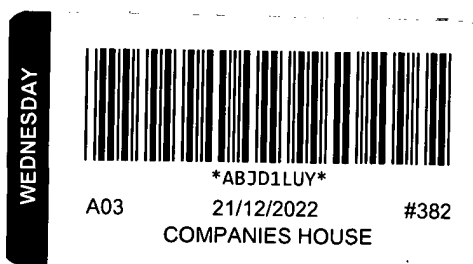


Teva UK Holdco 2 Limited

Annual report and financial statements
Registered number 12211017
For the year ended 31 December 2021



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Directors and advisers

Directors

S Charlesworth
D Cooper
Y Katz

Registered office

Ridings Point
Whistler Drive
Castleford
West Yorkshire
United Kingdom
WF10 5HX

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Central Square
29 Wellington Street
Leeds
LS1 4DL

Registered Number

12211017

Strategic report for the year ended 31 December 2021

The directors present their strategic report of the company for the year ended 31 December 2021.

Business review

During the year the company issued 2,779,124,154 (prior period 6,345,050,277) fully paid ordinary shares of USD 1.00 each.

Teva UK Holdco 2 Limited acts as a holding company and during the year increased its majority stake in Teva UK Holdco 3 Limited, to a holding of 74.7% (2020: 67.25%) of the shares. The remaining 25.3% (2020: 32.75%) of the shares of Teva UK Holdco 3 Limited are held by Teva UK Holdco 1 Limited, which in turn holds 100% of the shares of Teva UK Holdco 2 Limited (2020: 100%).

Teva UK Holdco 3 Limited acts as a holding company, holding a 100% share of Orvet UK, which in turn holds a 100% share of Teva Holdco US, Inc., a US holding company. Teva Holdco US, Inc. holds 100% of Teva Pharmaceuticals USA Inc., Teva API Inc., Cupric Holding Co. Inc. and Anda Holdco Corp. During the year, Teva UK Holdco 2 Limited recognised an impairment of its fixed asset investments of USD 3,025,758,000 (prior period: USD 5,352,238,000).

Full details of the acquisitions and subsequent impairments of investments is provided in note 8.

The company had net assets of USD 746,178,000 at 31 December 2021 (2020 net assets: USD 992,812,000), which the directors believe to represent a solvent position.

During the year, Teva undertook a restructuring of its US operations and this had the effect on Teva UK Holdco 2 Limited, its direct holding company (Teva UK Holdco 1 Limited) and its direct and indirect subsidiaries (Teva UK Holdco 3 Limited and Orvet UK) as described below.

Capital investment of USD 715,233,220 on 1 July 2021

On 1 July 2021 the company completed an intra-group subscription and settlement agreement in connection with the assignment of USD 715,233,220 receivables from Teva Finance Holding B.V., an intermediate parent company of the company, to Teva Holdco US Inc., an indirect subsidiary of the company. Under the terms of the agreement:

- The company issued 715,233,220 ordinary shares of USD 1.00 each to its immediate parent company, Teva UK Holdco 1 Limited, credited as fully paid, with the subscription monies thereon remaining outstanding as an intercompany receivable due on demand and interest-free.
- Teva UK Holdco 3 Limited, the company's direct subsidiary, issued 715,233,220 ordinary shares of USD 1.00 each to the company. The shares were credited as fully paid with the subscription monies remaining outstanding as an intercompany payable of Teva UK Holdco 2 Limited, on the same basis as described above.
- On the same date, completion of the subscription and settlement agreement resulted in the price payable by Teva Holdco US Inc. to Teva Finance Holding B.V. for the assignment of the USD 715,233,220 receivables and all intercompany balances arising on the above share subscriptions to be settled and satisfied in full.

Capital investment of USD 838,000,000 on 31 August 2021

On 31 August 2021 the company completed an intra-group subscription and settlement agreement in connection with the repayment by Orvet UK, an indirect subsidiary of the company, of a USD 838,000,000 loan owed (by way of prior assignment) to Teva Finance Holding B.V., an intermediate parent company of the company. Under the terms of the agreement:

- The company issued 838,000,000 ordinary shares of USD 1.00 each to its immediate parent company, Teva UK Holdco 1 Limited, credited as fully paid, with the subscription monies thereon remaining outstanding as an intercompany receivable due on demand and interest-free.
- Teva UK Holdco 3 Limited, the company's direct subsidiary, issued 838,000,000 ordinary shares of USD 1.00 each to the company. The shares were credited as fully paid with the subscription monies remaining outstanding as an intercompany payable of Teva UK Holdco 2 Limited, on the same basis as described above.

Strategic report for the year ended 31 December 2021 (continued)**Business review (continued)****Capital investment of USD 838,000,000 on 31 August 2021 (continued)**

- On the same date, completion of the subscription and settlement agreement resulted in the repayment by Orvet UK to Teva Finance Holding B.V. of the USD 838,000,000 loan and all intercompany balances arising on the above share subscriptions to be settled and satisfied in full.

Capital investment of USD 478,900,309 on 21 October 2021

On 21 October 2021 the company completed an intra-group subscription and settlement agreement in connection with the assignment of USD 478,900,309 receivables from Teva Finance Holding B.V., an intermediate parent company of the company, to Teva Holdco US Inc., an indirect subsidiary of the company. Under the terms of the agreement:

- The company issued 478,900,309 ordinary shares of USD 1.00 each to its immediate parent company, Teva UK Holdco 1 Limited, credited as fully paid, with the subscription monies thereon remaining outstanding as an intercompany receivable due on demand and interest-free.
- Teva UK Holdco 3 Limited, the company's direct subsidiary, issued 478,900,309 ordinary shares of USD 1.00 each to the company. The shares were credited as fully paid with the subscription monies remaining outstanding as an intercompany payable of Teva UK Holdco 2 Limited, on the same basis as described above.
- On the same date, completion of the subscription and settlement agreement resulted in the price payable by Teva Holdco US Inc. to Teva Finance Holding B.V. for the assignment of the USD 478,900,309 receivables and all intercompany balances arising on the above share subscriptions to be settled and satisfied in full.

