

**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 March 31, 2026
- OR**
- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from _ to _

Commission File Number: 001-14956

Bausch Health Companies Inc.

(Exact name of registrant as specified in its charter)

British Columbia , Canada
(State or other jurisdiction of incorporation or organization)

98-0448205
(I.R.S. Employer Identification No.)

2150 St. Elzéar Blvd. West, Laval, Québec, Canada H7L 4A8
(Address of Principal Executive Offices) (Zip Code)

(514) 744-6792
(Registrant's telephone number, including area code)

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Shares, No Par Value	BHC	New York Stock Exchange , Toronto Stock Exchange

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, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer", "accelerated filer", "smaller reporting company", and "emerging growth company" in Rule 12b-2 of the Exchange Act.

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

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

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

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

Common shares, no par value — 373,475,644 shares outstanding as of April 24, 2026.

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Introductory Note

Except where the context otherwise requires, all references in this Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2026 (this “Form 10-Q”) to the “Company”, “we”, “us”, “our” or similar words or phrases are to Bausch Health Companies Inc. and its subsidiaries, taken together. In this Form 10-Q, references to “\$” are to United States (“U.S.”) dollars, references to “€” are to Euros and references to “CAD” are to Canadian dollars. Unless otherwise indicated, the statistical and financial data contained in this Form 10-Q are presented as of March 31, 2026.

Trademarks

This Form 10-Q contains trademarks, trade names and service marks that are the property of the Company, as well as, for informational purposes, trademarks, trade names, and service marks that are the property of other organizations. Solely for convenience, certain trademarks, trade names, and service marks referred to in this report appear without the ®, ™ and SM symbols, but those references are not intended to indicate that we or the applicable owner, as the case may be, will not assert, to the fullest extent under applicable law, our or their rights to such trademarks, trade names, and service marks.

Forward-Looking Statements

Caution regarding forward-looking information and statements and “Safe-Harbor” statements under the U.S. Private Securities Litigation Reform Act of 1995 and applicable Canadian securities laws:

This Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and forward-looking information within the meaning of applicable Canadian securities laws (collectively, “forward-looking statements”). Forward-looking statements can generally be identified by the use of words such as “believe”, “anticipate”, “expect”, “intend”, “estimate”, “plan”, “continue”, “will”, “may”, “could”, “would”, “should”, “target”, “potential”, “opportunity”, “designed”, “create”, “predict”, “project”, “forecast”, “seek”, “strive”, “ongoing”, “likely”, “evolve”, “decrease” or “increase” and variations or other similar expressions. In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances are forward-looking statements.

These statements are based upon the current expectations and beliefs of management. Readers are cautioned that actual results may vary from those in the forward-looking statements. Although we believe that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties, and undue reliance should not be placed on such statements. Certain material factors or assumptions are applied in making such forward-looking statements, including, but not limited to, factors and assumptions relating to: (i) our ability to execute our business strategy, business plans and operational efficiency initiatives; (ii) demand for, competitive positioning of and pricing for our current and anticipated products and our ability to achieve expected revenues, margins and expense levels; (iii) the successful development, regulatory approval, manufacture and timing of launches and commercialization of pipeline and other products; (iv) the completion, timing, integration and expected benefits of acquisitions and other strategic transactions and the planned separation of our eye health business consisting of our Bausch + Lomb global Vision Care, Surgical and Pharmaceuticals businesses on anticipated terms, timing and costs; (v) the scope, duration and financial and operational impact of product quality matters; (vi) the continued availability and performance of key third-party distribution, fulfillment and other arrangements and the stability of global supply chains; (vii) the continuation of patent protection and regulatory exclusivity for key products; (viii) the expected impacts of the Inflation Reduction Act (“IRA”), and the selection by the Centers for Medicare & Medicaid Services (“CMS”) of Xifaxan® for inclusion in the drug price negotiation program with negotiated pricing expected to become effective in 2027, and other healthcare reform measures and our ability to mitigate the impact thereof; (ix) our ability to generate cash flows and access liquidity to meet working capital needs, satisfy debt maturities as they become due, reduce debt levels and comply with financial and other covenants under our financing arrangements; (x) the expected scope and impact of tariffs, counter-tariffs and other trade restrictions and the effectiveness of mitigation actions; (xi) macroeconomic and geopolitical conditions (including inflation, recessionary pressures, foreign currency exchange rates and interest rates), changes in tax laws and related guidance (including legislation referred to as the One Big Beautiful Bill Act (the “OBBA”) and Organisation for Economic Co-operation and Development (“OECD”) related measures); (xii) the expected outcomes of litigation and other contingencies; and (xiii) the factors described under Item 1A. “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2025.

We caution that, as it is not possible to predict or identify all relevant factors that may impact forward-looking statements, the factors referred to in this Form 10-Q are not exhaustive and should not be considered a complete statement of all potential risks and uncertainties. When relying on our forward-looking statements to make decisions with respect to the

Company, investors and others should carefully consider the aforementioned factors and other uncertainties and potential events. These forward-looking statements speak only as of the date made. We undertake no obligation to update or revise any of these forward-looking statements to reflect events or circumstances after the date of this Form 10-Q or to reflect actual outcomes, except as required by law.

Additional information about these factors and about the material factors or assumptions underlying such forward-looking statements may be found (i) in our Annual Report on Form 10-K for the year ended December 31, 2025 under Item 1A. "Risk Factors" and (ii) in the Company's other filings with the U.S. Securities and Exchange Commission (the "SEC") and the Canadian Securities Administrators (the "CSA").

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

**BAUSCH HEALTH COMPANIES INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in millions, except share amounts)
(Unaudited)**

	March 31, 2026	December 31, 2025
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,299	\$ 1,309
Restricted cash	13	16
Trade receivables, net	2,191	2,351
Inventories, net	1,601	1,629
Prepaid expenses and other current assets	874	852
Total current assets	5,978	6,157
Property, plant and equipment, net	2,095	2,074
Intangible assets, net	4,404	4,643
Goodwill	9,807	11,271
Deferred tax assets, net	1,845	1,843
Other non-current assets	369	378
Total assets	\$ 24,498	\$ 26,366
Liabilities		
Current liabilities:		
Accounts payable	\$ 593	\$ 600
Accrued and other current liabilities	3,037	3,344
Financial leases	11	11
Current portion of long-term debt	889	225
Total current liabilities	4,530	4,180
Acquisition-related contingent consideration	213	254
Non-current portion of financial leases	20	23
Non-current portion of long-term debt	19,875	20,592
Deferred tax liabilities, net	179	147
Other non-current liabilities	763	793
Total liabilities	25,580	25,989
Commitments and contingencies (Note 17)		
(Deficit) Equity		
Common shares, no par value, unlimited shares authorized, 373,464,760 and 370,531,987 issued and outstanding at March 31, 2026 and December 31, 2025, respectively	10,542	10,516
Additional paid-in capital	295	357
Accumulated deficit	(11,090)	(9,667)
Accumulated other comprehensive loss	(1,806)	(1,760)
Total Bausch Health Companies Inc. shareholders' deficit	(2,059)	(554)
Noncontrolling interest	977	931
Total (deficit) equity	(1,082)	377
Total liabilities and equity	\$ 24,498	\$ 26,366

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

BAUSCH HEALTH COMPANIES INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in millions, except per share amounts)
(Unaudited)

	Three Months Ended March 31,	
	2026	2025
Revenues		
Product sales	\$ 2,500	\$ 2,227
Other revenues	24	32
	<u>2,524</u>	<u>2,259</u>
Expenses		
Cost of goods sold (excluding amortization and impairments of intangible assets)	721	683
Cost of other revenues	17	18
Selling, general and administrative	861	867
Research and development	163	143
Amortization of intangible assets	241	256
Goodwill impairments	1,426	—
Restructuring, integration and separation costs	13	1
Other expense, net	32	15
	<u>3,474</u>	<u>1,983</u>
Operating (loss) income	(950)	276
Interest income	10	11
Interest expense	(402)	(330)
Loss on extinguishment of debt	(1)	—
Foreign exchange and other	(11)	(4)
Loss before income taxes	(1,354)	(47)
Provision for income taxes	(77)	(39)
Net loss	(1,431)	(86)
Net loss attributable to noncontrolling interest	8	28
Net loss attributable to Bausch Health Companies Inc.	<u>\$ (1,423)</u>	<u>\$ (58)</u>
Basic and diluted loss per share attributable to Bausch Health Companies Inc.	<u>\$ (3.82)</u>	<u>\$ (0.16)</u>
Basic and diluted weighted-average common shares	372.8	369.6

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

BAUSCH HEALTH COMPANIES INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME
(in millions)
(Unaudited)

	Three Months Ended March 31,	
	2026	2025
Net loss	\$ (1,431)	\$ (86)
Other comprehensive (loss) income		
Foreign currency translation adjustment	(44)	141
Other comprehensive (loss) income	(44)	141
Comprehensive (loss) income	(1,475)	55
Comprehensive loss attributable to noncontrolling interest	6	37
Comprehensive (loss) income attributable to Bausch Health Companies Inc.	\$ (1,469)	\$ 92

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

BAUSCH HEALTH COMPANIES INC.
CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' (DEFICIT) EQUITY
(in millions)
(Unaudited)

Bausch Health Companies Inc. Shareholders' (Deficit) Equity									
	Common Shares		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Bausch Health Companies Inc. Shareholders' Deficit	Non- controlling Interest	Total Equity (Deficit)	
	Shares	Amount						Total Equity (Deficit)	Total Equity (Deficit)
Three Months Ended March 31, 2026									
Balances, January 1, 2026	370.5	\$ 10,516	\$ 357	\$ (9,667)	\$ (1,760)	\$ (554)	\$ 931	\$ 377	
Common shares issued under share-based compensation plans	3.0	26	(26)	—	—	—	—	—	
Share-based compensation	—	—	52	—	—	52	—	52	
Employee withholding taxes related to share-based awards	—	—	(34)	—	—	(34)	—	(34)	
Vesting of B+L equity compensation	—	—	(52)	—	—	(52)	52	—	
Cash settlement of share-based awards	—	—	(2)	—	—	(2)	—	(2)	
Net loss	—	—	—	(1,423)	—	(1,423)	(8)	(1,431)	
Other comprehensive (loss) income	—	—	—	—	(46)	(46)	2	(44)	
Balances, March 31, 2026	373.5	\$ 10,542	\$ 295	\$ (11,090)	\$ (1,806)	\$ (2,059)	\$ 977	\$ (1,082)	
Three Months Ended March 31, 2025									
Balances, January 1, 2025	367.8	\$ 10,490	\$ 234	\$ (9,824)	\$ (2,179)	\$ (1,279)	\$ 957	\$ (322)	
Common shares issued under share-based compensation plans	1.7	18	(18)	—	—	—	—	—	
Share-based compensation	—	—	43	—	—	43	—	43	
Employee withholding taxes related to share-based awards	—	—	(16)	—	—	(16)	—	(16)	
Vesting of B+L equity compensation	—	—	(23)	—	—	(23)	23	—	
Net loss	—	—	—	(58)	—	(58)	(28)	(86)	
Other comprehensive income (loss)	—	—	—	—	150	150	(9)	141	
Balances, March 31, 2025	369.5	\$ 10,508	\$ 220	\$ (9,882)	\$ (2,029)	\$ (1,183)	\$ 943	\$ (240)	

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

BAUSCH HEALTH COMPANIES INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions)
(Unaudited)

	Three Months Ended March 31,	
	2026	2025
Cash Flows From Operating Activities		
Net loss	\$ (1,431)	\$ (86)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization of intangible assets	295	305
Amortization and write-off of debt premiums, discounts and issuance costs	14	15
Goodwill impairments	1,426	—
Acquisition-related contingent consideration	12	(11)
Allowances for losses on trade receivable and inventories	26	26
Deferred income taxes	30	(9)
Net gain on sale of assets	(3)	—
Adjustments to accrued legal settlements	10	(3)
Payments of accrued legal settlements	(161)	(19)
Share-based compensation	52	43
Gain excluded from hedge effectiveness	(3)	(3)
Loss on extinguishment of debt	1	—
Payments of contingent consideration adjustments, including accretion	(3)	(2)
Amortization of inventory step-up resulting from acquisitions	3	22
Foreign exchange and other	5	(2)
Changes in operating assets and liabilities:		
Trade receivables	148	110
Inventories	(14)	(30)
Prepaid expenses and other current assets	(27)	(46)
Accounts payable, accrued and other liabilities	(150)	(99)
Net cash provided by operating activities	<u>230</u>	<u>211</u>
Cash Flows From Investing Activities		
Acquisitions and other investments	—	(12)
Purchases of property, plant and equipment	(109)	(115)
Acquisition of intangible assets and other assets	(38)	(9)
Purchases of marketable securities	(1)	(4)
Proceeds from sale of marketable securities	1	4
Proceeds from sale of assets and businesses, net of costs to sell	3	—
Interest settlements from cross-currency swaps	5	6
Net cash used in investing activities	<u>(139)</u>	<u>(130)</u>
Cash Flows From Financing Activities		
Issuance of long-term debt, net of discounts	2,802	50
Repayments of long-term debt	(2,857)	(168)
Payments of employee withholding taxes related to share-based awards	(34)	(16)
Payments of acquisition-related contingent consideration	(8)	(7)
Payments of financing costs	(1)	(5)
Other	(2)	—
Net cash used in financing activities	<u>(100)</u>	<u>(146)</u>
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(4)	21
Net decrease in cash, cash equivalents and restricted cash	(13)	(44)
Cash, cash equivalents and restricted cash, beginning of period	1,325	1,201
Cash, cash equivalents and restricted cash, end of period	<u>\$ 1,312</u>	<u>\$ 1,157</u>
Cash and cash equivalents	\$ 1,299	\$ 1,134
Restricted cash	13	23
Cash, cash equivalents and restricted cash, end of period	<u>\$ 1,312</u>	<u>\$ 1,157</u>

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

BAUSCH HEALTH COMPANIES INC.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

DESCRIPTION OF BUSINESS

Bausch Health Companies Inc. (the “Company” or “Bausch Health”) is a global, diversified specialty pharmaceutical and medical device company that develops, manufactures and markets, primarily in the therapeutic areas of gastroenterology (“GI”), hepatology, neuroscience and dermatology, a broad range of branded, generic and branded generic pharmaceuticals, over-the-counter (“OTC”) products and aesthetic medical devices, and, through its approximately 87% ownership of Bausch + Lomb Corporation (“Bausch + Lomb” or “B+L”), branded and branded generic pharmaceuticals, OTC products and medical devices (contact lenses, intraocular lenses, ophthalmic surgical equipment) in the therapeutic areas of eye health. The Company’s products are marketed directly or indirectly in approximately 90 countries.

SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Use of Estimates

The accompanying unaudited Condensed Consolidated Financial Statements have been prepared by the Company in U.S. dollars and in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”) for interim financial reporting, which do not conform in all respects to the requirements of U.S. GAAP for annual financial statements. Accordingly, these notes to the unaudited Condensed Consolidated Financial Statements should be read in conjunction with the audited Consolidated Financial Statements prepared in accordance with U.S. GAAP that are contained in the Company’s Annual Report on Form 10-K for the year ended December 31, 2025. The unaudited Condensed Consolidated Financial Statements have been prepared using accounting policies that are consistent with the policies used in preparing the Company’s audited Consolidated Financial Statements for the year ended December 31, 2025. The unaudited Condensed Consolidated Financial Statements reflect all normal and recurring adjustments necessary for a fair statement of the Company’s financial position and results of operations for the interim periods. The operating results for the interim periods presented are not necessarily indicative of the results expected for the full year.

Separation of the Bausch + Lomb Eye Health Business

On August 6, 2020, the Company announced its plan to separate its eye health business, consisting of its Bausch + Lomb global Vision Care, Surgical and Pharmaceuticals businesses into an independent publicly traded entity, Bausch + Lomb, from the remainder of Bausch Health Companies Inc. (the “B+L Separation”). As part of this plan, in May 2022, a wholly owned subsidiary of Bausch Health sold common shares of Bausch + Lomb pursuant to an initial public offering of Bausch + Lomb (the “B+L IPO”). Following the B+L IPO, Bausch Health indirectly holds 310,449,643 common shares of Bausch + Lomb, which represents approximately 87% of B+L’s outstanding common shares as of March 31, 2026.

The completion of the full B+L Separation, which may be accomplished by the monetization of all or a portion of the Company’s ownership interest in Bausch + Lomb, the transfer of all or a portion of the Company’s remaining direct or indirect equity interest in Bausch + Lomb to its shareholders, or a combination thereof, is subject to the achievement of targeted debt leverage ratios and the receipt of any applicable shareholder and other necessary approvals. The Company continues to evaluate all relevant factors and considerations related to completing the B+L Separation, including the Xifaxan® Generics Litigation (see “Xifaxan® Paragraph IV Proceedings” of Note 17, “LEGAL PROCEEDINGS”).

The B+L IPO established two separate companies that include: (i) a diversified pharmaceutical company comprised of the Salix, International, Diversified (neuroscience, dermatology, generic and dentistry pharmaceutical products) and Solta Medical aesthetic medical device businesses and (ii) a fully integrated eye health company which consists of the Bausch + Lomb Vision Care, Surgical and Pharmaceuticals businesses. These unaudited Condensed Consolidated Financial Statements do not include any adjustments to give effect to the B+L Separation.

Use of Estimates

In preparing the unaudited Condensed Consolidated Financial Statements, management is required to make estimates and assumptions. The estimates and assumptions used by the Company affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the unaudited Condensed Consolidated Financial Statements, and the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from these estimates and the differences could be material.

On an ongoing basis, management reviews its estimates to ensure that these estimates appropriately reflect changes in the Company’s business and new information as it becomes available. If historical experience and other factors used by management to make these estimates do not reasonably reflect future activity, the Company’s results of operations and financial position could be materially impacted.

Principles of Consolidation

The unaudited Condensed Consolidated Financial Statements include the accounts of the Company and those of its subsidiaries and any variable interest entities for which the Company is the primary beneficiary. All intercompany transactions and balances have been eliminated.

New Accounting Standards

In July 2025, the Financial Accounting Standards Board (the “FASB”) issued Accounting Standards Update (“ASU”) 2025-05, Financial Instruments - Credit Losses (Topic 326) - Measurement of Credit Losses for Accounts Receivable and Contract Assets (“ASU 2025-05”), which simplifies the estimation of credit losses on current accounts receivable and current contract assets arising from transactions accounted for under Accounting Standards Codification (“ASC”) 606, Revenue from Contracts with Customers, and allows entities to elect a practical expedient to assume that the current conditions as of the balance sheet date will remain unchanged for the remaining life of the asset when developing a reasonable and supportable forecast as part of estimating expected credit losses on these assets. The guidance is effective January 1, 2026. The Company has elected the practical expedient and the application of the ASU 2025-05 will not have a material effect on its consolidated financial statements and related disclosures.

Recently Issued Accounting Standards, Not Adopted as of March 31, 2026

In November 2024, the FASB issued ASU 2024-03, Income Statement – Reporting Comprehensive Income – Expense Disaggregation (Subtopic 220-40): Disaggregation of Income Statement Expense (“ASU 2024-03”), which requires public companies to disclose, in interim and annual reporting periods, additional information about specific expenses in the financial statements. The amendments in ASU 2024-03 are effective for the Company beginning with its 2027 annual report, and its interim periods beginning in 2028. Early adoption is permitted and is effective on either a prospective basis or retrospective basis. The Company is evaluating the impact of adoption on its consolidated financial statements and related disclosures.

In September 2025, the FASB issued ASU 2025-06, Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software (“ASU 2025-06”). ASU 2025-06 removes the references to software development project stages and requires entities to begin capitalizing software costs when both of the following occur: (i) management has authorized and committed to funding the software project and (ii) it is probable that the project will be completed and the software will be used to perform the function intended. The amendment in ASU 2025-06 is effective for fiscal years beginning after December 15, 2027, and interim periods within those fiscal years, with early adoption permitted. The amendments can be applied prospectively, retrospectively, or via a modified prospective transition method. The Company is evaluating the impact of adoption on its consolidated financial statements and related disclosures.

REVENUE RECOGNITION

The Company’s revenues are primarily generated from product sales, primarily in the therapeutic areas of GI, hepatology, neuroscience, dermatology and eye health, that consist of: (i) branded pharmaceuticals, (ii) generic and branded generic pharmaceuticals, (iii) OTC products and (iv) medical devices (contact lenses, intraocular lenses, ophthalmic surgical equipment and aesthetic medical devices). Other revenues include alliance and service revenue from the licensing and co-promotion of products and contract service revenue which is derived primarily from contract manufacturing for third parties and which is not material. See Note 18, “SEGMENT INFORMATION” for the disaggregation of revenue.

Product Sales Provisions

As is customary in the pharmaceutical industry, gross product sales are subject to a variety of deductions in arriving at reported net product sales. The transaction price for product sales is typically adjusted for variable consideration, which may be in the form of cash discounts, allowances, returns, rebates, chargebacks and distribution fees paid to customers. Provisions for variable consideration are established to reflect the Company’s best estimates of the amount of consideration to which it is entitled based on the terms of the contract. The amount of variable consideration included in the transaction price may be constrained, and is included in the net sales price only to the extent that it is probable that a significant reversal in the amount of the cumulative revenue recognized will not occur in a future period.

Provisions for these deductions are recorded concurrently with the recognition of gross product sales revenue and include cash discounts and allowances, chargebacks, and distribution fees, which are paid to direct customers, as well as rebates and returns, which can be paid to direct and indirect customers. Returns provision balances and volume discounts to direct customers are included in Accrued and other current liabilities. All other provisions related to direct customers are included in Trade receivables, net, while provision balances related to indirect customers are included in Accrued and other current liabilities.

The Company continually monitors its variable consideration provisions and evaluates the estimates used as additional information becomes available. Adjustments will be made to these provisions periodically to reflect new facts and

circumstances that may indicate that historical experience may not be indicative of current and/or future results. The Company is required to make subjective judgments based primarily on its evaluation of current market conditions and trade inventory levels related to the Company's products. This evaluation may result in an increase or decrease in the experience rate that is applied to current and future sales, or require an adjustment related to past sales, or both. If the trend in actual amounts of variable consideration varies from the Company's prior estimates, the Company adjusts these estimates when such trend is believed to be sustainable. At that time, the Company would record the necessary adjustments which would affect net product revenue and earnings reported in the current period. The Company applies this method consistently for contracts with similar characteristics.

The following tables present the activity and ending balances of the Company's variable consideration provisions for the three months ended March 31, 2026 and 2025.

Three Months Ended March 31, 2026						
<i>(in millions)</i>	Discounts and Allowances	Returns	Rebates	Chargebacks	Distribution Fees	Total
Reserve balances, January 1, 2026	\$ 173	\$ 348	\$ 1,352	\$ 125	\$ 64	\$ 2,062
Current period provisions	164	42	865	328	70	1,469
Payments and credits	(179)	(38)	(1,058)	(322)	(56)	(1,653)
Reserve balances, March 31, 2026	<u>\$ 158</u>	<u>\$ 352</u>	<u>\$ 1,159</u>	<u>\$ 131</u>	<u>\$ 78</u>	<u>\$ 1,878</u>

Included in Rebates in the table above are cooperative advertising credits due to customers of approximately \$43 million and \$31 million as of March 31, 2026 and January 1, 2026, respectively, which are reflected as a reduction of Trade receivables, net in the Condensed Consolidated Balance Sheets. Included as a reduction of current period provisions for Distribution Fees in the table above are price appreciation credits of approximately \$2 million for the three months ended March 31, 2026.

Three Months Ended March 31, 2025						
<i>(in millions)</i>	Discounts and Allowances	Returns	Rebates	Chargebacks	Distribution Fees	Total
Reserve balances, January 1, 2025	\$ 170	\$ 372	\$ 1,421	\$ 189	\$ 85	\$ 2,237
Current period provisions	163	29	992	432	79	1,695
Payments and credits	(179)	(37)	(1,053)	(459)	(104)	(1,832)
Reserve balances, March 31, 2025	<u>\$ 154</u>	<u>\$ 364</u>	<u>\$ 1,360</u>	<u>\$ 162</u>	<u>\$ 60</u>	<u>\$ 2,100</u>

Included in Rebates in the table above are cooperative advertising credits due to customers of approximately \$40 million and \$36 million as of March 31, 2025 and January 1, 2025, respectively, which are reflected as a reduction of Trade receivables, net in the Condensed Consolidated Balance Sheets. Included as a reduction of current period provisions for Distribution Fees in the table above are price appreciation credits of approximately \$2 million for the three months ended March 31, 2025.

Contract Assets and Contract Liabilities

There are no contract assets for any period presented. Contract liabilities consist of deferred revenue, the balance of which is not material to any period presented.

Allowance for Credit Losses

An allowance is maintained for potential credit losses. The Company estimates the current expected credit loss on its receivables based on various factors, including historical credit loss experience, customer credit worthiness, value of collateral (if any), and any relevant current and reasonably supportable future economic factors. Additionally, the Company generally estimates the expected credit loss on a pooled basis when customers are deemed to have similar risk characteristics. Trade receivable balances are written off against the allowance when it is deemed probable that the trade receivable will not be collected. Trade receivables, net are stated net of certain sales provisions and the allowance for credit losses. The activity in the allowance for credit losses for trade receivables for the three months ended March 31, 2026 and 2025 is as follows:

<i>(in millions)</i>	2026	2025
Balance, beginning of period	\$ 31	\$ 30
Provision for expected credit losses	2	(1)
Write-offs charged against the allowance	—	—
Foreign exchange and other	—	—
Balance, end of period	<u>\$ 33</u>	<u>\$ 29</u>

LICENSING AGREEMENTS AND ACQUISITIONS

Licensing Agreements

In the normal course of business, the Company may enter into select licensing and collaborative agreements for the commercialization and/or development of unique products. These products are sometimes investigational treatments in early stage development that target unique conditions. The ultimate outcome, including whether the product will be: (i) fully developed, (ii) approved by regulatory agencies, (iii) covered by third-party payors or (iv) profitable for distribution, is highly uncertain. The commitment periods under these agreements vary and include customary termination provisions. Expenses arising from commitments, if any, to fund the development and testing of these products and their promotion are recognized as incurred. Royalties due are recognized when earned and milestone payments are accrued when each milestone has been achieved and payment is probable and can be reasonably estimated.

2025 Acquisitions

Acquisition of Wuhan Shibo Zhenmei Technology Co., Ltd.

During December 2025, the Company completed the acquisition of Wuhan Shibo Zhenmei Technology Co., Ltd. (“Shibo Zhenmei”), consisting of the aesthetics distribution business of its full-service distributor in China, the Shibo Group (the “Shibo Zhenmei Acquisition”). Through this transaction, the Company assumed full responsibility for the distribution of Solta Medical’s entire product portfolio, including Thermage® FLX as well as other aesthetic devices, within the Chinese market.

The Shibo Zhenmei Acquisition was accounted for as a business combination under the acquisition method of accounting. The total estimated aggregate acquisition consideration was approximately \$87 million.

<i>(in millions)</i>	2025
Cash consideration paid	\$ 84
Estimated fair value of contingent consideration	3
Aggregate purchase consideration	<u>\$ 87</u>

The acquisition includes potential future payments to the sellers contingent upon the achievement of specified post-acquisition performance conditions and the continued employment of designated key personnel. These contingent payments may total up to approximately \$17 million in the aggregate. Performance-based milestone payments are linked to the acquired business’s future net sales levels over defined periods, with amounts payable on either an all-or-partial achievement basis. Retention-based payments are tied to the continued employment of certain key employees through agreed-upon dates and are recognized as compensation expense over the applicable service period. The fair value of the contingent consideration associated with the performance-based milestone which was recognized as of the acquisition date was \$3 million, which was recorded as a non-current liability. This valuation was determined using Level 3 inputs, including probability-weighted assessments of expected outcomes and a risk-adjusted discount rate (see Note 6, “FAIR VALUE MEASUREMENTS”).

The preliminary allocation of purchase price based on estimated fair values is as follows:

<i>(in millions)</i>	2025
Trade receivables	\$ 3
Other current assets	1
Intangible assets	43
Inventories	34
Other liabilities	(16)
Total identifiable net assets	65
Goodwill	22
Total fair value of consideration transferred	<u>\$ 87</u>

The assets acquired and liabilities assumed are included within the Solta Medical Segment. Goodwill associated with this acquisition is not deductible for income tax purposes. In connection with the acquisition of Shibo Zhenmei, the Company reacquired inventory that it had previously sold to Shibo Zhenmei and has subsequently sold such inventory.

The fair value of the identifiable intangible assets is determined primarily using the “income approach,” which requires a forecast of the expected future cash flows (including revenue growth rates, cost of goods sold, operating expenses and discount rates). Customer relationships and other intangible assets related to the Shibo Zhenmei Acquisition have an estimated useful life of 15 months.

