report on Form 10-K.

On April 9, 2025, we executed an amendment to the Amended Rondo Revolving Credit Facility that, among other things, (i) increased the aggregate revolving commitment from $70 million to $125 million, (ii) increased the letter of credit commitment from $60 million to $90 million, and (iii) extended the maturity to April 9, 2030.

On August 1, 2025, we borrowed $2.1 billion under new seven-year term loans (the "Term Loan Due 2032") pursuant to an amendment to the Term Loan Credit Agreement and completed a private offering of $600 million aggregate principal amount of 6.875% senior secured notes due 2032 at par (the "Senior Notes Due 2032"). We also entered into an amendment to the New Revolving Credit Facility (the "Amended New Revolving Credit Facility"). We used the net proceeds of the Term Loan Due 2032 and the Senior Notes due 2032 to refinance the Term Loan Due 2028 in full, repay outstanding amounts borrowed under the New Revolving Credit Facility in full, and pay related fees, premiums and expenses.

As of September 30, 2025, we had access to $595.2 million of available capacity under the Amended New Revolving Credit Facility and $83.0 million of available capacity under the Amended Rondo Revolving Credit Facility.

We believe these sources are sufficient to fund our planned operations, meet our interest and contractual obligations, including acquisitions, and provide sufficient liquidity over the next 12 months from the date of filing of this Quarterly Report on Form 10-Q. However, our ability to satisfy our working capital requirements and debt obligations will depend upon economic conditions, the impact of international trade policy, including tariffs, our ability to negotiate and maintain satisfactory terms under our borrowing and debt facilities in the future, and demand for our products, which are factors that may be out of our control. Our primary uses of capital resources are to fund operating activities, including R&D expenses associated with new product filings, and pharmaceutical product manufacturing expenses, license payments, spending on production facility expansions, capital equipment, acquisitions, and legal settlements.

We estimate that we will invest approximately $120.0 million during 2025 for capital expenditures to support and grow our existing operations, primarily related to investments in manufacturing equipment, information technology, and facilities. Our 2025 estimate includes capital expenditures for our collaboration and supply agreement with Metsera, Inc. ("Metsera"), of which we expect Metsera to reimburse us approximately $20.0 million. We expect such reimbursements to primarily be included in our cash flows from financing activities.

Debt Instruments

Over the next 12 months, we expect to make substantial payments, including monthly interest and quarterly principal amounts for our Term Loan Due 2032, semi-annual interest payments on our Senior Notes Due 2032, and contractual payments for leased premises. Refer to *Note 12. Debt* in this Quarterly Report on Form 10-Q and *Note 15. Debt*, *Note 17. Leases,* and *Commitments and Contractual Obligations under Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations* in our 2024 Annual Report on Form 10-K for additional information.

Settlement in Principle on Nationwide Civil Prescription Opioid Litigation

In late April 2024, we reached a settlement in principle on the primary financial terms, with no admission of wrongdoing, for a nationwide resolution to the opioids cases that have been filed and that might have been filed by Attorneys General, political subdivisions and Native American tribes. During July 2025, we deposited an aggregate of $24.2 million into dedicated accounts as a step in the process to finalize a definitive settlement agreement. These deposits remain our property until a definitive settlement agreement is reached and the funds are used to make the first installment payment. Refer to *Note 16. Commitments and Contingencies* for additional information.

Tax Receivable Agreement

As part of the Reorganization (as defined in *Note 1. Nature of Operations* in our 2024 Annual Report on Form 10-K), the tax receivable agreement ("TRA") was amended to reduce our future obligation to pay 85% of the realized tax benefits subject to the TRA to 75% of such realized benefits. As of September 30, 2025, the contingent TRA liability, including the impact of the amendment, was approximately $141.4 million. During the nine months ended September 30, 2025, we made payments of $3.0 million, associated with the TRA.

The timing and amount of any payments under the TRA may vary, depending upon a number of factors including the timing and amount of our taxable income, and the corporate tax rate in effect at the time of realization of our taxable income. The timing and amount of payments may also be accelerated under certain conditions, such as a change of control or other early termination event, which could give rise to our obligation to make TRA payments in advance of tax benefits being realized. For further information, including our recognized current and long-term liabilities for the TRA, refer to *Note 4. Income Taxes* in this Quarterly Report on Form 10-Q and *Item 1A. Risk Factors* and *Note 6. Income Taxes* in our 2024 Annual Report on Form 10-K.

Tax-Related and Other Distributions

In 2020, we acquired a 65.1% controlling interest in both AvKARE Inc., a Tennessee corporation, now a limited liability company ("AvKARE, LLC"), and Dixon-Shane, LLC d/b/a R&S Northeast LLC, a Kentucky limited liability company ("R&S"). The sellers of AvKARE, LLC and R&S (the "AvKARE Sellers") hold the remaining 34.9% interest in the holding company that directly owns the acquired companies ("Rondo"). We attribute 34.9% of the net income or loss associated with Rondo to redeemable non-controlling interests. During the nine months ended September 30, 2025 and 2024, we made cash tax and other distributions of $38.8 million and $14.4 million, respectively, to the AvKARE Sellers.