Capital investment of USD 746,990,625 on 9 November 2021

On 9 November 2021 the company completed an intra-group subscription and settlement agreement in connection with the assignment of USD 746,990,625 receivables from Teva Finance Holding B.V., an intermediate parent company of the company, to Teva Holdco US Inc., an indirect subsidiary of the company. Under the terms of the agreement:

- The company issued 746,990,625 ordinary shares of USD 1.00 each to its immediate parent company, Teva UK Holdco 1 Limited, credited as fully paid, with the subscription monies thereon remaining outstanding as an intercompany receivable due on demand and interest-free.
- Teva UK Holdco 3 Limited, the company's direct subsidiary, issued 746,990,625 ordinary shares of USD 1.00 each to the company. The shares were credited as fully paid with the subscription monies remaining outstanding as an intercompany payable of Teva UK Holdco 2 Limited, on the same basis as described above.
- On the same date, completion of the subscription and settlement agreement resulted in the price payable by Teva Holdco US Inc. to Teva Finance Holding B.V. for the assignment of the USD 746,990,625 receivables and all intercompany balances arising on the above share subscriptions to be settled and satisfied in full.

Investment impairment

The directors undertook an exercise to estimate the recoverable value of the company's fixed asset investments, which resulted in an impairment of USD 3,025,758,000 during the year (prior period: USD 5,352,238,000). The exercise was performed using subsidiaries' estimated future trading discounted cash flows and contractual cash outflows relating to outstanding debt.

Strategic report for the year ended 31 December 2021 (continued)

Business review (continued)

Principal risks and uncertainties

The principal risk factor for the company is the recoverability of the investment in subsidiary undertakings which is dependent on the financial performance of the subsidiary undertakings.

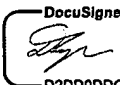
Financial and non-financial key performance indicators

Due to the non-complex nature of the company's activities, that of being a holding company, the directors believe that analysis using key performance indicators (KPIs) is not necessary or appropriate for an understanding of the development, performance or position of the company.

Statement by the directors in performance of their statutory duties in accordance with s172(1) Companies Act 2006

The board of directors of the company consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a-f) of the Act) in the decisions taken during the year ended 31 December 2021. See further details in the Directors' report on page 6.

On behalf of the Board

DocuSigned by:

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D Cooper
Director

Date: 16-Dec-2022 | 12:31 GMT

Directors' report for the year ended 31 December 2021

The directors present their report and the audited financial statements of the company for the financial year ended 31 December 2021.

Results and dividends

The loss for the financial year was USD 3,025,758,000 (prior period: loss of USD 5,352,238,000). The company paid a dividend of USD nil during the year (prior period: USD nil) and the directors do not recommend the payment of a final dividend (prior period: USD nil).

As detailed in the Strategic Report, during the year ended 31 December 2021 the company recognised an impairment of its fixed asset investments of USD 3,025,758,000 (prior period: USD 5,352,238,000) (see note 8).

During 2021 Teva undertook a restructuring of its US operations and this had the effect on Teva UK Holdco 2 Limited, its direct holding company (Teva UK Holdco 1 Limited) and its direct and indirect subsidiaries (Teva UK Holdco 3 Limited and Orvet UK) as described in the Strategic Report.

Principal activities and future developments

The company acts as a holding company with operating subsidiaries engaged in the manufacturing, packaging and distribution of pharmaceutical products. The directors expect that this activity will continue for the foreseeable future.

Financial risk management

The company has no debt and no financial risks.

Political and charitable donations

The company made no political or charitable donations during the year (prior period: USD nil).

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements were as follows:

S Charlesworth
D Cooper
D Herman (resigned 7 May 2022)
Y Katz (appointed 7 May 2022)

Directors' indemnities

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the financial year and is currently in force. The Company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its directors.

Directors' report for the year ended 31 December 2021 (continued)

Directors' duties in accordance with s172

1. COMPLIANCE WITH DIRECTORS' DUTIES

1.1. Directors' duties

Each Board Director is given training on their duties as statutory directors. Such training includes information about their responsibilities under the Companies Act 2006 and specifically their duties under section 172 of the Companies Act 2006 ('s172').

The Board Directors are also aware of and understand their duty to act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- a. the likely consequences of any decision in the long term,
- b. the interests of the company's employees,
- c. the need to foster the company's business relationships with suppliers, customers and others,
- d. the impact of the company's operations on the community and the environment, and
- e. the desirability of the company maintaining a reputation for high standards of business conduct.

The Board has due regard to such matters in the decisions it makes and the impact such decisions may have in accordance with s172.

1.2. Board meetings

The Company holds Board meetings in respect of non-trading matters such as group re-organisations which may impact the Company. The Board also considers each decision in accordance with the Directors' Duties requirements under the Companies Act 2006.

2. RELATIONS WITH STAKEHOLDERS

As the Company is a non-trading holding company, Board members support relations between its Group Companies and their multiple stakeholders.

3. CONSIDERATION OF THE IMPACT OF THE COMPANY ON THE COMMUNITY AND ENVIRONMENT

The company's subsidiaries are included in the Teva Group Environmental Report and the Teva Group Social Impact Report. The Boards of Group Companies consider these guidelines and ensure that these companies operate within global environmental guidelines and have taken steps to actively engage on environmental sustainability matters and initiatives.

A copy of the Environmental, Social and Governance Progress Report can be found at:
<https://www.tevapharm.com/globalassets/tevapharm-vision-files/teva-esg-progress-report-2021.pdf>

Directors' report for the year ended 31 December 2021 (continued)

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the Board

DocuSigned by:

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D Cooper
Director

Date: 16-Dec-2022 | 12:31 GMT

Independent auditors' report to the members of Teva UK Holdco 2 Limited

Report on the audit of the financial statements

Opinion

In our opinion, Teva UK Holdco 2 Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: Balance sheet as at 31 December 2021; the Profit and loss account and the Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to UK tax legislation and the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to journal entries posted to account for the shares issued and investments acquired during the period and the estimates applied in considering the carrying value of investments at the balance sheet date. Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Obtaining supporting evidence for the consideration received for the shares issued in the year and assessing the accounting treatment of the issue against both the requirements of the Companies Act 2006 and the applicable section of FRS 102;
- Obtaining management's impairment assessment over the company's investments and testing the key assumptions for reasonableness; and
- Reviewing financial statement disclosures and testing to supporting documentation, where appropriate, to assess compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error; as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

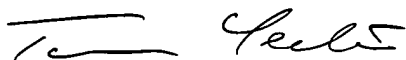
Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Tom Yeates (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Leeds
16 December 2022

Profit and loss account for the year ended 31 December 2021

		Year ended 31 December 2021 \$000	Period from 17 September 2019 to 31 December 2020 \$000
	Note		
Operating result	4	-	-
Amounts written off investments	8	(3,025,758)	(5,352,238)
Loss before taxation		(3,025,758)	(5,352,238)
Tax on loss	7	-	-
Loss for the financial year / period		(3,025,758)	(5,352,238)

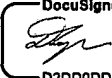
All activities relate to continuing operations of the company.