The valuation of the assets acquired and liabilities assumed as part of this acquisition, has not been finalized as of March 31, 2026. The areas that could be subject to change primarily relate to the valuation of certain identifiable assets. The Company will finalize these amounts no later than one year from the

acquisition date.

Acquisition of DURECT Corporation

In September 2025, the Company acquired DURECT Corporation for total consideration of \$84 million, including \$64 million in cash, \$11 million in assumed liabilities and \$9 million in transaction costs. The agreement also includes potential future sales-based milestone payments of up to \$350 million, subject to certain adjustments.

The transaction was accounted for as an asset acquisition under ASC 805, Business Combinations, as substantially all of the value was attributed to a single in-process research and development (“IPR&D”) asset related to Larsucoesterol, a drug candidate for alcohol-associated hepatitis. Clinical testing for Larsucoesterol is ongoing and the drug candidate has not yet received regulatory approval from the U.S. Food and Drug Administration (“FDA”). Accordingly, \$81 million of consideration was allocated to Acquired IPR&D and expensed in accordance with ASC 730, Research and Development, with the remaining \$3 million of consideration allocated to other assets. The expense was recorded in Other expense, net in the Condensed Consolidated Statements of Operations.

Acquisition of Manufacturing Equipment

During December 2025, Bausch + Lomb, through its affiliates, completed a transaction to acquire certain manufacturing equipment, other assets and the assumption of a manufacturing facility lease in Mexico for an upfront cash payment of approximately \$75 million and potential future milestone payments of up to \$35 million.

This acquisition has been accounted for as a business combination under the acquisition method of accounting. The following table summarizes the estimated fair values of the assets acquired and liabilities assumed, as of the acquisition date:

(in millions)

Property, plant and equipment, net	\$	7
Intangible assets, net		1
Total identifiable assets		8
Goodwill		67
Total fair value of consideration transferred	\$	75

The assets acquired and liabilities assumed are included within Bausch + Lomb’s Surgical business. Goodwill associated with this acquisition represents potential future synergies and is deductible for income tax purposes.

The valuation of the assets acquired and liabilities assumed, as part of this acquisition, has not been finalized as of March 31, 2026. Bausch + Lomb will finalize these amounts no later than one year from the acquisition date.

Revenues and operating results associated with this acquisition during the period from December 9, 2025 through December 31, 2025 were not material. Pro forma revenues and operating results for the years 2025 and 2024 were not material.

Other Bausch + Lomb Acquisitions

During November 2025, Bausch + Lomb completed two acquisitions which were accounted for as business combinations under the acquisition method of accounting. The aggregate cash consideration of approximately \$33 million was allocated to the assets acquired and liabilities assumed and included \$30 million of goodwill, in the aggregate.

Acquisition of Whitecap Biosciences

During January 2025, Bausch + Lomb, through an affiliate, acquired Whitecap Biosciences, LLC (“Whitecap Biosciences”) for an upfront payment of approximately \$28 million and potential future milestone and royalty payments. The acquisition is expected to expand Bausch + Lomb’s clinical-stage pipeline as Whitecap Biosciences is currently developing two innovative therapies for potential use in glaucoma and geographic atrophy. Bausch + Lomb accounted for the transaction as an asset acquisition and expensed the upfront payment of approximately \$28 million as acquired IPR&D costs, as included within Other expense, net on the Condensed Consolidated Statements of Operations.

RESTRUCTURING, INTEGRATION AND SEPARATION COSTS

Restructuring and Integration Costs

The Company evaluates opportunities to improve its operating results and implement cost savings programs to streamline its operations and eliminate redundant processes and expenses. Restructuring and integration costs are expenses associated with the implementation of these cost savings programs and include expenses associated with: (i) reducing headcount, (ii) eliminating real estate costs associated with unused or under-utilized facilities and (iii) implementing contribution margin improvement and other cost reduction initiatives.

The Company incurred \$13 million and \$1 million of restructuring and integration costs during the three months ended March 31, 2026 and 2025, respectively, which primarily consist of employee severance costs.

Separation Costs and Separation-related Costs

The Company has incurred, and will incur, costs associated with activities relating to the B+L Separation. These B+L Separation activities include separating the Bausch + Lomb business from the remainder of the Company. Separation costs are incremental costs directly related to the B+L Separation and include, but are not limited to legal, audit and advisory fees. Separation costs included in Restructuring, integration and separation costs for the three months ended March 31, 2026 and 2025 were not material.

The Company has incurred, and expects to continue to incur, incremental costs with respect to the B+L Separation. These separation-related costs include, but are not limited to rebranding costs, advisory fees and costs associated with facility relocation and/or modification. Included in Selling, general and administrative expenses for the three months ended March 31, 2026 and 2025 are separation-related costs of \$1 million and \$5 million, respectively.

The extent and timing of future charges of these costs to complete the B+L Separation cannot be reasonably estimated at this time and could be material.

FAIR VALUE MEASUREMENTS

Fair value measurements are estimated based on valuation techniques and inputs categorized as follows:

- Level 1 — Quoted prices in active markets for identical assets or liabilities;
- Level 2 — Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities; and
- Level 3 — Unobservable inputs that are supported by little or no market activity and that are financial instruments whose values are determined using discounted cash flow methodologies, pricing models, or similar techniques, as well as instruments for which the determination of fair value requires significant judgment or estimation.

If the inputs used to measure the financial assets and liabilities fall within more than one level described above, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The following fair value hierarchy table presents the components and classification of the Company's financial assets and liabilities measured at fair value on a recurring basis:

<i>(in millions)</i>	March 31, 2026				December 31, 2025			
	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3
Assets:								
Cash equivalents	\$ 589	\$ 567	\$ 22	\$ —	\$ 587	\$ 574	\$ 13	\$ —
Restricted cash	\$ 13	\$ 13	\$ —	\$ —	\$ 16	\$ 16	\$ —	\$ —
Cross-currency swaps	\$ 2	\$ —	\$ 2	\$ —	\$ 5	\$ —	\$ 5	\$ —
Foreign currency exchange contracts	\$ 1	\$ —	\$ 1	\$ —	\$ 1	\$ —	\$ 1	\$ —
Liabilities:								
Acquisition-related contingent consideration	\$ 293	\$ —	\$ —	\$ 293	\$ 292	\$ —	\$ —	\$ 292
Cross-currency swaps	\$ 138	\$ —	\$ 138	\$ —	\$ 158	\$ —	\$ 158	\$ —
Foreign currency exchange contracts	\$ 4	\$ —	\$ 4	\$ —	\$ 5	\$ —	\$ 5	\$ —

Cash equivalents consist of highly liquid investments, primarily money market funds, with maturities of three months or less when purchased, and are reflected in the Condensed Consolidated Balance Sheets at carrying value, which approximates fair value due to their short-term nature. Cash, cash equivalents and restricted cash as presented in the Condensed Consolidated Balance Sheet as of March 31, 2026 includes \$279 million of cash, cash equivalents and restricted cash held by legal entities of Bausch + Lomb. Cash held by Bausch + Lomb legal entities and any future cash from the operating, investing and financing activities of Bausch + Lomb is expected to be retained by Bausch + Lomb entities and is generally not available to support the operations, investing and financing activities of other legal entities, including Bausch Health unless paid as a dividend which would be determined by the Board of Directors of Bausch + Lomb and paid pro rata to Bausch + Lomb's shareholders.

There were no transfers into or out of Level 3 assets or liabilities during the three months ended March 31, 2026.

Cross-currency Swaps

Bausch + Lomb enters into cross-currency swaps to mitigate fluctuation in the value of a portion of its euro-denominated net investment in its consolidated financial statements from fluctuation in exchange rates. The euro-denominated net investment being hedged is Bausch + Lomb's investment in certain Bausch + Lomb euro-denominated subsidiaries. As of March 31, 2026, these swaps had an aggregate notional value of \$1,000 million.

The assets and liabilities associated with Bausch + Lomb's cross-currency swaps as included in the Condensed Consolidated Balance Sheets as of March 31, 2026 and December 31, 2025 are as follows:

<i>(in millions)</i>	March 31, 2026	December 31, 2025
Other non-current liabilities	\$ (138)	\$ (158)
Prepaid expenses and other current assets	\$ 2	\$ 5
Net fair value	\$ (136)	\$ (153)

The following table presents the effect of hedging instruments on the Condensed Consolidated Statements of Comprehensive (loss) income and the Condensed Consolidated Statements of Operations for the three months ended March 31, 2026 and 2025:

<i>(in millions)</i>	Three Months Ended March 31,	
	2026	2025
Gain (loss) recognized in Other comprehensive (loss) income	\$ 20	\$ (36)
Gain excluded from assessment of hedge effectiveness	\$ 3	\$ 3
Location of gain of excluded component	Interest Expense	

No portion of the cross-currency swaps were ineffective for the three months ended March 31, 2026 and 2025. During the three months ended March 31, 2026 and 2025, the Company received \$5 million and \$6 million, respectively, in interest settlements, which are reported as investing activities in the Condensed Consolidated Statements of Cash Flows.

Foreign Currency Exchange Contracts

The Company's foreign currency exchange contracts are remeasured at each reporting date to reflect changes in their fair values determined using forward rates, which are observable market inputs, multiplied by the notional amount. The Company's foreign currency exchange contracts are economically hedging the foreign exchange exposure on certain of the Company's intercompany balances. As of March 31, 2026, the Company's outstanding foreign currency exchange contracts had an aggregate notional amount of \$482 million.

The assets and liabilities associated with the Company's foreign exchange contracts as included in the Condensed Consolidated Balance Sheets as of March 31, 2026 and December 31, 2025 are as follows:

<i>(in millions)</i>	March 31,	December 31,
	2026	2025
Accrued and other current liabilities	\$ (4)	\$ (5)
Prepaid expenses and other current assets	\$ 1	\$ 1
Net fair value	\$ (3)	\$ (4)

The following table presents the effect of the Company's foreign exchange contracts on the Condensed Consolidated Statements of Operations and the Condensed Consolidated Statements of Cash Flows for the three months ended March 31, 2026 and 2025:

<i>(in millions)</i>	Three Months Ended March 31,	
	2026	2025
Gain (loss) related to changes in fair value	\$ 1	\$ (5)
Loss related to settlements	\$ (5)	\$ (2)

Acquisition-related Contingent Consideration Obligations

The fair value measurement of contingent consideration obligations arising from business combinations is determined via a probability-weighted discounted cash flow analysis, using unobservable (Level 3) inputs. These inputs may include: (i) the estimated amount and timing of projected cash flows, (ii) the probability of the achievement of the factor(s) on which the contingency is based and (iii) the risk-adjusted discount rate used to present value the probability-weighted cash flows. Significant increases or decreases in any of those inputs in isolation could result in a significantly higher or lower fair value measurement. At March 31, 2026, the fair value measurements of acquisition-related contingent consideration were determined using risk-adjusted discount rates ranging from 6% to 27%, and a weighted average risk-adjusted discount rate of 8%. The weighted average risk-adjusted discount rate was calculated by weighting each contract's relative fair value at March 31, 2026.

The following table presents a reconciliation of contingent consideration obligations measured on a recurring basis using significant unobservable inputs (Level 3) for the three months ended March 31, 2026 and 2025:

<i>(in millions)</i>	March 31,	
	2026	2025
Balance, beginning of period	\$ 292	\$ 359
Adjustments to Acquisition-related contingent consideration:		
Accretion for the time value of money	\$ 6	\$ 8
Fair value adjustments due to changes in estimates of future payments	6	(19)
Acquisition-related contingent consideration (Note 4)	12	(11)
Payments/Settlements	(11)	(9)
Balance, end of period	293	339
Current portion included in Accrued and other current liabilities	80	57
Non-current portion included in Other non-current liabilities	<u>\$ 213</u>	<u>\$ 282</u>

Fair Value of Long-term Debt

The fair value of long-term debt as of March 31, 2026 and December 31, 2025 was \$19,275 million and \$19,626 million, respectively, and was estimated using the quoted market prices for the same or similar debt issuances (Level 2).

INVENTORIES

Inventories, net consist of:

<i>(in millions)</i>	March 31, 2026	December 31, 2025
Raw materials	\$ 557	\$ 564
Work in process	98	102
Finished goods	946	963
	<u>\$ 1,601</u>	<u>\$ 1,629</u>

INTANGIBLE ASSETS AND GOODWILL

Intangible Assets

The major components of intangible assets consist of:

<i>(in millions)</i>	March 31, 2026			December 31, 2025		
	Gross Carrying Amount	Accumulated Amortization and Impairments	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization and Impairments	Net Carrying Amount
Finite-lived intangible assets:						
Product brands	\$ 22,475	\$ (20,131)	\$ 2,344	\$ 22,534	\$ (19,981)	\$ 2,553
Corporate brands	1,001	(807)	194	1,003	(789)	214
Product rights/patents	3,268	(3,251)	17	3,271	(3,253)	18
Partner relationships, technology and other	439	(388)	51	445	(385)	60
Total finite-lived intangible assets	27,183	(24,577)	2,606	27,253	(24,408)	2,845
Acquired IPR&D	100	—	100	100	—	100
B&L Trademark	1,698	—	1,698	1,698	—	1,698
	<u>\$ 28,981</u>	<u>\$ (24,577)</u>	<u>\$ 4,404</u>	<u>\$ 29,051</u>	<u>\$ (24,408)</u>	<u>\$ 4,643</u>

Long-lived assets with finite lives are tested for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. Impairment charges associated with these assets are included in Asset impairments in the Condensed Consolidated Statements of Operations. The Company continues to monitor the recoverability of its finite-lived intangible assets and tests the intangible assets for impairment if indicators of impairment are present. The Company estimates the fair values of long-lived assets with finite lives using an undiscounted cash flow model which utilizes

Level 3 unobservable inputs. The undiscounted cash flow model relies on assumptions regarding revenue growth rates, gross profit, selling, general and administrative expenses and research and development expenses.

Xifaxan® intangible assets included in the unaudited Condensed Consolidated Balance Sheets had a carrying value of \$943 million and an estimated remaining useful life of 21 months as of March 31, 2026. The Company has filed lawsuits against third-party generic manufacturers that have sent the Company Notices of Paragraph IV Certification for Xifaxan®. See “Xifaxan® Paragraph IV Proceedings” of Note 17, “LEGAL PROCEEDINGS”.