Cash Balances

As of September 30, 2025, our cash and cash equivalents consist of cash on deposit and highly liquid investments. A portion of our cash flows are derived outside the U.S. As a result, we are subject to market risk associated with changes in foreign exchange rates. We maintain cash balances at both U.S. based and foreign country based commercial banks. At various times during the year, our cash balances held in the U.S. may exceed amounts that are insured by the Federal Deposit Insurance Corporation (FDIC). We make our investments in accordance with our investment policy. The primary objectives of our investment policy are liquidity and safety of principal.

Cash Flows

The following table sets forth our summarized, consolidated cash flows for the nine months ended September 30, 2025 and 2024 (in thousands):

	Nine Months Ended September 30,		Change	
	2025	2024	$	%
Net cash provided by (used in):				
Operating activities	$ 209,677	$ 177,021	$ 32,656	18.4 %
Investing activities	(66,809)	(46,937)	(19,872)	42.3 %
Financing activities	(21,410)	(150,587)	129,177	(85.8)%
Effect of exchange rate changes on cash	(1,471)	(259)	(1,212)	nm
Net increase (decrease) in cash, cash equivalents, and restricted cash	$ 119,987	$ (20,762)	$ 140,749	nm

nm - not meaningful

Cash Flows from Operating Activities

Net cash provided by operating activities was $209.7 million for the nine months ended September 30, 2025 as compared to $177.0 million in the prior year period. Excluding the $52.4 million Opana ER® antitrust litigation settlement payment made in the prior year period, net cash from operating activities decreased period-over-period as increases in cash earnings and lower interest rates in the current period were offset by changes in working capital.

Cash Flows from Investing Activities

Net cash used in investing activities for the nine months ended September 30, 2025 was $66.8 million as compared to $46.9 million in the prior year period. The period-over-period increase in net cash used in investing activities was primarily due to an increase in capital expenditures and deposits for future acquisition of property, plant, and equipment in the current period.

Cash Flows from Financing Activities

Net cash used in financing activities was $21.4 million for the nine months ended September 30, 2025 as compared to $150.6 million in the prior year period. The period-over-period decrease in cash used in financing activities was primarily due to: (i) a

period-over-period net increase in cash inflows from debt of $117.8 million, primarily as a result of the refinancing of our debt in the current period (refer to *Note 12. Debt* in this Quarterly Report on Form 10-Q), (ii) repayment of notes payable - related party of $44.2 million in the prior year period, and (iii) cash received from an alliance party of $5.6 million in the nine months ended September 30, 2025, partially offset by (A) a period-over-period increase of $24.4 million in tax and other cash distributions to non-controlling interests and (B) a period-over-period increase in employee payroll tax withholdings on restricted stock unit and performance stock unit vesting of $14.4 million.

Commitments and Contractual Obligations

Our contractual obligations are set forth in *Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations* contained in our 2024 Annual Report on Form 10-K. As of September 30, 2025, there have been no material changes to the disclosure presented in our 2024 Annual Report on Form 10-K, except for the changes to our debt obligations discussed above under the header *Liquidity and Capital Resources* and *Note 12. Debt* in this Quarterly Report on Form 10-Q.

Off-Balance Sheet Arrangements

We did not have any off-balance sheet arrangements as of September 30, 2025.

Critical Accounting Policies and Estimates

For a discussion of our critical accounting policies and estimates, see *Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations* in our 2024 Annual Report on Form 10-K. There have been no material changes to the disclosures presented in our 2024 Annual Report on Form 10-K.

Recently Issued Accounting Standards

Recently issued accounting standards are discussed in *Note 1. Summary of Significant Accounting Policies*.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

There has not been any material change in our assessment of market risk as set forth in *Item 7A. Quantitative and Qualitative Disclosures About Market Risk*, in our 2024 Annual Report on Form 10-K.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as defined in Rule 13a-15(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) that are designed to ensure information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our Co-Chief Executive Officers and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Our management, with the participation of our Co-Chief Executive Officers and Chief Financial Officer, evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this Quarterly Report on Form 10-Q. Based upon that evaluation, our Co-Chief Executive Officers and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of September 30, 2025.

Changes in Internal Control over Financial Reporting

During the quarter ended September 30, 2025, there were no changes in our internal control over financial reporting which materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Limitations on the Effectiveness of Controls

Management, including our Co-Chief Executive Officers and Chief Financial Officer, does not expect that our disclosure controls and procedures or our system of internal control over financial reporting will prevent or detect all errors and all fraud. A control system, no matter how well designed or operated, can provide only reasonable, but not absolute, assurance that the objectives of the system of internal control are met. The design of our control system reflects the fact that there are resource constraints, and that the benefits of such control system must be considered relative to their costs. Further, because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control failures and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the intentional acts of individuals, by collusion of two or more people, or by management override of the controls. The design of any system of controls is also based in part on certain assumptions about the likelihood of future events, and there can be no assurance that the design of any particular control will always succeed in achieving its objective under all potential future conditions.