There were no other items of comprehensive income in the current financial year or preceding financial period and hence no separate Statement of Comprehensive Income has been presented.

Balance sheet as at 31 December 2021

	Note	2021 \$000	2020 \$000
Fixed assets			
Investments	8	746,178	992,812
Total assets less current liabilities and net assets		746,178	992,812
Capital and reserves			
Called up share capital	9	9,124,174	6,345,050
Profit and loss account		(8,377,996)	(5,352,238)
Total shareholders' funds		746,178	992,812

The financial statements on pages 11 to 30 were approved and authorised for issue by the Board of Directors and signed on its behalf by:

DocuSigned by:

 D2DD0DDC643E481...
 D Cooper
 Director

Date: 16-Dec-2022 | 12:31 GMT

The notes on pages 14 to 30 form part of these financial statements.

Company number: 12211017

Statement of changes in equity for the year ended 31 December 2021

	Called up Share Capital \$000	Profit and loss account \$000	Total Shareholders' funds \$000
Balance at incorporation on 17 September 2019	-	-	-
Allotment of shares	6,345,050	-	6,345,050
Loss and total comprehensive expense for the period	-	(5,352,238)	(5,352,238)
Balance as at 31 December 2020	6,345,050	(5,352,238)	992,812
Allotment of shares	2,779,124	-	2,779,124
Loss and total comprehensive expense for the period	-	(3,025,758)	(3,025,758)
Balance as at 31 December 2021	9,124,174	(8,377,996)	746,178

Notes to the financial statements for the year ended 31 December 2021

1 General Information

Teva UK Holdco 2 Limited acts as a holding company, holding a 74.7% share of Teva UK Holdco 3 Limited.

The company is a private limited company, limited by shares and is incorporated in the United Kingdom under the Companies Act 2006 and registered in England. The address of its registered office is shown on page 1.

The functional currency of Teva UK Holdco 2 Limited is considered to be US dollars because that is the currency of the primary economic environment in which the company operates.

2 Statement of Compliance

The financial statements of Teva UK Holdco 2 Limited have been prepared in accordance with the Companies Act 2006 and applicable United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" ("FRS 102").

3 Summary of Significant Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

3.1 Basis of preparation

The financial statements have been prepared on a going concern basis and under the historical cost convention. The preparation in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.11.

3.2 Consolidated financial statements

The financial statements contain information about Teva UK Holdco 2 Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements, as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate parent company, Teva Pharmaceutical Industries Ltd, a company incorporated in Israel and whose financial statements are publicly available from the address in note 10.

3.3 Going concern

The directors believe that preparing the financial statements on a going concern basis is appropriate due to the continued financial support of Teva Pharmaceuticals Europe B.V., a fellow group company. The directors have received confirmation from Teva Pharmaceuticals Europe B.V. that it has pledged its continuing support for a minimum of 12 months from the date of signing these financial statements.

3.4 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- The company has taken advantage of the exemption, under FRS 102 paragraph 1.12 (b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, Teva Pharmaceutical Industries Ltd, includes the company's cash flows in its own consolidated financial statements;
- The financial instruments disclosures, required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29, as the information is provided in the consolidated financial statements disclosures; and
- The requirements of Section 33 Related Party Disclosures paragraph 33.7.

Notes to the financial statements for the year ended 31 December 2021 (continued)**3.5 Taxation**

Taxation expense comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

3.5.1 Current Tax

Current tax is the amount of income tax payable in respect of the taxable profit for the period or prior periods. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates the position taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

3.6 Investments

Investments in subsidiary undertakings are stated at cost less accumulated impairment losses.

3.7 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3.8 Financial assets and liabilities

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Basic financial assets and liabilities, including trade receivables and payables, cash and bank loans and amounts due to or from fellow group companies are initially recognised at transaction price. If the arrangement constitutes a financing transaction, it is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets are derecognised when the contractual rights to the cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

3.9 Related party transactions

The company discloses transactions with related parties which are not wholly owned within the same group. It does not disclose transactions with members of the same group that are wholly owned.

3.10 Foreign exchange

Transactions denominated in foreign currencies are translated into US dollars at the rates of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated into US dollars at rates of exchange ruling at the balance sheet date. All profits and losses arising on foreign currency translation are included in the profit and loss account within the relevant category.

Notes to the financial statements for the year ended 31 December 2021 (continued)**3.11 Critical accounting estimates and judgements**

In the application of the company's accounting policies, estimates and judgements are continually evaluated and are based upon historical experience and other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

(a) Critical judgements in applying the entity's accounting policies

There are no critical judgements that had a significant effect on the amounts recognised in the financial statements.

(b) Critical accounting estimates and assumptions

The following estimates have had the most significant effect on amounts recognised in the financial statements:

(i) Impairment of fixed asset investments

The company makes an estimate of the recoverable value of fixed asset investments. When assessing impairment of fixed asset investments, management considers factors including the net assets of the subsidiary in which the investment is held and currency exchange rates. Where there is an indication of an impairment a value in use ('VIU') calculation is performed, together with a valuation based on fair value less costs of disposal ('FVLCD'). The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. If the value in use calculation and the fair value less costs of disposal calculation both derive a lower value than the value of the investment held an impairment is recognised down to its recoverable amount, which is higher of VIU and FVLCD. See note 8 for the net carrying amount and the associated impairment provision that has been recognised during the current year.

The annual impairment review performed by the directors in relation to the company's indirect subsidiaries is sensitive to several critical accounting estimates and assumptions, which significantly affect the value in use calculation and therefore the carrying value amount of the investment recorded in these financial statements as at 31 December 2021.

A description of the critical accounting estimates and assumptions used in the value in use calculation are set out below.

Estimate	Pharmaceutical trading companies
Future cash flows	<ul style="list-style-type: none"> Future cash flows are based on budgets and long-term operating plans for the business. Thereafter, revenue and costs have been extrapolated using an estimated growth rate.
Terminal growth rate	<ul style="list-style-type: none"> A terminal growth rate of 0.0% has been applied. Management considers this an appropriate assumption for a portfolio of generics medicines with ongoing marketing activities.
Discount rate	<ul style="list-style-type: none"> Discount rates ranging from 9.5% to 12.0% have been applied to future cash flows. This represents an adjusted weighted average cost of capital and incorporates specific factors due to geography and risks associated with generic and specialty pharmaceutical markets.