It is possible that the Xifaxan® Generics Litigation and other potential future developments: (i) may adversely impact the estimated future cash flows associated with these products, which could result in an impairment of the value of these intangible assets in one or more future periods and (ii) may result in shortened useful lives of the Xifaxan® intangible assets, which would increase amortization expense in future periods. Any such impairment or shortening of the useful lives of Xifaxan® could be material to the results of operations of the Company in the period or periods in which they were to occur.

Estimated amortization expense of finite-lived intangible assets for the remainder of 2026 and each of the five succeeding years ending December 31 and thereafter is as follows:

<i>(in millions)</i>	Remainder of 2026	2027	2028	2029	2030	2031	Thereafter	Total
Amortization	\$ 674	\$ 847	\$ 245	\$ 229	\$ 224	\$ 215	\$ 172	\$ 2,606

Goodwill

The changes in the carrying amounts of goodwill during the three months ended March 31, 2026 and the year ended December 31, 2025 were as follows:

<i>(in millions)</i>	Salix	International	Solta Medical	Diversified	Bausch + Lomb	Total
Balance, January 1, 2025	\$ 3,159	\$ 792	\$ 115	\$ 1,759	\$ 5,262	\$ 11,087
Additions	—	—	22	—	97	119
Impairment	—	—	—	(145)	—	(145)
Goodwill reclassified to assets held for sale	—	(4)	—	—	—	(4)
Foreign exchange and other	—	109	—	(33)	138	214
Balance, December 31, 2025	3,159	897	137	1,581	5,497	11,271
Additions	—	—	—	—	—	—
Impairment	(1,426)	—	—	—	—	(1,426)
Foreign exchange and other	—	(17)	—	—	(21)	(38)
Balance, March 31, 2026	\$ 1,733	\$ 880	\$ 137	\$ 1,581	\$ 5,476	\$ 9,807

Goodwill is not amortized but is tested for impairment at least annually on October 1st at the reporting unit level. A reporting unit is the same as, or one level below, an operating segment. The Company performs its annual impairment test by first assessing qualitative factors. Where the qualitative assessment suggests that it is more likely than not that the fair value of a reporting unit is less than its carrying amount, a quantitative fair value test is performed for that reporting unit (Step 1).

June 30, 2025 Interim Assessment

As part of its interim goodwill impairment assessment, the Company considered among other matters, the decline in the market capitalization of Bausch + Lomb during the period October 1, 2024 (the last time goodwill was tested for all reporting units) through June 30, 2025. The length and lack of recovery from this decline in market capitalization, in comparison to the performance of the overall equity markets was sufficient to suggest that the decline in market capitalization could be an indicator that the fair value of a reporting unit or units of its Bausch + Lomb segment could be less than their carrying amounts.

The quantitative fair value tests utilized Bausch + Lomb’s most recent cash flow projections for each of its reporting units which reflected current market conditions and current trends in business performance. The quantitative assessment utilized a long-term growth rate of 3.0% and discount rates ranging from 10.00% to 11.50%, in estimation of the fair value of the reporting units. After completing the testing, the fair value of each of these reporting units exceeded its carrying value by more than 25%, and, therefore, there was no impairment to goodwill.

2025 Annual Impairment Test

The Company performed its annual goodwill impairment test as of October 1, 2025. Given the current market conditions and

trends in business performance of the Salix, Neuroscience and Generics reporting units and there being limited or no headroom resulting from the previous quantitative assessments for these reporting units, the Company elected to perform separate quantitative fair value tests for each of these reporting units. For the Company's remaining reporting units, the Company conducted its annual goodwill impairment test as of October 1, 2025, by first assessing qualitative factors. Based on its qualitative assessment as of October 1, 2025, management believed that it was more likely than not that the carrying amounts of its remaining reporting units were less than their respective fair values and therefore concluded that a quantitative fair value test for the remaining reporting units was not required.

Salix

The quantitative fair value test for the Salix reporting unit utilized the most recent cash flow projections for the reporting unit as revised in the fourth quarter of 2025 to reflect current market conditions and current trends in business performance. The quantitative assessment utilized a long-term growth rate of 2.50% and a discount rate of 9.75% in the estimation of the reporting unit's fair value. After completing the testing, the fair value of the Salix reporting unit exceeded its carrying value and therefore, there was no impairment to goodwill. As of December 31, 2025, the Salix reporting unit had remaining goodwill of \$3,159 million.

Neuroscience

The quantitative fair value test for the Neuroscience reporting unit utilized the most recent cash flow projections for the reporting unit as revised in the fourth quarter of 2025 to reflect current market conditions and current trends in business performance. The quantitative assessment utilized a long-term growth rate of -2.50% and a discount rate of 9.75% in the estimation of the reporting unit's fair value. After completing the testing, the fair value of the Neuroscience reporting unit exceeded its carrying value by approximately 100%, and therefore, there was no impairment to goodwill. As of December 31, 2025, the Neuroscience reporting unit had remaining goodwill of \$1,170 million.

Generics

The quantitative fair value test for the Generics reporting unit utilized the most recent cash flow projections for the reporting unit as revised in the fourth quarter of 2025 to reflect shifting market dynamics which led to increased competition within the generic pharmaceuticals market, affecting both pricing and potential market share. The Company expects these dynamics to intensify in the future and therefore revised its long-term forecasts, including for the sale of Company-branded products upon loss of exclusivity, to reflect these developments. The quantitative assessment utilized a discount rate of 8.75% in the estimation of the reporting unit's fair value. Based on the quantitative fair value test, the carrying value of the Generics reporting unit exceeded its fair value as of October 1, 2025, and the Company recognized a goodwill impairment of \$145 million. As of December 31, 2025, the Generics reporting unit had remaining goodwill of \$82 million.

December 31, 2025

During the period October 1, 2025 through December 31, 2025, the Company continued to monitor the market conditions and trends in business performance for all its reporting units and determined that no events occurred, or circumstances changed that would indicate that the fair value of any reporting unit might be below its carrying value.

2026 Interim Assessment

Salix

In January 2026, the Company received the results for the double-blind Phase 3 clinical trials for two global RED-C clinical programs evaluating its rifaximin soluble solid dispersion formulation, designed to prevent overt hepatic encephalopathy and related complications in patients with early-stage liver cirrhosis. While safe and well-tolerated, both clinical trials failed to achieve their primary endpoints. The Company performed a quantitative goodwill analysis for the Salix reporting unit using revised forecasts, an updated discount rate of 9.50%, and a new long-term growth rate that reflect the impact of the Phase 3 clinical trial results. Based on the quantitative fair value test, the carrying value of the Salix reporting unit exceeded its fair value as of January 22, 2026, and the Company recognized a goodwill impairment of \$1,426 million. As of March 31, 2026, the Salix reporting unit had remaining goodwill of \$1,733 million.

During the three months ended March 31, 2026, no other events occurred, or circumstances changed that would indicate that the fair value of any of the Company's reporting units, other than the Salix reporting unit might be below its carrying value. However, if market conditions deteriorate, or if the Company is unable to execute its strategies, it may be necessary to record impairment charges in the future, and any such charges could be material.

Accumulated goodwill impairment charges through March 31, 2026 were \$7,068 million.

ACCRUED AND OTHER CURRENT LIABILITIES

Accrued and other current liabilities consist of:

<i>(in millions)</i>	March 31, 2026	December 31, 2025
Product rebates	\$ 1,117	\$ 1,321
Interest	368	253
Product returns	352	348
Employee compensation and benefit costs	304	385
Income taxes payable	48	38
Legal matters and related fees	28	178
Other	820	821
	<u>\$ 3,037</u>	<u>\$ 3,344</u>

FINANCING ARRANGEMENTS

Principal amounts of debt obligations and principal amounts of debt obligations net of premiums, discounts and issuance costs consist of the following:

(in millions)	Maturity	March 31, 2026		December 31, 2025	
		Principal Amount	Net of Premiums, Discounts and Issuance Costs	Principal Amount	Net of Premiums, Discounts and Issuance Costs
Senior Secured Credit Facilities:					
<i>2025 Credit Agreement</i>					
2030 Revolving Credit Facility	April 2030	\$ —	\$ —	\$ —	\$ —
2030 Term Loan B Facility	October 2030	2,977	2,868	2,985	2,869
<i>B+L Credit Facilities</i>					
B+L September 2028 Term Loan B Facility	September 2028	—	—	489	483
B+L 2030 Revolving Credit Facility	June 2030	100	100	100	100
B+L January 2031 Term Loan B Facility	January 2031	—	—	2,313	2,286
B+L January 2031 Refinancing Term Facility	January 2031	2,802	2,772	—	—
Senior Secured Notes:					
4.875% Secured Notes	June 2028	803	799	803	799
11.00% First Lien Secured Notes	September 2028	888	1,111	888	1,155
14.00% Second Lien Secured Notes	October 2030	352	578	352	578
10.00% Secured Notes	April 2032	6,000	6,284	6,000	6,284
B+L Senior Secured Notes:					
B+L 8.375% Secured Notes	October 2028	1,400	1,388	1,400	1,387
B+L January 2031 Secured Notes	January 2031	780	769	792	781
Senior Unsecured Notes:					
8.50%	January 2027	643	643	643	643
7.00%	January 2028	171	171	171	171
5.00%	January 2028	433	432	433	432
6.25%	February 2029	821	817	821	817
5.00%	February 2029	452	450	452	450
7.25%	May 2029	336	335	336	335
5.25%	January 2030	779	775	779	775
5.25%	February 2031	463	460	463	460
Other	Various	12	12	12	12
Total long-term debt and other		<u>\$ 20,212</u>	<u>20,764</u>	<u>\$ 20,232</u>	<u>20,817</u>
Less: Current portion of long-term debt and other			889		225
Non-current portion of long-term debt			<u>\$ 19,875</u>		<u>\$ 20,592</u>

Covenant Compliance

The 2025 Senior Secured Credit Facilities (as defined below), the B+L Senior Secured Credit Facilities (as defined below), the indentures that govern the Existing Senior Secured Notes (as defined below), the indenture that governs the 2032 Senior Secured Notes (as defined below) (collectively with the Existing Senior Secured Notes, the “Senior Secured Notes”), the indentures that govern the B+L Senior Secured Notes (as defined below), and the indentures that govern the Senior Unsecured Notes (as defined below) contain (or contained) customary affirmative and negative covenants and specified events of default. These affirmative and negative covenants include (or included), among other things, and subject to certain qualifications and exceptions, covenants that restrict the Company’s ability and the ability of certain of its subsidiaries to: incur or guarantee additional indebtedness; create or permit liens on assets; pay dividends on capital stock or redeem, repurchase or retire capital stock or indebtedness; make certain investments and other restricted payments; engage in mergers, acquisitions, consolidations and amalgamations; transfer and sell certain assets; and engage in transactions with affiliates. The 2030 Revolving Credit Facility (as defined below) contains financial covenants.

As of March 31, 2026, the Company was in compliance with its covenants related to its debt obligations. The Company, based on its current forecast for the next twelve months from the date of issuance of these financial statements, expects to remain in compliance with its financial maintenance covenants and meet its debt service obligations over that same period.

April 2025 Refinancing Transactions

On April 8, 2025, the Company closed a series of transactions whereby an indirect wholly-owned subsidiary of the Company, 1261229 B.C. Ltd., a company incorporated under the laws of British Columbia, Canada (“126NumberCo”): (i) entered into a credit agreement which provides for new senior secured credit facilities (the “2025 Credit Agreement”) consisting of a five-year senior secured revolving credit facility in an amount of \$500 million due April 8, 2030 (the “2030 Revolving Credit Facility”) and a \$3,000 million 5.5-year senior secured term loan B facility due October 8, 2030 (the “2030 Term Loan B Facility”, and together with the 2030 Revolving Credit Facility, the “2025 Senior Secured Credit Facilities”) and (ii) issued \$4,400 million aggregate principal amount of 10.00% senior secured notes due April 15, 2032 (the “2032 Senior Secured Notes”) (the “April 2025 Refinancing Transactions”).

The proceeds from the April 2025 Refinancing Transactions were used: (i) to repay in full and terminate the February 2027 Term Loan B Facility (as defined below), (ii) to redeem certain of the Company’s senior notes issued prior to 2025 (the “Existing Senior Notes”) and all 9.00% Intermediate Holdco Secured Notes (as defined below) listed in the table below (collectively, the “Redeemed Notes”), (iii) to pay related fees, premiums and expenses and (iv) for general corporate purposes.

The aggregate principal amounts of the February 2027 Term Loan B Facility repaid in full and terminated and the Redeemed Notes redeemed in connection with the April 2025 Refinancing Transactions are set forth below:

<i>(in millions)</i>	Principal Amount
February 2027 Term Loan B Facility	\$ 2,156
5.50% Senior Secured Notes due 2025	1,680
6.125% Senior Secured Notes due 2027	1,000
5.75% Senior Secured Notes due 2027	500
9.00% Intermediate Holdco Secured Notes due 2028	999
9.00% Senior Unsecured Notes due 2025	535
Total	\$ 6,870

December 2025 Exchange

In December 2025, the Company and 126NumberCo completed offers to exchange (the “December 2025 Exchange”) \$797 million aggregate principal amount of 4.875% Senior Secured Notes due in 2028 (the “June 2028 Senior Secured Notes”) and \$886 million aggregate principal amount of 11.00% First Lien Secured Notes due in 2028 (the “11.00% First Lien Secured Notes”) (collectively, the “Exchanged December 2025 Notes”), for \$1,600 million in aggregate principal amount of new 10.00% Senior Secured Notes due April 2032, which form a single series with the 2032 Senior Secured Notes issued in April 2025. In connection with the December 2025 Exchange, 26,495,472 common shares of Bausch + Lomb were transferred to 126NumberCo, which owns, in the aggregate, 211,963,893 common shares of Bausch + Lomb following such transfer. 126NumberCo is a non-guarantor restricted subsidiary under the indentures that govern the Company’s senior notes issued prior to 2025 (the “Existing Senior Notes”).

The Company performed an assessment of the December 2025 Exchange and determined that it did not meet the criteria to be accounted for as a troubled debt restructuring under ASC 470-60. The December 2025 Exchange was accounted for as a modification of debt, and accordingly the unamortized premium associated with the exchanged 11.00% First Lien Secured Notes will now be amortized over the remaining term of the newly issued 2032 Senior Secured Notes.

Credit Facilities

2022 Senior Secured Credit Facilities

On June 1, 2018, the Company and certain of its subsidiaries as guarantors entered into a Restatement Agreement to amend its then existing credit agreement pursuant to the Fourth Amended & Restated Credit and Guaranty Agreement, as further amended by the First Incremental Amendment to the Fourth Amended & Restated Credit and Guaranty Agreement, dated as of November 27, 2018.