Part II – OTHER INFORMATION

Item 1. Legal Proceedings

Information pertaining to legal proceedings can be found in *Note 16. Commitments and Contingencies* in this Quarterly Report on Form 10-Q and is incorporated by reference herein.

Item 1A. Risk Factors

Other than set forth below, there have been no material changes to the disclosures presented in our 2024 Annual Report on Form 10-K under *Item 1A. Risk Factors.*

A U.S. Government Shutdown Could Adversely Impact Our Regulatory, Operational and Financial Performance

We rely heavily on timely interactions with the U.S. Food and Drug Administration, the Drug Enforcement Administration, and other agencies of the U.S. Federal Government for, among other things, new product approvals, procurement quotas for controlled substances, facility inspections, and regulatory guidance. During a government shutdown, delays in these interactions could negatively impact our regulatory, operational and financial performance.

Additionally, our AvKARE segment provides pharmaceuticals, medical and surgical products and services primarily to governmental agencies, predominantly focused on the U.S. Department of Defense and the U.S. Department of Veterans Affairs. Interruptions in government contracting and procurement processes, and slower payment cycles to distributors which AvKARE uses to do business with these governmental agencies, could also negatively impact our operational and financial performance.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Rule 10b5-1 Plan Elections

During the quarter ended September 30, 2025, the following director and officer (as defined in Rule 16a-1(f) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) trading plan arrangement changes occurred:

On September 5, 2025, Deborah Autor, a director of the Company, adopted a trading plan intended to satisfy the affirmative defense of Rule 10b5-1(c) under the Exchange Act. Ms. Autor’s plan provides for the sale of 34,819 shares of Class A common stock upon the vesting of restricted stock unit awards through December 31, 2026.

This trading plan was entered into during an open insider trading window and is intended to comply with the Company's policies regarding insider transactions.

Item 6. Exhibits

Exhibit No.	Description of Document
31.1	Certification of the Co - Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*
31.2	Certification of the Co - Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*
31.3	Certification of the Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*
32.1	Certification of the Co - Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.**
32.2	Certification of the Co - Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.**
32.3	Certification of the Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.**
101	The following materials from this report, formatted in iXBRL (Inline eXtensible Business Reporting Language): (i) Consolidated Statements of Operations, (ii) Consolidated Statements of Comprehensive Loss, (iii) Consolidated Balance Sheets, (iv) Consolidated Statements of Cash Flows, (v) Consolidated Statements of Changes in Stockholders' (Deficiency) Equity and (vi) Notes to Consolidated Financial Statements.*
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Filed herewith

** This certificate is being furnished solely to accompany the report pursuant to 18 U.S.C. 1350 and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

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.

Date: November 6, 2025

Amneal Pharmaceuticals, Inc.
(Registrant)

By: /s/ Anastasios Konidaris
Anastasios Konidaris
Executive Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 31.1

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Chirag Patel, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2025 of Amneal Pharmaceuticals, 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 officers 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 officers 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.

November 6, 2025

By: /s/ Chirag Patel
Chirag Patel
President and Co-Chief Executive Officer
(Co-Principal Executive Officer)

Exhibit 31.2

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Chintu Patel, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2025 of Amneal Pharmaceuticals, 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 officers 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 officers 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.

November 6, 2025

By: /s/ Chintu Patel
Chintu Patel
Co-Chief Executive Officer
(Co-Principal Executive Officer)

Exhibit 31.3

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Anastasios Konidaris, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2025 of Amneal Pharmaceuticals, 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 officers 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 officers 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.

November 6, 2025

By: /s/ Anastasios Konidaris
Anastasios Konidaris
Executive Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Amneal Pharmaceuticals, Inc. (the "Company") for the fiscal quarter ended September 30, 2025 (the "Report"), Chirag Patel, President and Co-Chief Executive Officer of the Company, hereby certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(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.

November 6, 2025

By: /s/ Chirag Patel
Chirag Patel
President and Co-Chief Executive Officer
(Co-Principal Executive Officer)

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

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Amneal Pharmaceuticals, Inc. (the "Company") for the fiscal quarter ended September 30, 2025 (the "Report"), Chintu Patel, Co-Chief Executive Officer of the Company, hereby certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(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.

November 6, 2025

By: /s/ Chintu Patel
Chintu Patel
Co-Chief Executive Officer
(Co-Principal Executive Officer)

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

Exhibit 32.3

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Amneal Pharmaceuticals, Inc. (the "Company") for the fiscal quarter ended September 30, 2025 (the "Report"), Anastasios Konidaris, Executive Vice President and Chief Financial Officer of the Company, hereby certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(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.

November 6, 2025

By: /s/ Anastasios Konidaris
Anastasios Konidaris
Executive Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

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