Management has used estimates and assumptions that it currently considers to be the most appropriate to calculate the value in use, however the calculation is inherently subject to significant estimation uncertainty. A sensitivity analysis performed by management indicated that the recoverable amount of \$746,178,000 (note 8) calculated as at 31 December 2021 ranged between (\$2,865,135,000) and \$7,349,111,000, based on key estimates within a range of reasonably possible outcomes.

Given the high level of sensitivity of the value in use calculation to the above estimates, which include external factors such as exchange rates and interest rates, management concludes that there is a significant risk of a material adjustment to the provision for impairment within the next financial year.

Notes to the financial statements for the year ended 31 December 2021 (continued)

4 Operating result

Auditors' remuneration for the audit of the company of USD 8,000 (prior period: USD 4,000) was borne by a fellow group undertaking, Teva UK Limited, as a combined fee for the group. No recharge (prior period: USD nil) was made to Teva UK Holdco 2 Limited for this. Auditors' remuneration for non-audit services during the year was USD nil (prior period: USD nil).

5 Directors' remuneration

The directors did not receive any emoluments in respect of their services to the company (prior period: USD nil). There were no other (prior period: USD nil) transactions with directors. The emoluments of the directors were paid by other fellow group companies which made no recharge to the company (prior period: USD nil). The directors are directors of a number of other group companies and it is not possible to make an accurate apportionment of their emoluments in respect of each of the companies.

6 Staff costs

The company has no employees (prior period: none).

Notes to the financial statements for the year ended 31 December 2021 (continued)**7 Tax on loss**

	Year ended 31 December 2021 \$000	Period from 17 September 2019 to 31 December 2020 \$000
Tax result included in profit and loss		
Tax on loss	-	-

Factors affecting the tax result for the current year

The tax assessed for the year is different from (prior period: different from) the standard rate of corporation tax in the UK of 19% (prior period: 19%). The differences are explained below:

	Year ended 31 December 2021 \$000	Period from 17 September 2019 to 31 December 2020 \$000
Loss before taxation	(3,025,758)	(5,352,238)
Loss before taxation multiplied by the rate derived from the standard rate in the UK of 19% (prior period: 19%)	(574,894)	(1,016,925)
<i>Effects of:</i>		
Expenses not deductible for tax purposes	574,894	1,016,925
Total tax result	-	-

The standard rate of UK corporation tax is 19% and this took effect from 1 April 2017. However, in March 2021, the Finance Bill 2021 included measures to increase the standard rate of UK corporation tax to 25% with effect from 1 April 2023. The Finance Bill 2021 was enacted during May 2021 and therefore any deferred taxes on the balance sheet would be measured at 25% (2020: 19%), which represents the future corporation tax rate that was enacted at the balance sheet date and that is expected to apply to the reversal of the timing difference.

Notes to the financial statements for the year ended 31 December 2021 (continued)**8 Investments**

	Shares in group undertakings \$000
Cost	
At 1 January 2021	6,345,050
Additions	2,779,124
At 31 December 2021	9,124,174
Provision for impairment	
At 1 January 2021	(5,352,238)
Impairment	(3,025,758)
At 31 December 2021	(8,377,996)
Net book value	
At 31 December 2021	746,178
At 31 December 2020	992,812

During the year the company purchased new shares of Teva UK Holdco 3 Limited, the cost of which is included within additions above. The company purchased 715,233,220 ordinary shares of USD 1.00 each in July 2021 for a total cost of USD 715,233,220, 838,000,000 ordinary shares of USD 1.00 each in August 2021 for a total cost of USD 838,000,000, 478,900,309 ordinary shares of USD 1.00 each in October 2021 for a total cost of USD 478,900,309 and 746,990,625 ordinary shares of USD 1.00 each in November 2021 for a total cost of USD 746,990,625. These share issues were in relation to the restructuring of Teva's US operations.

The loss for the year includes a USD 3,025,758,000 (prior period: USD 5,352,238,000) impairment of the company's fixed asset investment in Teva Pharmaceuticals USA, Inc. The investment was impaired following completion of an exercise performed by the directors to determine recoverable value, using subsidiaries' estimated future trading discounted cash flows and contractual cash outflows relating to outstanding debt.

Details of the company's investments in group undertakings are set out below:

Name of undertaking	Registered office address	Description of shares	Held by company %	Principal business activity
Teva UK Holdco 3 Limited	Ridings Point, Whistler Drive Castleford, West Yorkshire United Kingdom, WF10 5HX	9,124,174,431 Ordinary shares	74.7%	Holding company
Orvet UK *	Ridings Point, Whistler Drive Castleford, West Yorkshire United Kingdom, WF10 5HX	12,214,034,674 Ordinary shares	74.7%	Holding company
Teva Holdco US, Inc *	400 Interpace Parkway, Bldg. A, Parsippany, NJ, 07054, USA	105 Ordinary Shares	74.7%	Holding company
Teva Pharmaceuticals USA, Inc. *	400 Interpace Parkway, Bldg. A, Parsippany, NJ, 07054, USA	9,884.67 Ordinary "A" Shares	74.7%	Manufacturing, distribution, marketing
ANTARES PHARMA INC.*	Princeton Crossroads Corporate Center, 250 Phillips Boulevard, Ewing, NJ, NEW JERSEY, 8618, United States	400 Ordinary shares	0.07%	Strategic Investment

Notes to the financial statements for the year ended 31 December 2021 (continued)**8 Investments (continued)**