On May 10, 2022, the Company and certain of its subsidiaries as guarantors entered into a Second Amendment to the Fourth Amended & Restated Credit and Guaranty Agreement (the “2022 Amended Credit Agreement”). The 2022 Amended Credit

Agreement provided for a revolving credit facility of \$975 million (the “2027 Revolving Credit Facility”) and term loan facilities of original principal amounts of \$2,500 million (the “February 2027 Term Loan B Facility”) and together with the 2027 Revolving Credit Facility, the “Existing Senior Secured Credit Facilities”).

During April 2025, the February 2027 Term Loan B Facility was repaid in full, and the Existing Senior Secured Credit Facilities were terminated, in connection with the April 2025 Refinancing Transactions as described above.

The termination of the 2022 Amended Credit Agreement was accounted for as a modification of debt, to the extent the Existing Senior Secured Credit Facilities were replaced with newly issued debt to the same creditor and the present value of the cash flows of the new debt did not exceed 10% when compared to the original debt terms, and as an extinguishment of debt if: (i) the Existing Senior Secured Credit Facilities were replaced with newly issued debt to a different creditor or in the case of newly issued debt to the same creditor and the present value of the cash flows of the new debt exceeds 10% when compared to the original debt terms or (ii) the borrowing capacity declined when issuing the 2030 Revolving Credit Facility.

2025 Senior Secured Credit Facilities

Loans under the 2025 Credit Agreement are: (i) secured, subject to customary limitations, by a first priority lien on substantially all of the assets of 126NumberCo, including a pledge of 211,963,893 common shares of Bausch + Lomb owned by 126NumberCo (the “Bausch + Lomb Share Collateral”) and (ii) jointly and severally guaranteed by (x) the Company and subsidiaries of the Company that guaranteed the Existing Senior Secured Credit Facilities (the “BHC Existing Credit Agreement Guarantors”), with such guarantees secured by the assets of such guarantors, subject to customary limitations, by a first-priority lien that ranks pari passu with the liens securing the Existing Senior Secured Notes and the 2032 Senior Secured Notes and (y) certain subsidiaries that are not BHC Existing Credit Agreement Guarantors, including 1530065 B.C. Ltd. (“153NumberCo”) and each subsidiary of 153NumberCo other than Bausch + Lomb and its subsidiaries (the “NumberCo Loan Guarantors”, and together with the BHC Existing Credit Agreement Guarantors, the “Loan Guarantors”), with such guarantees secured by the assets of the NumberCo Loan Guarantors (including the Bausch + Lomb Share Collateral), subject to customary limitations, by a first-priority lien that ranks pari passu with the liens securing the 2032 Senior Secured Notes.

The 2030 Term Loan B Facility will mature on October 8, 2030. The amortization rate for the 2030 Term Loan B Facility is 1.00% per annum, or \$30 million, payable in quarterly installments beginning on September 30, 2025. 126NumberCo may direct that prepayments be applied to such amortization payments in order of maturity. Aggregate mandatory quarterly amortization payments for the 2030 Term Loan B Facility will be \$135 million through October 2030.

Borrowings under the 2030 Term Loan B Facility bear interest, with respect to U.S. dollar borrowings, based on 126NumberCo’s election of either (1) an alternate base rate equal to the highest of: (i) the prime rate then in effect, (ii) the greater of the Federal Funds Effective Rate and the overnight bank funding rate (each subject to a 0% floor), plus 0.500% and (iii) the Adjusted Term SOFR Rate (as defined in the 2025 Credit Agreement) for a one-month interest period, plus 1.000%, subject to a 1.000% floor, plus the Applicable Rate (as defined in the 2025 Credit Agreement) or (2) the Adjusted Term SOFR Rate for the applicable interest period, subject to a 0% floor, plus the Applicable Rate. The Applicable Rate in connection with a borrowing under the 2030 Term Loan B Facility is 5.25% per annum for alternate base rate borrowings and 6.25% per annum for Adjusted Term SOFR Rate borrowings.

The 2030 Revolving Credit Facility will mature on the earlier of April 8, 2030 and the date that is 91 calendar days prior to the scheduled maturity of indebtedness for borrowed money of the Company or 126NumberCo in an aggregate principal amount in excess of \$1,000 million. Borrowings under the 2030 Revolving Credit Facility can be made in U.S. dollars, Canadian dollars or euros. As of March 31, 2026, the Company had no outstanding borrowings and had \$31 million of issued and outstanding letters of credit on the 2030 Revolving Credit Facility.

Borrowings under the 2030 Revolving Credit Facility bear interest, with respect to U.S. dollar borrowings, based on 126NumberCo’s election of either (1) an alternate base rate equal to the highest of: (i) the prime rate then in effect, (ii) the greater of the Federal Funds Effective Rate and the overnight bank funding rate (each subject to a 0% floor), plus 0.500% and (iii) the Adjusted Term SOFR Rate for a one-month interest period (subject to a 0% floor) plus 1.000%, plus the Applicable Rate or (2) the Adjusted Term SOFR Rate for the applicable interest period (subject to a 0% floor), plus the Applicable Rate.

Borrowings under the 2030 Revolving Credit Facility bear interest, with respect to Canadian Dollar borrowings, based on 126NumberCo’s election of either (1) the Canadian Overnight Repo Rate Average (“Term CORRA”) plus 0.29547% for a one month interest period or 0.32138% for a three-month interest period (subject to a 0% floor), plus the Applicable Rate or (2) a rate equal to the highest of: (i) the Canadian prime rate then in effect and (ii) the annual rate of interest equal to the sum of the (x) Term CORRA rate plus 0.29547% and (y) 1.00% (each subject to a 1.00% floor), plus the Applicable Rate.

Borrowings under the 2030 Revolving Credit Facility bear interest, with respect to Euro borrowings, based on the Adjusted EURIBOR Screen Rate (as defined in the 2025 Credit Agreement), subject to a 0% floor, for any applicable interest period plus the Applicable Rate.

The Applicable Rate with respect to the 2030 Revolving Credit Facility in connection with alternate base rate borrowings, Canadian prime rate loans and swingline loans is 3.25% and in connection with Adjusted Term SOFR Rate, Adjusted EURIBOR Rate and Adjusted Term CORRA Rate (each as defined in the 2025 Credit Agreement) loans is 4.25%; provided that, in connection with any borrowing, the Applicable Rate is subject to two 0.250% step-downs subject to compliance with a Blended First Lien Leverage Ratio (as defined in the 2025 Credit Agreement) of equal to or less than 2.6:1.00 and equal to or less than 2.1:1.00, respectively. In addition, 126NumberCo is required to pay commitment fees of 0.50% per annum in respect of the unutilized commitments (but in the case of swingline loans, whether utilized or unutilized) under the 2030 Revolving Credit Facility, payable quarterly in arrears, subject to two 0.125% step-downs subject to compliance with a Blended First Lien Leverage Ratio of equal to or less than 2.6:1.00 and equal to or less than 2.1:1.00, respectively. 126NumberCo is also required to pay letter of credit fees on the maximum amount available to be drawn under all outstanding letters of credit in an amount equal to the Applicable Rate in connection with Adjusted Term SOFR Rate loans, Adjusted EURIBOR Rate loans and Adjusted Term CORRA Rate loans under the 2030 Revolving Credit Facility on a per annum basis, payable quarterly in arrears, as well as customary fronting fees (not to exceed 0.125% per annum) for the issuance of letters of credit and agency fees.

126NumberCo is permitted to voluntarily prepay outstanding loans under the 2030 Term Loan B Facility, in whole or in part, without premium or penalty subject to customary “breakage” costs. The 2030 Term Loan B Facility includes a 100% net cash proceeds sweep, on a pro rata basis with obligations under the 2032 Senior Secured Notes, in connection with (i) the receipt of net cash proceeds from the sale or disposition of Bausch + Lomb Share Collateral, (ii) the receipt of any dividends, distributions or other amounts on account of such Bausch + Lomb Share Collateral if such amounts received exceed \$50 million, (iii) incurrence of indebtedness that is not otherwise permitted, (iv) certain asset sales or other dispositions of any property of the Company or its restricted subsidiaries and certain casualty or condemnation events in each case, in excess of \$100 million in any fiscal year (subject to reinvestment rights and with any prepayments to be shared ratably with the 11.00% First Lien Secured Notes due September 2028, the 4.875% First Lien Secured Notes due June 2028 and the 2032 Senior Secured Notes) and (v) cash of 126NumberCo from payments under certain intercompany obligations after funding principal and interest payments (including for the subsequent six months) under the 2025 Credit Agreement and the 2032 Senior Secured Notes.

The 2025 Credit Agreement provided for an accordion feature that allowed 126NumberCo, prior to December 31, 2025, to incur incremental equivalent debt in an aggregate amount not to exceed \$1,600 million. The incurrence of such incremental term loan facilities or incremental equivalent debt was subject to certain conditions, including that a specified amount of Bausch + Lomb shares are added to the Bausch + Lomb Share Collateral based on the amount of such incremental term loan facilities or incremental equivalent debt incurred. Pursuant to the December 2025 Exchange described above, 126NumberCo issued \$1,600 million of such incremental equivalent debt in the form of new 2032 Senior Secured Notes. In addition, the Company, 126NumberCo and the guarantors are permitted to incur junior indebtedness in an amount such that after giving effect to the incurrence of any such debt, the Company would be in compliance, on a pro forma basis after giving effect to such incurrence of such indebtedness, with either a (i) Fixed Charge Coverage Ratio (as defined in the 2025 Credit Agreement) that is no less than 2.00 to 1.00 or (ii) Total Leverage Ratio (as defined in the 2025 Credit Agreement) that is no greater than 6.50 to 1.00, provided that, in each case, the terms of such junior indebtedness are not materially more favorable than the terms of the 2025 Senior Secured Credit Facilities, the weighted average life to maturity of such junior indebtedness is not shorter than the remaining weighted average life to maturity of any term loans outstanding, and the final maturity date of such junior indebtedness is no earlier than 91 days after the Latest Maturity Date (as defined in the 2025 Credit Agreement) then in effect.

The 2030 Revolving Credit Facility contains financial maintenance covenants that require the Company to maintain (1) a Blended First Lien Leverage Ratio of not greater than (i) 4.25:1.00, prior to the Covenant Step Up Date (as defined in the 2025 Credit Agreement) and (ii) 5.75:1.00 on and after such date and (2) minimum liquidity of not less than \$400 million on and after the Covenant Step Up Date.

Bausch + Lomb Senior Secured Credit Facilities and Notes

On May 10, 2022, Bausch + Lomb entered into a credit agreement (the “B+L Original Credit Agreement”), providing for a term loan of \$2,500 million (the “B+L May 2027 Term Loan B Facility”) and a revolving credit facility of \$500 million (the “B+L May 2027 Revolving Credit Facility”).

On September 29, 2023, Bausch + Lomb entered into an incremental term loan facility in the form of an incremental amendment (the “B+L September 2023 Credit Facility Amendment”) to the B+L Original Credit Agreement and consisted of borrowings of \$500 million in new term B loans with a five-year term to maturity (the “B+L September 2028 Term Loan B Facility”). In addition, on September 29, 2023, Bausch + Lomb also issued \$1,400 million aggregate principal amount of 8.375% Senior Secured Notes due October 2028 (the “B+L October 2028 Senior Secured Notes”).

On November 1, 2024, Bausch + Lomb entered into an additional incremental term loan facility secured on a pari passu basis with its existing B+L May 2027 Term Loan B Facility and B+L September 2028 Term Loan B Facility. This incremental term loan facility was entered into in the form of an incremental amendment (the “B+L November 2024 Credit Facility Amendment”) to the B+L Original Credit Agreement and consisted of borrowing \$400 million of new term loans with a maturity of May 2027 (the “B+L May 2027 Incremental Term Loan B Facility”).

On June 26, 2025, Bausch + Lomb entered into an incremental amendment to its credit agreement (the “B+L June 2025 Credit Facility Amendment”), which consisted of a new \$800 million revolving credit facility maturing June 26, 2030 (the “B+L 2030 Revolving Credit Facility”) and a new \$2,325 million term B loan facility maturing January 15, 2031 (the “B+L January 2031 Term Loan B Facility”). In addition, Bausch + Lomb’s subsidiaries, Bausch + Lomb Netherlands B.V. and Bausch & Lomb Incorporated, issued €675 million aggregate principal amount of Senior Secured Floating Rate Notes due January 2031 (the “B+L January 2031 Secured Notes”) and, together with the B+L October 2028 Senior Secured Notes, the “B+L Secured Notes”). The B+L January 2031 Secured Notes accrue interest at a rate per annum of: (i) three-month EURIBOR (subject to a 0% floor) plus (ii) 3.875%, reset quarterly, payable quarterly in arrears on January 15, April 15, July 15 and October 15 of each year, commencing on January 15, 2026. At March 31, 2026, the B+L January 2031 Secured Notes bore interest at 5.89% per annum.

The proceeds from the B+L January 2031 Secured Notes along with the proceeds of the B+L January 2031 Term Loan B Facility were used by Bausch + Lomb to: (i) repay in full borrowings under the B+L May 2027 Revolving Credit Facility, (ii) refinance, in full, its outstanding term loans due 2027 and (iii) pay related fees and expenses (these transactions together, the “B+L 2025 Refinancing Activity”).

In January 2026, Bausch + Lomb entered into a refinancing transaction amendment (the “Bausch + Lomb January 2026 Credit Facility Amendment”; the B+L Original Credit Agreement, as amended by the B+L September 2023 Credit Facility Amendment, the B+L November 2024 Credit Facility Amendment, the B+L June 2025 Credit Facility Amendment and the B+L January 2026 Credit Facility Amendment, the “B+L Amended Credit Agreement”) providing for a new \$2,802 million term loan facility maturing on January 15, 2031 (the “B+L January 2031 Refinancing Term Facility” or the “B+L Term Facilities”; the B+L Term Facilities, together with the B+L 2030 Revolving Credit Facility, the “B+L Senior Secured Credit Facilities”). The proceeds from the B+L January 2031 Refinancing Term Facility were used to refinance, in full, the B+L September 2028 Term Loan B Facility and the B+L January 2031 Term Loan B Facility.

The B+L Senior Secured Credit Facilities are secured by substantially all of the assets of Bausch + Lomb and its material, wholly-owned Canadian, U.S., Dutch and Irish subsidiaries, subject to certain exceptions. The B+L Term Facilities are denominated in U.S. dollars, and borrowings under the B+L 2030 Revolving Credit Facility may be made available in U.S. dollars, euros, pounds sterling and Canadian dollars. As of March 31, 2026, the principal amounts outstanding under the B+L January 2031 Refinancing Term Facility were \$2,802 million.

As of March 31, 2026, Bausch + Lomb had \$100 million of outstanding borrowings, \$32 million of issued and outstanding letters of credit and remaining availability, subject to certain customary conditions, of \$668 million under the B+L 2030 Revolving Credit Facility. The stated rate of interest for borrowings under the B+L 2030 Revolving Credit Facility as of March 31, 2026 ranges from 6.42% to 6.43% per annum.

Borrowings under the B+L 2030 Revolving Credit Facility in: (i) U.S. dollars bear interest at a rate per annum equal to, at Bausch + Lomb’s option, either: (a) a term SOFR-based rate or (b) a U.S. dollar base rate, (ii) Canadian dollars bear interest at a rate per annum equal to, at Bausch + Lomb’s option, either: (a) a term CORRA-based rate or (b) a Canadian dollar prime rate, (iii) euros bear interest at a rate per annum equal to EURIBOR and (iv) pounds sterling bear interest at a rate per annum equal to SONIA, in each case, plus an applicable margin. The applicable interest rate margins for borrowings under the B+L 2030 Revolving Credit Facility are between 0.75% to 1.75% with respect to U.S. dollar base rate or Canadian dollar prime rate borrowings and between 1.75% to 2.75% with respect to SOFR, CORRA, EURIBOR or SONIA borrowings based on Bausch + Lomb’s total net leverage ratio. In addition, Bausch + Lomb is required to pay commitment fees of 0.25% per annum in respect of the unutilized commitments under the B+L 2030 Revolving Credit Facility, payable quarterly in arrears. Bausch + Lomb is also required to pay letter of credit fees on the maximum amount available to be drawn under all outstanding letters of credit in an amount equal to the applicable margin on SOFR borrowings under the B+L 2030 Revolving Credit Facility on a per annum basis, payable quarterly in arrears, as well as customary fronting fees for the issuance of letters of credit and agency fees.

Borrowings under the B+L January 2031 Refinancing Term Facility bear interest at a rate per annum equal to, at the option of B+L, either: (i) a term SOFR-based rate, plus an applicable margin of 3.75%, or (ii) a U.S. dollar base rate, plus an applicable margin of 2.75%. The stated rate of interest under the B+L January 2031 Refinancing Term Facility at March 31, 2026 was 7.42% per annum.

Subject to certain exceptions and customary baskets set forth in the B+L Amended Credit Agreement, Bausch + Lomb is required to make mandatory prepayments of the loans under the B+L Term Facilities under certain circumstances, including from: (i) 100% of the net cash proceeds of insurance and condemnation proceeds for property or asset losses (subject to reinvestment rights, decrease based on leverage ratios and a net proceeds threshold), (ii) 100% of the net cash proceeds from the incurrence of debt (other than permitted debt as described in the B+L Amended Credit Agreement), (iii) 50% of Excess Cash Flow (as defined in the B+L Amended Credit Agreement) subject to decrease based on leverage ratios and subject to a threshold amount and (iv) 100% of net cash proceeds from asset sales (subject to reinvestment rights, decrease based on leverage ratios and a net proceeds threshold). These mandatory prepayments may be used to satisfy future amortization.

The amortization rate for the B+L January 2031 Refinancing Term Facility is 1.00% per annum, or \$28 million, payable in quarterly installments, with the first installment to be paid on June 30, 2026. Bausch + Lomb may direct that prepayments be applied to such amortization payments in order of maturity. As of March 31, 2026, the remaining mandatory quarterly amortization payments for the B+L January 2031 Refinancing Term Facility were \$133 million through December 2030, with the remaining term loan balance being due in January 2031.

Senior Secured Notes

2032 Senior Secured Notes

The 2032 Senior Secured Notes have a stated interest rate of 10.00%, payable semi-annually in arrears on each of April 15 and October 15. The 2032 Senior Secured Notes are: (i) secured, subject to customary limitations, by a first priority lien on substantially all of the assets of 126NumberCo, including the Bausch + Lomb Share Collateral and (ii) jointly and severally guaranteed by (x) the Company and subsidiaries of the Company that guarantee the Existing Senior Notes (the “BHC Existing Note Guarantors”), with such guarantees secured by the assets of such guarantors, subject to customary limitations, by a first-priority lien that ranks pari passu with the liens securing the Existing Senior Secured Notes (as defined below) and the 2025 Credit Agreement and (y) certain subsidiaries of the Company that do not guarantee the Existing Senior Notes (the “NumberCo Note Guarantors”), with such guarantees secured by the assets of the NumberCo Note Guarantors (including the Bausch + Lomb Share Collateral), subject to customary limitations, by a first-priority lien that ranks pari passu with the liens securing the 2025 Credit Agreement.

The 2032 Senior Secured Notes are redeemable at the option of 126NumberCo, in whole or in part, at any time on or after April 15, 2028, at the redemption prices set forth in the indenture that governs the 2032 Senior Secured Notes. Prior to April 15, 2028, 126NumberCo may redeem all or a portion of the 2032 Senior Secured Notes at a price equal to 100% of the principal amount thereof, plus accrued and unpaid interest to, but not including, the date of redemption, plus a “make-whole” premium.

The 2032 Senior Secured Notes are subject to mandatory redemption upon: (i) the receipt of net cash proceeds from the sale of Bausch + Lomb Share Collateral, (ii) the receipt of any dividends, distributions or other amounts on account of such Bausch + Lomb Share Collateral if such amounts received exceed \$50 million or (iii) the receipt of funds from any repayment of principal on certain intercompany obligations.

Upon the occurrence of a change of control (as defined in the indenture that governs the 2032 Senior Secured Notes), holders of 2032 Senior Secured Notes may require 126NumberCo to repurchase such holder’s notes, in whole or in part, at a purchase price equal to 101% of the principal amount.

Existing Senior Secured Notes

The June 2028 Senior Secured Notes and 11.00% First Lien Secured Notes (collectively, the “Existing Senior Secured Notes”) are guaranteed by the BHC Existing Note Guarantors. 126NumberCo and its direct parent, 153NumberCo are non-guarantor restricted subsidiaries with respect to the Existing Senior Secured Notes.

The Existing Senior Secured Notes and their related guarantees rank equally in right of payment with all existing and future unsubordinated indebtedness and rank senior to any future subordinated indebtedness of both the Company and the BHC Existing Note Guarantors. Additionally, the Existing Senior Secured Notes and their guarantees are effectively pari passu with any existing and future indebtedness of the Company and the BHC Existing Note Guarantors that is secured by a first-priority lien on the same collateral. They are effectively senior to any unsecured indebtedness, including the Company's senior unsecured notes (the "Senior Unsecured Notes"), or indebtedness secured by junior liens, in each case to the extent of the value of the collateral securing the Existing Senior Secured Notes. Furthermore, the Existing Senior Secured Notes are structurally subordinated to: (i) all liabilities of the Company's subsidiaries that do not guarantee the Existing Senior Secured Notes (including 153NumberCo and its subsidiary, 126NumberCo) and (ii) any of the Company's debt that is secured by assets not included in the collateral package (such as the Bausch + Lomb Share Collateral).

Upon the occurrence of a change of control (as defined in the indentures that govern the Existing Senior Secured Notes), holders of the Existing Senior Secured Notes may require the Company to repurchase such holder's Existing Senior Secured Notes, in whole or in part, at a purchase price equal to 101% of the principal amount thereof plus accrued and unpaid interest to, but not including, the purchase date applicable to the Existing Senior Secured Notes.

In connection with the issuance of the 2032 Senior Secured Notes, in 2025, the Company capitalized \$64 million of payments made to third parties. These capitalized costs are being amortized as interest expense over the remaining term of the 2032 Senior Secured Notes.

Senior Unsecured Notes

The Senior Unsecured Notes issued by the Company are the Company's senior unsecured obligations and are jointly and severally guaranteed on a senior unsecured basis by each of its subsidiaries that is a guarantor under the Existing Senior Secured Notes. The Senior Unsecured Notes issued by Bausch Health Americas, Inc. ("BHA") are senior unsecured obligations of BHA and are jointly and severally guaranteed on a senior unsecured basis by the Company and each of its subsidiaries (other than BHA) that is a guarantor under the Existing Senior Secured Notes. Future subsidiaries of the Company and BHA, if any, may be required to guarantee the Senior Unsecured Notes. 126NumberCo and 153NumberCo are non-guarantor restricted subsidiaries with respect to the Senior Unsecured Notes.

On November 29, 2022, the Company designated 126NumberCo as an unrestricted subsidiary of the Company in accordance with the terms of the Company's debt documents. In connection therewith, all of the subsidiaries of 126NumberCo, including Bausch + Lomb and its subsidiaries, became unrestricted subsidiaries of the Company and, as a result, are not subject to the covenants under the Bausch Health debt documents, and the earnings and net debt of Bausch + Lomb, as defined in the relevant debt documents, are also not included in the calculation of the Company's financial maintenance covenant. In March 2025, in connection with the April 2025 Refinancing Transactions, 126NumberCo was re-designated as a restricted subsidiary of the Company, however, Bausch + Lomb and its subsidiaries continue to be unrestricted subsidiaries of the Company. As of March 31, 2026, 126NumberCo, directly or indirectly, held approximately 87% of the issued and outstanding shares of Bausch + Lomb.

Upon the occurrence of a change in control (as defined in the indentures that govern the Senior Unsecured Notes), holders of the Senior Unsecured Notes may require the Company or BHA, as applicable, to repurchase such holder's Senior Unsecured Notes, in whole or in part, at a purchase price equal to 101% of the principal amount thereof, plus accrued and unpaid interest to, but not including, the purchase date applicable to the Senior Unsecured Notes.

In August 2025, the Company repurchased and retired its outstanding 9.25% Senior Unsecured Notes with an aggregate par value of approximately \$602 million using cash on hand, for an aggregate cost of approximately \$601 million (the "August 2025 Repurchase Activity").

2022 Exchange

On September 30, 2022, the Company closed a series of transactions whereby it exchanged (the "2022 Exchange") validly tendered senior unsecured notes with an aggregate outstanding principal balance of \$5,594 million for \$3,125 million in aggregate principal balance of newly issued secured notes (the "2022 Secured Notes"), a reduction of outstanding principal of \$2,469 million.

The Company performed an assessment of the 2022 Exchange and determined that it met the criteria to be accounted for as a troubled debt restructuring under ASC 470-60. As a result of the application of this accounting, the difference between the principal amount of the 2022 Secured Notes and their carrying value was recorded as a premium and is included in long-term debt on the Company's Consolidated Balance Sheet.

As of March 31, 2026, the remaining premium on the 2022 Secured Notes was \$449 million, which is being reduced as contractual interest payments are made on the 2022 Secured Notes. During the three months ended March 31, 2026 and 2025,

the Company made contractual interest payments of \$49 million and \$143 million, respectively, related to the 2022 Secured Notes, of which \$44 million and \$127 million, respectively, was recorded as a reduction of the premium.

On April 8, 2025, in connection with the April 2025 Refinancing Transactions, the Company repaid in full and terminated the 9.00% Intermediate Holdco Secured Notes. The redemption of the 9.00% Intermediate Holdco Secured Notes was accounted for as an extinguishment of debt and the Company incurred a gain on extinguishment of debt of \$226 million representing the difference between the amount paid to settle the extinguished debt and the extinguished debt's carrying value (which represents the write-off of the unamortized premium).

In connection with the December 2025 Exchange (as detailed above), the Company exchanged \$886 million in aggregate principal amount of 11.00% First Lien Secured Notes with unamortized premiums of \$263 million for \$903 million of aggregate principal amount of 2032 Senior Secured Notes. This exchange was accounted for as a modification of debt, and accordingly the unamortized premium associated with the exchanged 11.00% First Lien Secured Notes will now be amortized over the remaining term of the newly issued 2032 Senior Secured Notes.

Weighted Average Stated Rate of Interest

The weighted average stated rate of interest for the Company's outstanding debt obligations as of March 31, 2026 and December 31, 2025 was 8.47% and 8.54%, respectively. Due to the accounting treatment for the 2022 Secured Notes, interest expense in the Company's financial statements will not be representative of the weighted average stated rate of interest.

Maturities

Maturities of debt obligations for the remainder of 2026, the five succeeding years ending December 31 and thereafter are as follows:

(in millions)

Remainder of 2026	\$ 44
2027	701
2028	3,765
2029	1,667
2030	4,123
2031	3,912
Thereafter	<u>6,000</u>
Total debt obligations	20,212
Unamortized premiums, discounts and issuance costs	<u>552</u>
Total long-term debt and other	<u>\$ 20,764</u>

The Company regularly evaluates market conditions, its liquidity profile and available financing alternatives, and may consider executing opportunistic financing transactions, including but not limited to, refinancing or restructuring consolidated indebtedness, issuing new debt instruments, divesting of assets or businesses and issuing equity or equity-linked securities (including secondary offerings or other monetization of a portion of its holdings of common shares of Bausch + Lomb), as deemed appropriate, to manage its debt maturities and improve its capital structure and liquidity.

Other Financing Arrangements

In January 2026, Bausch + Lomb entered into a financing arrangement, that permits it, subject to certain conditions, to sell certain receivables to a third-party financial institution, potentially accelerating access to cash and reducing credit risk. Transactions under this financing arrangement are accounted for as true sales under ASC 860, Transfers and Servicing of Financial Assets, with the sold receivables derecognized from Bausch + Lomb's Condensed Consolidated Balance Sheets. The cash received from the financial institution is reported within Operating Activities in the Condensed Consolidated Statements of Cash Flows.

During the three months ended March 31, 2026, Bausch + Lomb received cash proceeds of \$5 million from the sales of receivables under this financing arrangement. The costs related to these transactions were not material. During April 2026, Bausch + Lomb sold additional receivables and received cash proceeds of \$21 million.

SHARE-BASED COMPENSATION

Bausch Health's Long-Term Incentive Plan

In May 2014, shareholders approved Bausch Health's 2014 Omnibus Incentive Plan (the "2014 Plan") which has been amended from time to time to, among other things, increase the number of common shares authorized for issuance under the 2014 Plan. Effective May 14, 2024, Bausch Health further amended and restated the 2014 Plan, as subsequently amended and restated (the "Amended and Restated 2014 Plan").