Name of undertaking	Registered office address	Description of shares	Held by company %	Principal business activity
Asaph II B.V.*	Piet Heinkade 107, P.O.B: 43028, Amsterdam, 1019 GM, Netherlands	18 Ordinary Shares	74.7%	Holding company
Auspex Pharmaceuticals, Inc.*	400 Interpace Parkway, Bldg. A, Parsippany, NJ, 07054, USA	1,000 Common Stock shares	74.7%	Marketing, Manufacturing, API
Barr International Services, Inc.*	400 Interpace Parkway, Bldg. A, Parsippany, NJ, 07054, USA	1,000 Common Stock shares	74.7%	Holding company
TEVA INVERSIONES Y EXPORTACIONES SpA.*	Avenida Maratón 1315, Ñuñoa, Santiago de Chile., Santiago, Chile	1,000,000 Ordinary shares	74.7%	Commercial, Marketing, Distribution
Barr Laboratories, Inc.*	400 Interpace Parkway, Bldg. A, Parsippany, NJ, 07054, USA	1 Common Stock shares	74.7%	Manufacturing
Barr Pharmaceuticals, LLC*	400 Interpace Parkway, Bldg. A, Parsippany, NJ, 07054, USA	2 Common Stock shares	74.7%	Holding company
Barr Ventures, LLC*	400 Interpace Parkway, Bldg. A, Parsippany, NJ, 07054, USA	1 LLC Membership Interest/Units shares	74.7%	Holding company
China National Pharmaceutical Logistics Corp. LTD*	8,Kangdingjie,Beijing Economic-Technological Development Area, Beijing, 100176, China	9,000,000 Ordinary shares	7.47%	Strategic Investment
Copper Acquisition Corp.*	400 Interpace Parkway, Bldg. A, Parsippany, NJ, 07054, USA	1,000 Common Stock shares	74.7%	Holding company
Doral Manufacturing, Inc.*	400 Interpace Parkway, Bldg A, Parsippany, NJ 07054, United States	100 Common Stock shares	74.7%	Manufacturing
Elmor, S.A.*	Edif. Elmor, Calle Girasol, Prados del Este, Caracas, 1070, Venezuela	33,788 Ordinary shares	74.7%	Commercial, Distribution
Gatio Investments B.V.*	Piet Heinkade 107, 1019 GM Amsterdam, P.O.B: 43028, Netherlands	30,000,000 Ordinary shares	74.7%	Holding company
Gecko Health Innovations, Inc.*	400 Interpace Parkway, Bldg A, Parsippany, NJ 07054, United States	1,000 Common Shares	74.7%	Commercial, Investment, Manufacturing
Genchem Pharma LLC*	400 Interpace Parkway, Bldg A, Parsippany, NJ 07054, United States	1,000 Ordinary shares	74.7%	API, Commercial, Manufacturing, Marketing
Goldline Laboratories, Inc.*	400 Interpace Parkway, Bldg A, Parsippany, NJ 07054, United States	50 Common Stock shares	74.7%	Marketing
Immobiliaria Lemery, S.A. de C.V.*	Calle Camino a Santa Teresa 1040, piso 5-501, Colonia Jardines de La Montaña Tlalpan, Ciudad de Mexico	98,855,411 Ordinary "B" shares 1,499 Ordinary "A" shares	74.7%	Commercial

Notes to the financial statements for the year ended 31 December 2021 (continued)**8 Investments (continued)**

Name of undertaking	Registered office address	Description of shares	Held by company %	Principal business activity
Teva Pharmaceuticals Panama, S.A.*	Financial Park Tower Costa del Este, Of. 3412 Panama City Panama	1 Bearer share	74.7%	Commercial, Marketing
IVAX (Bermuda) Ltd.*	c/o Coson Corporate Services Limited, Milner House, 18 Parli, P.O. Box HM 1561, Hamilton HM FX, Bermuda	12,000 Ordinary shares	74.7%	Holding company
IVAX Argentina S.A.*	Suipacha 1111, Piso 18, Buenos Aires, C1008AAW, Argentina	63,597,848 Common Stock	74.7%	Manufacturing, Marketing
IVAX Far East, Inc.*	400 Interpace Parkway, Bldg A, Parsippany, NJ 07054, United States	1,000 Common Stock shares	74.7%	Dormant company
IVAX Golden Glades, Inc.*	400 Interpace Parkway, Bldg A, Parsippany, NJ 07054, United States	100 Common Stock shares	74.7%	Manufacturing
IVAX Holdings C.I.*	c/o Maples and Calder, P.O. Box 309, Grand Cayman, Cayman Islands	2 Ordinary shares	74.7%	Holding company
IVAX Laboratories Puerto Rico, Inc.*	400 Interpace Parkway, Bldg. A, Parsippany NJ 07054, United States	100 Common Stock shares	74.7%	Dormant company
IVAX LLC*	400 Interpace Parkway, Bldg A, Parsippany, NJ 07054, United States	100 Common Stock shares	74.7%	Holding company
IVAX Pharmaceuticals B.V.*	Piet Heinkade 107, P.O.B: 43011, Amsterdam, 1019 GM, Netherlands	18,002 Ordinary shares	74.7%	Financial, Holding company
IVAX Pharmaceuticals Canada, Inc.*	c/o Frasner Milner & Casgrain, 1, Place Ville-Marie, Montreal, H3B 4M7, Canada	1 Common Stock share	74.7%	Dormant company
IVAX Pharmaceuticals Caribe, Inc.*	400 Interpace Parkway, Bldg A, Parsippany, NJ 07054, United States	1 Common Stock share	74.7%	Manufacturing
IVAX Pharmaceuticals Mexico, S.A. de C.V.*	Calle Camino a Santa Teresa 1040, piso 5-501, Colonia Jardines de La Montaña Tlalpan, Ciudad de Mexico	286,732,660 Ordinary Shares	74.7%	Distribution, Manufacturing, Marketing
IVAX Pharmaceuticals NV, LLC*	400 Interpace Parkway, Bldg A, Parsippany, NJ 07054, United States	1,000 Common Stock shares	74.7%	Holding company
IVAX Pharmaceuticals, LLC*	400 Interpace Parkway, Bldg A, Parsippany, NJ 07054, United States	100 Common Stock shares	74.7%	Holding company
IVAX Specialty Chemicals Sub, LLC*	400 Interpace Parkway, Bldg A, Parsippany, NJ 07054, United States	1 Management share	74.7%	Holding company
Kilburn B.V.*	Computerweg 10, 3542 DR Utrecht, Amsterdam, 1019 GM, Netherlands	1,820,000 Ordinary shares	74.7%	Financial, Holding company

Notes to the financial statements for the year ended 31 December 2021 (continued)**8 Investments (continued)**

Name of undertaking	Registered office address	Description of shares	Held by company %	Principal business activity
Laboratorio Chile, S.A.*	Av. Maratón 1315, Ñuñoa, Santiago, Camino a Melipil, Chile	316,000,000 Ordinary shares	74.7%	Manufacturing, marketing, selling and distribution
Laboratorios Elmor S.A. (Guacara)*	Zona Industrial El Nepe, 2a Transversal, Guacara, Estado Car, 2015-A, Venezuela	57,868 Ordinary Shares	74.7%	Commercial, Manufacturing, Distribution
Laboratorios Elmor, S.A.*	Av. Eugenio Mendoza, Centro Letonia, Pisa 16, La Castellana, Caracas, 1062, Venezuela	634,884 Ordinary shares	74.7%	Manufacturing, Distribution
Labrys Biologics, Inc.*	400 Interpace Parkway, Bldg. A, Parsippany NJ 07054, United States	2,000 Common Stock shares	74.7%	R&D
LBC International Corp.*	c/o Trulaw Corporate Services Ltd., P.O. Box 866, George Town, Cayman Islands	1,000 Ordinary Shares	74.7%	Dormant
Lemery S.A. de C.V.*	Calle Camino a Santa Teresa 1040, piso 5-501, Colonia Jardines de La Montaña Tlalpan, Ciudad de Mexico	196,618,977 Ordinary "B" shares, 6,499 Ordinary "A" shares	74.7%	Manufacturing
Maancirkel Holding B.V.*	Piet Heinkade 107, P.O.B: 43028, Amsterdam, 1019 GM, Netherlands	18,151 Ordinary shares	74.7%	Holding company
MicroDose Therapeutx, Inc.*	400 Interpace Parkway, Bldg. A, Parsippany NJ 07054, United States	1,000 Common Stock shares	74.7%	Commercial, Marketing, Manufacturing
Nupathe Inc.*	400 Interpace Parkway, Bldg. A, Parsippany NJ 07054, United States	1 Common Stock share	74.7%	R&D
Odyssey Pharmaceuticals, Inc.*	400 Interpace Parkway, Bldg. A, Parsippany NJ 07054, United States	1 Common Stock share	74.7%	Shelf finance company
OFA, CA*	Calle Girasol con Av. Rio de Oro, Edificio Elmor, Ubanizacio, Caracas, Venezuela	1,580 Ordinary shares	74.7%	Commercial, Distribution
Patient Services and Solutions, Inc.*	400 Interpace Parkway, Bldg. A, Parsippany NJ 07054, United States	1,000 Common Stock shares	74.7%	Holding company
Pharmatrade S.A.*	Avenida Maraton 1315, Comuna de Nunoa, Santiago, Chile	9,033,999 Ordinary shares	74.7%	Commercial, Manufacturing
PLIVA Inc.*	400 Interpace Parkway, Bldg. A, Parsippany NJ 07054, United States	1,478 Common Stock shares	74.7%	Holding company

Notes to the financial statements for the year ended 31 December 2021 (continued)**8 Investments (continued)**

Name of undertaking	Registered office address	Description of shares	Held by company %	Principal business activity
Rakepoll Holding B.V.*	Piet Heinkade 107, P.O.B: 43011, Amsterdam, 1019 GM, Netherlands	18,151 Ordinary Shares	74.7%	Holding company
UAB Teva Baltics*	Moletu Road 5, Vilnius, 08409, Lithuania	28,782 Ordinary shares	74.7%	Commercial, Manufacturing
Sicor de México S.A. de C.V.*	Av. San Rafael No. 35, Col. Parque Industrial Lerma, Lerma, Mexico	7,389,049 Ordinary shares	74.7%	API, Manufacturing
Sicor Europe S.A.*	Via San Salvatore 7, 6902 Paradiso, Switzerland	1,659 Ordinary Shares	74.7%	Dormant company
Sicor Inc.*	19 Hughes, Irvine, CA 92618, CALIFORNIA, United States	1,000 Ordinary shares	74.7%	Commercial, Manufacturing, Marketing
Sicor Società Italiana Corticosteroidi S.r.l.*	PIAZZALE LUIGI CADORNA 4, 20123, MILANO (MI), Italy	16,526,720 Ordinary shares	74.7%	Marketing, Manufacturing, API
TAGCO Incorporated*	103 Foulk Road, Wilmington, Delaware, 19803, United States	1,000 Ordinary shares	74.7%	Holding company
TAPI Puerto Rico, Inc.*	Highway #1 km 34.18 "A" Street, Caguas, PR 00626, Caguas, 784, Puerto Rico	2,035,680 Ordinary shares	74.7%	API, Manufacturing
Teva API Services Mexico, S.de R.L. de C.V.*	Avenida San Rafael, #34, Lerma, 52000, Mexico	2,999 Management Shares	74.7%	API, Commercial, Distribution, Manufacturing
Teva Biopharmaceuticals USA, Inc.*	103 Foulk Road, Wilmington, Delaware, 19803, United States	100 Common Stock shares	74.7%	R&D
Teva Branded Pharmaceutical Products R&D, Inc.*	145 Brandywine Parkway, West Chester PA 19380, United States	100 Common Stock shares	74.7%	Holding company
Teva Neuroscience, Inc.*	400 Interpace Parkway, Bldg. A, Parsippany NJ 07054, United States	1,000 Ordinary Shares	74.7%	Marketing
Teva Parenteral Medicines, Inc.*	19 Hughes, Irvine CA 92618, P.O.B: NA, Irvine, CALIFORNIA, United States	1,000 Ordinary shares	74.7%	Manufacturing
Teva Pharmaceutical Finance Company LLC*	400 Interpace Parkway, Bldg. A, Parsippany NJ 07054, United States	100 Units shares	74.7%	Finance company
Teva Pharmaceutical Finance IV, LLC*	400 Interpace Parkway, Bldg. A, Parsippany NJ 07054, United States	1 LLC Membership Interest/Units shares	74.7%	Financial

Notes to the financial statements for the year ended 31 December 2021 (continued)**8 Investments (continued)**