Approximately 15,286,000 common shares were available for future grants as of March 31, 2026. The Company uses reserved and unissued common shares to satisfy its obligations under its share-based compensation plans.

Bausch Health has a long-term incentive program with the objective of aligning the share-based awards granted to senior management with the Company's focus on generating operating cash flow while maintaining focus on improving total shareholder return ("TSR") over the long-term. The share-based awards granted under this long-term incentive program may consist of time-based stock options, time-based restricted stock units ("RSUs") and performance-based RSUs. Performance-based RSUs are comprised of awards that vest upon: (i) the attainment of certain targets that are based on the Company's adjusted operating cash flow with a relative TSR modifier or (ii) the attainment of certain targets that are based on the Company's adjusted unlevered free cash flow with a relative TSR modifier.

Bausch + Lomb Long-Term Incentive Plan

Prior to May 5, 2022, Bausch + Lomb participated in Bausch Health's long-term incentive program. Effective May 5, 2022, Bausch + Lomb established the Bausch + Lomb Corporation 2022 Omnibus Incentive Plan (as subsequently amended and restated, the "B+L Plan") and a total of 28,000,000 common shares of Bausch + Lomb were originally authorized for issuance under the B+L Plan. The B+L Plan was amended and restated effective April 24, 2023, and further amended and restated on May 29, 2024, to increase the number of shares authorized for issuance thereunder, resulting in an aggregate 52,000,000 common shares of Bausch + Lomb authorized for issuance under the B+L Plan.

The B+L Plan provides for the grant of various types of awards including RSUs, restricted stock, stock appreciation rights, stock options, performance-based awards and cash awards. Under the B+L Plan, the exercise price of awards, if any, is set on the grant date and may not be less than the fair market value per share on that date. Generally, stock options have a term of ten years and a three-year vesting period, subject to limited exceptions.

Share-based awards granted to senior management align with Bausch + Lomb's focus on enhancing its revenue growth while maintaining focus on total shareholder return over the long-term. The share-based awards granted under this long-term incentive program consist of time-based stock options, time-based RSUs and performance-based RSUs ("PSUs"). The PSUs are comprised of awards that vest upon: (i) achievement of certain share price appreciation conditions, including absolute and relative TSR (the "TSR PSUs"), (ii) attainment of certain performance targets that are based on Bausch + Lomb's Organic Revenue Growth (the "Organic Revenue Growth PSUs"), (iii) outperformance of performance goals, based on the level of achievement of: (a) a revenue metric (measured for fiscal year 2026) and (b) relative TSR metric (if applicable) and (iv) attainment of certain performance targets (measured for fiscal year 2028) that are based on Bausch + Lomb's adjusted earnings before interest, taxes, depreciation and amortization (the "Adjusted EBITDA PSUs"). If Bausch + Lomb's performance is below a specified performance level, no common shares will be paid. Each vested PSU represents the right of a holder to receive a number of Bausch + Lomb's common shares up to a specified maximum.

Approximately 7,300,000 Bausch + Lomb common shares were available for future grants as of March 31, 2026. Bausch + Lomb uses reserved and unissued common shares to satisfy its obligations under its share-based compensation plans.

The following table summarizes the components and classification of the Company's share-based compensation expenses related to stock options and RSUs for the three months ended March 31, 2026 and 2025:

<i>(in millions)</i>	Three Months Ended March 31,	
	2026	2025
Stock options	\$ 3	\$ 4
RSUs	49	39
	<u>\$ 52</u>	<u>\$ 43</u>
Research and development expenses	\$ 4	\$ 3
Selling, general and administrative expenses	48	40
	<u>\$ 52</u>	<u>\$ 43</u>

Share-based awards granted for the three months ended March 31, 2026 and 2025 consist of:

	Three Months Ended March 31,	
	2026	2025
Bausch Health Share-Based Awards		
Time-based RSUs		
Granted	6,426,000	5,379,000
Weighted-average grant date fair value	\$ 6.11	\$ 7.70
Adjusted Operating Cash Flow performance-based RSUs		
Granted	2,581,000	2,096,000
Weighted-average grant date fair value	\$ 6.04	\$ 7.36
Bausch + Lomb Share-Based Awards		
Stock options		
Granted	—	1,374,000
Weighted-average exercise price	\$ —	\$ 15.86
Weighted-average grant date fair value	\$ —	\$ 4.66
RSUs		
Granted	3,094,000	3,033,000
Weighted-average grant date fair value	\$ 18.53	\$ 15.95
TSR PSUs		
Granted	404,000	388,000
Weighted-average grant date fair value	\$ 18.60	\$ 15.86
Organic Revenue Growth PSUs		
Granted	884,000	753,000
Weighted-average grant date fair value	\$ 17.49	\$ 15.98
Adjusted EBITDA PSUs		
Granted	404,000	—
Weighted-average grant date fair value	\$ 18.60	\$ —

As of March 31, 2026, the remaining unrecognized compensation expense related to all outstanding non-vested stock options, time-based RSUs and performance-based RSUs under the Company's 2014 Plan and the B+L Plan amounted to \$279 million, which will be amortized over a weighted-average period of 1.83 years.

As of March 31, 2026, the remaining unrecognized compensation expense related to all outstanding non-vested stock options, time-based RSUs and PSUs under the B+L Plan amounted to \$187 million, which will be amortized over a weighted-average period of 1.84 years.

Bausch Health 2025 Employee Stock Purchase Plan

On May 13, 2025, the shareholders of the Company approved the Bausch Health Companies Inc. 2025 Employee Stock Purchase Plan (the “ESPP”). The ESPP provides eligible employees with an opportunity to purchase common shares from the Company at a discount through accumulated payroll deductions. The ESPP will be implemented through a series of offering periods to eligible employees. Under the ESPP, the offering periods will have a duration of six months commencing on June 1 or December 1 and ending on November 30 or May 31, respectively. The purchase price will be specified pursuant to the offering, but cannot, under the terms of the ESPP, be less than 85% of the lower of the fair market value per common share on either the grant date or the purchase date. The first offering period to purchase common shares under the ESPP is December 1, 2025 through May 31, 2026.

ACCUMULATED OTHER COMPREHENSIVE LOSS

Accumulated other comprehensive loss consists of:

<i>(in millions)</i>	March 31, 2026	December 31, 2025
Foreign currency translation adjustment	\$ (1,795)	\$ (1,749)
Pension adjustment, net of tax	(11)	(11)
	<u>\$ (1,806)</u>	<u>\$ (1,760)</u>

Income taxes are not provided for foreign currency translation adjustments arising on the translation of the Company’s operations having a functional currency other than the U.S. dollar, except to the extent of translation adjustments related to the Company’s retained earnings for foreign jurisdictions in which the Company is not considered to be permanently reinvested.

RESEARCH AND DEVELOPMENT

Included in Research and development are costs related to product development and quality assurance programs. Quality assurance are the costs incurred to meet evolving customer and regulatory standards. Research and development costs consist of:

<i>(in millions)</i>	Three Months Ended March 31,	
	2026	2025
Product related research and development	\$ 159	\$ 139
Quality assurance	4	4
	<u>\$ 163</u>	<u>\$ 143</u>

OTHER EXPENSE, NET

Other expense, net consists of:

<i>(in millions)</i>	Three Months Ended March 31,	
	2026	2025
Acquisition-related contingent consideration	\$ 12	\$ (11)
Acquired IPR&D costs	11	28
Litigation and other matters, net of insurance recoveries and restitutions	10	(3)
Acquisition-related transaction costs	1	1
Gain on sale of assets, net	(3)	—
Other, net	1	—
	<u>\$ 32</u>	<u>\$ 15</u>

Acquisition-related contingent consideration reflects adjustments for changes in estimates in the timing and amounts of expected future royalty and milestone payments and accretion for the time value of money.

Acquired IPR&D costs for the three months ended March 31, 2026 and 2025 are primarily related to certain acquisitions by Bausch + Lomb.

Litigation and other matters, net of insurance recoveries and restitutions primarily relates to adjustments to provisions for certain legal matters and for the three months ended March 31, 2025, includes restitution received in connection with a certain legal matter.

INCOME TAXES

For interim financial statement purposes, U.S. GAAP income tax expense/benefit related to ordinary income is determined by applying an estimated annual effective income tax rate against a company's ordinary income. Income tax expense/benefit related to items not characterized as ordinary income is recognized as a discrete item when incurred. The estimation of the Company's income tax provision requires the use of management forecasts and other estimates, application of statutory income tax rates and an evaluation of valuation allowances. The Company's estimated annual effective income tax rate may be revised, if necessary, in each interim period.

Provision for income taxes for the three months ended March 31, 2026 was \$77 million and included: (i) \$74 million of income tax provision for the Company's ordinary loss for the three months ended March 31, 2026 and (ii) \$3 million of net income tax provision for discrete items, which includes: (a) \$4 million income tax provision due to changes in uncertain tax positions, primarily interest accrual and (b) \$4 million income tax benefit associated with the filing of certain income tax returns.

Provision for income taxes for the three months ended March 31, 2025 was \$39 million and included: (i) \$30 million of income tax provision for the Company's ordinary loss for the three months ended March 31, 2025 and (ii) \$9 million of net income tax provision for discrete items, which includes \$6 million of net income tax provision associated with the filing of certain tax returns.

The Company records a valuation allowance against its deferred tax assets to reduce the net carrying value to an amount that it believes is more likely than not to be realized. When the Company establishes or reduces the valuation allowance against its deferred tax assets, the provision for income taxes will increase or decrease, respectively, in the period such determination is made. The valuation allowance against deferred tax assets was approximately \$2,696 million and \$2,576 million as of March 31, 2026 and December 31, 2025, respectively. The Company will continue to assess the need for valuation allowances on an ongoing basis.

As of March 31, 2026 and December 31, 2025, the Company had \$911 million and \$914 million, respectively, of unrecognized tax benefits, including \$73 million and \$68 million of interest and penalties, respectively. Of the total unrecognized tax benefits as of March 31, 2026, \$372 million would reduce the Company's effective tax rate, if recognized.

The Company has included the estimated impact of the Organisation for Economic Co-operation and Development's Inclusive Framework (Pillar 2), as currently adopted, in its tax provision beginning in 2024. While the estimated impact is not material, it is possible that the further implementation of the Inclusive Framework could have a material effect on the liability for corporate taxes or the consolidated tax rate in the future.

The Company continues to be under examination by the Canada Revenue Agency.

The IRS completed its examinations of the Company's U.S. consolidated federal income tax returns for the years 2013 and 2014. There were no material adjustments to the Company's taxable income as a result of these examinations, however the 2014 tax year remained open to the extent of the capital loss carry back from 2017. In June 2025, the IRS concluded its examination of the Company's 2015, 2016 and short period tax return for the period ended September 8, 2017, which also closed the 2014 tax year.

The Company's U.S. affiliates remain under examination for various state tax audits in the U.S. for years 2017 through 2025.

The Company's subsidiaries in Germany are under audit for tax years 2017 through 2019.

In November 2022, the Company's affiliate in the Netherlands received an assessment from the Luxembourg Tax Authorities as successor in interest to its affiliate in Luxembourg for tax years 2018 – 2019 for €271.7 million, not including interest. In March 2026, the Company received an unfavorable ruling from the Administrative Tribunal of Luxembourg. The Company intends to appeal the decision to the Administrative Court and will continue to defend its position. The Company has not recorded a reserve related to this matter.

In January 2025, the Company's affiliate in Switzerland received a decision by the Tax Chamber of the Administrative Court of the Canton of Zug denying the affiliate's objection to certain transfer pricing adjustments proposed by the Swiss Tax Authorities for its 2018 tax year. The Company is preparing to pursue the resolution of this dispute through the mutual agreement procedure and is expecting the impact of the decision to be immaterial.

Certain affiliates of the Company in regions outside of Canada, the U.S., Germany and Luxembourg are currently under examination by relevant taxing authorities, and all necessary accruals have been recorded, including uncertain income tax benefits. At this time, the Company does not expect that proposed adjustments, if any, would be material to the Company's Condensed Consolidated Financial Statements.

LOSS PER SHARE

Loss per share attributable to Bausch Health Companies Inc. is calculated as follows:

<i>(in millions, except per share amounts)</i>	Three Months Ended March 31,	
	2026	2025
Net loss attributable to Bausch Health Companies Inc.	\$ (1,423)	\$ (58)
Basic and diluted weighted-average common shares outstanding	372.8	369.6
Basic and diluted loss per share attributable to Bausch Health Companies Inc.	\$ (3.82)	\$ (0.16)

During the three months ended March 31, 2026 and 2025, all potential common shares issuable for stock options and RSUs were excluded from the calculation of diluted loss per share, as the effect of including them would have been anti-dilutive. The dilutive effect of potential common shares issuable for stock options and RSUs on the weighted-average number of common shares outstanding would have been approximately 6,089,000 and 4,193,000 common shares for the three months ended March 31, 2026 and 2025, respectively.

During the three months ended March 31, 2026 and 2025, time-based RSUs, performance-based RSUs and stock options to purchase approximately 11,974,000 and 14,300,000 common shares, respectively, were not included in the computation of diluted earnings per share because the effect would have been anti-dilutive under the treasury stock method.

During the three months ended March 31, 2026 and 2025, an additional 2,581,000 and 2,083,000 performance-based RSUs were not included in the computation of diluted earnings per share as the required performance conditions had not been met.

LEGAL PROCEEDINGS

From time to time, the Company becomes involved in various legal and administrative proceedings, which include product liability, intellectual property, commercial, tax, antitrust, governmental and regulatory investigations, related private litigation and ordinary course employment-related issues. From time to time, the Company also initiates actions or files counterclaims. The Company could be subject to counterclaims or other suits in response to actions it may initiate. The Company believes that the prosecution of these actions and counterclaims is important to preserve and protect the Company, its reputation and its assets. Certain of these proceedings and actions are described in Note 21, "LEGAL PROCEEDINGS," to the Company's Consolidated Financial Statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025.

On a quarterly basis, the Company evaluates developments in legal proceedings, potential settlements and other matters that could increase or decrease the amount of the liability accrued. As of March 31, 2026, the Company's Condensed Consolidated Balance Sheets includes accrued current loss contingencies of \$28 million related to matters which are both probable and reasonably estimable. For all other matters, unless otherwise indicated, the Company cannot reasonably predict the outcome of these legal proceedings, nor can it estimate the amount of loss, or range of loss, if any, that may result from these proceedings. An adverse outcome in certain of these proceedings could have a material adverse effect on the Company's business, financial condition and results of operations, and could cause the market value of its common shares and/or debt securities to decline.