Name of undertaking	Registered office address	Description of shares	Held by company %	Principal business activity
Teva Pharmaceutical Finance V, LLC*	400 Interpace Parkway, Bldg. A, Parsippany NJ 07054, United States	1 LLC Membership Interest/Units shares	74.7%	Dormant company
Teva Pharmaceutical Finance VI, LLC*	400 Interpace Parkway, Bldg. A, Parsippany NJ 07054, United States	1 LLC Membership Interest/Units shares	74.7%	Dormant company
TEVA Pharmaceuticals Mexico S.A. de C.V.*	Calle Camino a Santa Teresa 1040, piso 5-501, Colonia Jardines de La Montaña Tlalpan, Ciudad de Mexico	4,999 Ordinary shares	74.7%	Commercial
Teva Respiratory, LLC*	400 Interpace Parkway, Bldg. A, Parsippany NJ 07054, United States	1 Common Stock shares	74.7%	Manufacturing, Marketing
Teva Pharmaceuticals Colombia S.A.S*	Carrera 11, N. 73-44 ofic., 604, Bogota, Colombia	199,480 Shares	74.7%	Distribution, Manufacturing
Teva Sales and Marketing, Inc.*	400 Interpace Parkway, Bldg. A, Parsippany NJ 07054, United States	100 Common Stock shares	74.7%	Holding company, Marketing
TEVA Uruguay S.A.*	Av. Uruguay 1227, Montevideo, Uruguay	39,836 Ordinary Shares	74.7%	Commercial, Distribution, Manufacturing
Teva Women's Health, LLC*	5040 Duramed Drive, Cincinnati OH 45213, United States	1,000 Common Stock shares	74.7%	Manufacturing, Marketing
TEVCO Incorporated*	103 Foulk Road, Wilmington, Delaware, P.O.B: 19803, United States	3,000 Ordinary shares	74.7%	Holding company
Women's Capital LLC*	400 Interpace Parkway, Bldg. A, Parsippany NJ 07054, United States	100 Common Stock shares	74.7%	Marketing
Actavis Elizabeth LLC*	200 Elmora Avenue, Elizabeth NJ 07020, United States	1 LLC Membership Interest/Units shares	74.7%	Manufacturing
Actavis Holdco US, Inc*.	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	100 Common shares	74.7%	Holding company
Actavis Kadian LLC*	400 Interpace Parkway, Bldg. A, Parsippany NJ 07054, United States	1 LLC Membership Interest/Units shares	74.7%	Holding company

Notes to the financial statements for the year ended 31 December 2021 (continued)**8 Investments (continued)**

Name of undertaking	Registered office address	Description of shares	Held by company %	Principal business activity
Actavis Laboratories FL, Inc.*	4955 Orange Drive, Davie FL 33314, United States	100 Common shares	74.7%	Manufacturing
Actavis Laboratories UT, Inc.*	575-577-579 Chipeta Way, Salt Lake City UT 84108, United States	100 Common shares	74.7%	Manufacturing
Actavis LLC*	400 Interpace Parkway, Bldg A, Parsippany NJ 07545, United States	1 LLC Membership Interest/Units shares	74.7%	Manufacturing, Holding company
Actavis Mid Atlantic LLC*	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	1 LLC Membership Interest/Units shares	74.7%	Marketing/Holding company
Actavis Pharma, Inc.*	400 Interpace Parkway, Bldg. A, Parsippany NJ 07054, United States	100 Common shares	74.7%	Distribution/Holding company
Actavis Puerto Rico Holdings Inc.*	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	99 Common shares	74.7%	Marketing/Holding company
Actavis South Atlantic LLC*	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	1 LLC Membership Interest/Units shares	74.7%	Manufacturing, Marketing
Actavis Totowa LLC*	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	1 LLC Membership Interest/Units shares	74.7%	Marketing
Actavis US Holding LLC*	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	1 LLC Membership Interest/Units shares	74.7%	Holding company
Andrx LLC*	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	1 LLC Membership Interest/Units shares	74.7%	Holding company

Notes to the financial statements for the year ended 31 December 2021 (continued)**8 Investments (continued)**

Name of undertaking	Registered office address	Description of shares	Held by company %	Principal business activity
Changzhou Siyao Pharmaceuticals Co., Ltd.*	Meilongba, Southern Suburbs, Changzhou, Jiangsu, China	1,770,000 Registered Capital shares	18.68%	Dormant company
Circa Pharmaceuticals West, Inc.*	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	100 Common shares	74.7%	Dormant company
CIRCASUB, INC.*	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	100 Common shares	74.7%	Dormant company
Cobalt Laboratories LLC*	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	1 LLC Membership Interest/Units shares	74.7%	Holding company
Coventry Acquisition, LLC*	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	1 LLC Membership Interest/Units shares	74.7%	Holding company
Med All Enterprise Consulting (Shanghai) Co., Limited*	Room 3104, 31F, B Stock, Yujing International Business Square, No. 555 Ave Pudong, Shanghai, Pudong New District, China	2,000,000 Registered Capital shares	74.7%	Investment
Natrapac, Inc.*	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	100 Common shares	74.7%	Holding company
Teva Finance Services LLC*	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	506,408,991 Ordinary Shares	74.7%	Investment, financial
Schein Bayer Pharmaceutical Services, Inc.*	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	100 Common shares	74.7%	Dormant company
Schein Pharmaceutical International, Inc.*	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	1,000 Common shares	74.7%	Dormant company

Notes to the financial statements for the year ended 31 December 2021 (continued)**8 Investments (continued)**

Name of undertaking	Registered office address	Description of shares	Held by company %	Principal business activity
Watson Cobalt Holdings, LLC*	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	1 LLC Membership Interest/Units shares	74.7%	Dormant company
Watson Diagnostics, Inc.*	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	100 Common shares	74.7%	Holding company, Marketing
Watson Laboratories, Inc [Connecticut]*	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	100 Common shares	74.7%	Manufacturing
Watson Laboratories, Inc. [Nevada]*	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	1,000 Common shares	74.7%	Holding company, Marketing, Manufacturing
Watson Laboratories, Inc. [Arizona]*	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	1,000 Preferred Stock shares, 180,000 Voting Common Stock shares	74.7%	Holding company
Watson Laboratories, LLC*	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	1 LLC Membership Interest/Units shares	74.7%	Holding company
Watson Management Corporation*	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United St	500 Common shares	74.7%	Marketing
Watson Manufacturing Services, Inc.*	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	100 Common shares	74.7%	Marketing
Watson Pharma Private Limited*	21-22, Kalpataru Square, Kondivita Lane, Off Andheri Kurla Road, Andheri (East), Maharashtra, 400059, India	55,002,461 Equity Shares	74.7%	Development, Manufacturing, Commercial, Distribution
Watson Pharmaceuticals (Asia) Limited*	Nerine Chambers, P.O. Box 905, Road Town, Tortola, British Virgin Islands	50,000 Ordinary shares	74.7%	Holding company
Watson Pharmaceuticals (China) Limited*	Nerine Chambers, P.O. Box 905, Road Town, Tortola, British Virgin Islands	50,000 Ordinary shares	74.7%	Holding company
Watson Pharmaceuticals International, Limited*	Nerine Chambers, P.O. Box 905, Road Town, Tortola, British Virgin Islands	10,000 Ordinary shares	74.7%	Holding company
Watson Therapeutics, Inc.*	3400 Enterprise Way, Miramar FL 33025, United States	100 Common shares	74.7%	Marketing

Notes to the financial statements for the year ended 31 December 2021 (continued)**8 Investments (continued)**

Name of undertaking	Registered office address	Description of shares	Held by company %	Principal business activity
WP Holdings Ltd.*	Nerine Chambers, P.O. Box 905, Road Town, Tortola, British Virgin Islands	1,000 Ordinary shares	74.7%	Holding company
Marsam Pharmaceuticals LLC*	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	1 LLC Membership Interest/Units shares	74.7%	Dormant company
MSI Inc.*	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	500 Common shares	74.7%	Dormant company
Schein Pharmaceutical (Bermuda) Ltd*	O'Hara House, 3 Bermudiana Road Hamilton HM 8 Bermuda	12,000 Ordinary Shares	74.7%	Dormant company
Royce Research and Development Limited Partnership*	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	1 Partnership Unit	74.7%	Dormant company
Actavis Pharmaceuticals NJ, Inc.*	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	100 Common shares	74.7%	Manufacturing/R&D
Natural Health Products Corporation, C.A. *	Av. Girasol, Calle Río de Oro, Urb. Prados del Este, Edif., 1080, Venezuela	100 Ordinary Shares	74.7%	Dormant company
Anda Holdco Corp *	2915 Weston Road, Weston FL 33331, United States	100 Common shares	74.7%	Holding company
Anda Marketing, Inc.*	2915 Weston Road, Weston FL 33331, United States	100 Common shares	74.7%	Dormant company
Anda Pharmaceuticals, Inc.*	8644 Polk Lane, Olive Branch MS 38654, United States	500 Common shares	74.7%	Wholesale distribution
Anda Veterinary Supply, Inc.*	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	100 Common shares	74.7%	Dormant company
Anda, Inc.*	2915 Weston Road, Weston FL 33331, United States	100 Common shares	74.7%	Wholesale distribution
Anda Puerto Rico Inc.*	Pepsi Ind Park Carr 2Km 19.5, Candeira PR 00949, United States	100 Common shares	74.7%	Dormant company
Cybear, LLC*	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	1 LLC Membership Interest/Units shares	74.7%	Dormant company

Notes to the financial statements for the year ended 31 December 2021 (continued)**8 Investments (continued)**

Name of undertaking	Registered office address	Description of shares	Held by company %	Principal business activity
Valmed Pharmaceutical, Inc.*	3000 Alt Boulevard, Grand Island NY 14072, United States	100 Common shares	74.7%	Broker Facility
Teva API, Inc *	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	1,000 Ordinary shares	74.7%	Wholesale distribution
Cupric Holding Co. Inc. *	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	1,000 Common shares	74.7%	Holding company
Cephalon, Inc. (United States) *	145 Brandywine Parkway, West Chester PA 19380, United States	1,000 Common shares	74.7%	Holding company / R&D
Anesta LLC (United States) *	4745 Wiley Post Way, Salt Lake City UT 84116, United States	100 LLC Membership Interest/Units shares	74.7%	Manufacturing
BioAssets Development Corporation (United States)*	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	1,000 Common shares	74.7%	R&D
Cephalon Development Corporation (US) *	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	1,000 Common shares	74.7%	Holding company
Cephalon Clinical Partners LP (United States) *	41 Moores Road, Frazer, PENNSYLVANIA, 19355, United States	1 Common share	74.7%	Dormant company
ChemGenex Pharmaceuticals, Inc. (US) *	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	3,000 Common shares	74.7%	R&D
CIMA Labs, Inc. (United States) *	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	1,000 Common shares	74.7%	Manufacturing
East End Insurance Ltd. (Bermuda) *	East End Insurance, Clarendon House 2 Church Street Hamilton, HM11 Bermuda	370,000 Common shares	74.7%	Insurance
GeminX Pharmaceuticals Canada, Inc.*	30 Novopharm Court, Toronto, Ontario, M1B 2K9, Canada	100 Common shares	74.7%	Dormant company
GeminX Pharmaceuticals (US), Inc. (US) *	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	1 Common share	74.7%	R&D
PolarX Biopharmaceuticals, Inc. (US) *	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	100 Common shares	74.7%	Dormant company

Notes to the financial statements for the year ended 31 December 2021 (continued)**8 Investments (continued)**

Name of undertaking	Registered office address	Description of shares	Held by company %	Principal business activity
Teva Pharmaceuticals, Inc *	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	100 Common shares	74.7%	R&D and IP holder
Nuvelution TS Pharma, Inc.*	400 Interpace Parkway, Bldg A, Parsippany NJ 07054, United States	1000 Common shares	74.7%	Dormant company

*Indirect investment

9 Called up share capital

	2021 \$000	2020 \$000
Allotted, called up and fully paid		
9,124,174,431 ordinary shares of USD 1 each (prior period: 6,345,050,277 ordinary shares of USD 1 each)	9,124,174	6,345,050
Shares classified in shareholders' funds	9,124,174	6,345,050

The company issued 715,233,220 ordinary shares of USD 1.00 each in July 2021 for a total consideration of USD 715,233,220; a further 838,000,000 ordinary shares of USD 1.00 in August 2021 for a total consideration of USD 838,000,000; 478,900,309 ordinary shares of USD 1.00 each in October 2021, issued at a premium of USD 0.81, for a total consideration of USD 478,900,309.81 and 746,990,625 ordinary shares of USD 1.00 each in November 2021 for a total consideration of USD 746,990,625. These share issues were in relation to the restructuring of Teva's US operations.

10 Controlling Party

The immediate parent company is Teva UK Holdco 1 Limited, a company incorporated in the United Kingdom.

The directors regard Teva Pharmaceutical Industries Ltd, a company incorporated in Israel, as the ultimate parent company and ultimate controlling party.

The smallest and largest group in which the results of the company are consolidated is that of the ultimate parent company. Copies of the ultimate parent's consolidated financial statements may be obtained from 124 Dvora HaNevi'a St., Tel Aviv, 6944020, Israel.

11 Related party transactions

The company has no other transactions with related parties other than those with fellow group companies also wholly owned by the group. In accordance with paragraph 33.1A of FRS 102 these transactions with group members are exempt from disclosure.