Securities Litigation and Related Matters

U.S. Securities Litigation – Kelk Complaint

On July 26, 2023, a purported class action complaint captioned Kelk v. Bausch Health Companies Inc., et al. (No. 23-cv-03996), was filed in the U.S. District Court for the District of New Jersey against the Company and certain of its current or former officers. The action alleges claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and Rule 10b-5 promulgated thereunder. Plaintiffs allege that defendants made various misrepresentations and omissions regarding the Company's proposed spin-off of Bausch + Lomb, and allege that those purported misrepresentations and omissions concealed that the spin-off was executed as part of a strategy to subvert the pending opt-out lawsuits and leave plaintiffs in those actions without viable means to a potential recovery. An amended complaint was filed on January 19, 2024. The amended complaint also alleges that defendants made various misrepresentations and omissions regarding the strength of the Company's patents protecting its product, Xifaxan[®], from

generic competitors. Defendants moved to dismiss the amended complaint on March 20, 2024. On February 12, 2025, the District Court granted Defendants' motion to dismiss the amended complaint in full without prejudice. On March 14, 2025, Plaintiffs filed a second amended complaint. Defendants moved to dismiss the second amended complaint on April 28, 2025. On November 20, 2025, the District Court granted Defendants' motion to dismiss the second amended complaint with prejudice. Plaintiffs appealed the dismissal in December 2025 and the appeal is now pending at the U.S. Court of Appeals for the Third Circuit.

The Company disputes the claims against it and intends to defend itself vigorously.

Derivative Lawsuit – Powers Complaint

On October 2, 2023, a derivative lawsuit captioned Powers v. Papa, et al. (Index No. 159699/2023) was filed in the Supreme Court of the State of New York, County of New York by an alleged stockholder of the Company. The action purports to assert derivative claims on behalf of the Company against the Company's Board of Directors and certain of its current or former officers and directors. The action asserts claims for, inter alia, breach of fiduciary duty and waste of corporate assets and alleges that the defendants breached their fiduciary duties of loyalty and good faith by causing the Company to issue false and/or misleading statements regarding the Company's proposed spin-off of Bausch + Lomb. On January 23, 2024, the Court entered a stipulation and order staying this action.

Canadian Securities Litigation – Opt-Out Litigation

In 2015, several putative class actions were filed against the Company and certain current or former officers and directors in Canada in the provinces of British Columbia, Ontario and Quebec.

The actions generally alleged violations of Canadian provincial securities legislation on behalf of putative classes of persons who purchased or otherwise acquired securities of the Company for periods commencing as early as January 1, 2013 and ending as late as November 16, 2015. The alleged violations related to the same matters described in the U.S. Securities Litigation description below.

Each of these putative class actions, other than the action captioned Catucci v. Valeant, et al. (Court File No. 540-17-011743159, then Court File No. 500-06-000783-163) and filed in the Quebec Superior Court, was discontinued.

The Catucci action was settled in 2020, and the proceeding has been discontinued against the Company, its current and former directors and officers, its underwriters and its insurers. As part of the settlement, the Company and the other defendants admitted no liability as to the claims against it and denied all allegations of wrongdoing.

The Company is aware that certain other members of the Catucci class exercised their opt-out rights prior to a June 19, 2018 deadline. On February 15, 2019, one of the entities which exercised its opt-out rights, the California State Teachers' Retirement System ("CalSTRS"), served the Company with an application in the Quebec Superior Court of Justice for leave to pursue an action under the Quebec Securities Act against the Company, certain current or former officers and directors of the Company and its auditor. That proceeding is captioned California State Teachers' Retirement System v. Bausch Health Companies Inc. et al. (Court File No. 500-11-055722-181). The allegations in the proceeding are similar to those made by the plaintiffs in the Catucci class action. On that same date, CalSTRS also served the Company with proceedings (Court File No. 500-17-106044-186) against the same defendants asserting claims under the Quebec Civil Code in respect of the same alleged misrepresentations.

On February 3, 2020, the Quebec Superior Court granted the application of CalSTRS for leave to pursue its respective action asserting claims under the Quebec Securities Act. On June 16, 2020, the Quebec Court of Appeal granted the defendants leave to appeal that decision. By judgment dated October 29, 2021, the appeals were dismissed.

On October 8 and 9, 2020, respectively, CalSTRS amended its proceedings to, among other things, include a new alleged misrepresentation concerning the accounting treatment of "price appreciation credits" in respect of Glumetza[®] during the period covered by the claims. On June 9, 2021, the Quebec Superior Court granted the Company's application to strike the new allegations from CalSTRS Quebec Securities Act claim, but permitted the amendments to its claim under the Quebec Civil Code. On December 8, 2021, CalSTRS delivered its amended pleadings. The matter remains pending in Quebec.

On March 17, 2021, four additional opt-outs from the Catucci class issued a Statement of Claim in the Ontario Superior Court of Justice. That proceeding is captioned The Bank of Korea et al. v. Valeant Pharmaceuticals International, Inc. et al. (Court File No. 21-006589666-0000). In addition, these plaintiffs also served and filed a motion for leave to pursue claims under the Ontario Securities Act. The allegations in this proceeding are similar to those made by the plaintiffs in the Catucci class action and the plaintiffs in the opt-out actions described above. The matter remains pending in Ontario.

The Company disputes the claims against it and intends to defend itself vigorously.

Canadian Securities Litigation – Ren Statement of Claim

On December 23, 2024, a putative class action Statement of Claim captioned *Ren v. Bausch Health Companies, Inc., Joseph Papa (“Papa”) and Thomas Appio (“Appio”)* (CV-24-00098326-CP) was filed in the Ontario Superior Court of Justice against the Company, Papa and Appio. The claim generally alleges violations of Ontario securities legislation and common law on behalf of putative classes of persons who purchased or otherwise acquired securities of the Company between April 2, 2020 and May 2, 2024. The alleged violations relate to the Company’s disclosures regarding the U.S. and Canadian Securities opt-out litigation described above and below.

On January 17, 2025, the Company was served with a Notice of Motion seeking leave to pursue the proposed action under the relevant provisions of the Ontario Securities Act.

On January 15, 2026, the parties filed a consent with the Court for an Order discontinuing the action without prejudice.

Antitrust Litigation

Generic Pricing Antitrust Litigation

The Company and its subsidiaries, Oceanside Pharmaceuticals, Inc., Bausch Health US, LLC (formerly Valeant Pharmaceuticals North America LLC) (“BHUS”) and Bausch Health Americas, Inc. (formerly Valeant Pharmaceuticals International) (“BHA”) (for the purposes of this paragraph, collectively, the “Company”), are defendants in multidistrict antitrust litigation (“MDL”) entitled *In re: Generic Pharmaceuticals Pricing Antitrust Litigation*, pending in the U.S. District Court for the Eastern District of Pennsylvania (MDL 2724, 16- MD-2724). Bausch + Lomb Corporation had been named as a defendant in the MDL in one complaint, but this complaint has been amended to remove Bausch + Lomb Corporation and, as a result, Bausch + Lomb Corporation is no longer a party to the MDL. The lawsuits seek damages under federal and state antitrust laws, state consumer protection and unjust enrichment laws and allege that the Company’s subsidiaries entered into a conspiracy to fix, stabilize, and raise prices, rig bids and engage in market and customer allocation for generic pharmaceuticals. The lawsuits, which are brought as putative class actions by direct purchasers, end payers, and indirect resellers, and as direct actions by direct purchasers, end payers, insurers, hospitals, pharmacies, and various Counties, Cities, and Towns, are consolidated into the MDL. There are also additional, separate complaints which are consolidated in the same MDL that do not name the Company or any of its subsidiaries as a defendant. *State of Connecticut, et al. v. Sandoz, Inc., et al.*, (D. CT, C.A. No. 3:20-00802), in which BHUS and BHA are defendants, was remanded to the U.S. District Court for the District of Connecticut. BHUS and BHA have reached an agreement in principle to settle the Connecticut case which remains subject to final court approval. There are cases pending in the Court of Common Pleas of Philadelphia County and New York State Supreme Court against the Company and other defendants related to the multidistrict litigation. The Company disputes the claims against it and continues to defend itself vigorously.

Additionally, Bausch Health Companies Inc. and certain U.S. and Canadian subsidiaries (for the purposes of this paragraph, collectively the “Company”) were named as defendants in a proposed class proceeding entitled *Kathryn Eaton v. Teva Canada Limited, et al.* in the Federal Court in Toronto, Ontario, Canada (Court File No. T-607-20). The plaintiff sought to certify a proposed class action on behalf of persons in Canada who purchased generic drugs in the private sector, alleging that the Company and other defendants violated the Competition Act (Canada) by conspiring to allocate the market, fix prices, and maintain the supply of generic drugs, and seeking damages under federal law. The proposed class action contained similar allegations to the *In re: Generic Pharmaceuticals Pricing Antitrust Litigation* pending in the U.S. Court for the Eastern District of Pennsylvania. On February 20, 2026, the Canadian court declined to certify the action and dismissed the action against the Company. The deadline for the filing of an appeal has passed with no appeal filed.

These lawsuits cover products of both Bausch + Lomb and the Company’s businesses. Bausch + Lomb and the Company will split the fees and expenses associated with defending these claims, as well as any potential damages or other liabilities awarded in or otherwise arising from these claims, in the manner set forth in the master separation agreement dated as of March 30, 2022, governing the separation between Bausch Health and Bausch + Lomb.

Xifaxan Antitrust Litigation

Between September 2025 and December 2025, five antitrust complaints were filed in the U.S. District Court for the District of Rhode Island against the Company among other defendants. Among other claims, the plaintiffs allege generally that (1) a 2018 patent settlement with Actavis Laboratories FL, Inc. regarding Xifaxan[®] 550 mg is unlawful and anticompetitive; and/or (2) the Company unlawfully listed patents in the FDA’s Orange Book for Xifaxan[®] 550 mg. Four of the five matters remain pending in the Rhode Island District Court:

- On September 22, 2025, Rhode Island Laborers Health & Welfare Fund filed an indirect purchaser class-action antitrust lawsuit against Bausch Health Companies Inc., Bausch Health Ireland Ltd., Salix Pharmaceuticals, Ltd.,

Salix Pharmaceuticals, Inc., Teva Pharmaceuticals USA, Inc. and Actavis Laboratories FL, Inc. On January 28, 2026, the plaintiff voluntarily dismissed the lawsuit without prejudice.

- On October 7, 2025, Walgreen Co., The Kroger Co., Albertsons Companies, Inc., H-E-B, L.P. and Supervalu, Inc. filed a direct purchaser antitrust lawsuit against Bausch Health Companies Inc., Salix Pharmaceuticals, Ltd., Salix Pharmaceuticals, Inc., Teva Pharmaceutical Industries Ltd. and Teva Pharmaceuticals USA, Inc.
- Two, now consolidated, direct purchaser class-action antitrust lawsuits were filed by KPH Healthcare Services, Inc. a/k/a Kinney Drugs, Inc. and Value Drug Company on October 21, 2025 and October 23, 2025, respectively, against Bausch Health Companies Inc., Bausch Health Ireland Ltd., Salix Pharmaceuticals, Ltd., Salix Pharmaceuticals, Inc., Teva Pharmaceutical Industries Ltd., Teva Pharmaceuticals USA, Inc., and Actavis Laboratories FL, Inc. On March 25, 2026, the plaintiffs dismissed the Teva defendants without prejudice.
- On December 23, 2025, CVS Pharmacy, Inc. filed a direct purchaser antitrust lawsuit against Bausch Health Companies Inc., Salix Pharmaceuticals, Ltd., Salix Pharmaceuticals, Inc., Teva Pharmaceutical Industries Ltd., and Teva Pharmaceuticals USA, Inc.

The Company and its affiliates named in these cases dispute the asserted claims and intend to vigorously defend these matters.

Intellectual Property Litigation

From time to time, the Company (and/or certain of its affiliates) is also party to certain intellectual property litigation proceedings in the United States and Canada, including as arising from claims filed against the Company or by the Company (or that the Company anticipates filing within the required time periods) related to certain products sold by or on behalf of the Company, which may be in connection with Notices of Paragraph IV Certification (in the United States) and Notices of Allegation (in Canada) received from third-party generic manufacturers, where such products include Xifaxan[®] 200 mg and 550 mg, Cabtreo[®] and Vyvulta[®] in the United States and Zaxine[®] in Canada.

Xifaxan[®] Paragraph IV Proceedings

The Company filed lawsuits against Norwich Pharmaceuticals Inc. (“Norwich”) and Amneal Pharmaceuticals of New York LLC, and anticipates filing a lawsuit against Hetero USA, Inc. (“Hetero”), concerning the Company’s Xifaxan[®] (rifaximin) 550 mg tablets. The foregoing lawsuits and related litigation are referred to collectively as the “Xifaxan[®] Generics Litigation”. The lawsuits against Zydus Pharmaceuticals (USA) Inc. (“Zydus”), Carnegie Pharmaceuticals LLC (“Carnegie”), SABA Ilac Sanayi ve Ticaret A.S. (“SABA”), Mylan Pharmaceuticals Inc. (“Mylan”), Alkem Laboratories Ltd. (“Alkem”), Cipla USA, Inc. and Ajanta Pharma Limited (“Ajanta”) are now settled, see “- Completed or Inactive Matters” below.

The Norwich I Xifaxan[®] Litigation

On February 17, 2020, the Company and Alfasigma S.p.A. (“Alfasigma”) received a Notice of Paragraph IV Certification from Norwich, in which Norwich asserted that the U.S. patents listed in the FDA’s Orange Book for the Company’s Xifaxan[®] tablets, 550 mg, are invalid, unenforceable and/or will not be infringed by the commercial manufacture, use or sale of Norwich’s generic rifaximin tablets, 550 mg, for which Norwich filed an abbreviated new drug application (an “ANDA”, and such ANDA, the “Norwich First ANDA”). The Company, through its subsidiaries Salix Pharmaceuticals, Inc. and Bausch Health Ireland Limited, holds the New Drug Application for Xifaxan[®] and owns or exclusively licenses (from Alfasigma) these patents. On March 26, 2020, certain of the Company’s subsidiaries and Alfasigma filed suit against Norwich in the U.S. District Court for the District of Delaware (Case No. 20-cv-00430) pursuant to the Hatch-Waxman Act, alleging infringement by Norwich of one or more claims of the Xifaxan[®] patents, thereby triggering a 30-month stay of the approval of the Norwich First ANDA for rifaximin tablets, 550 mg. Trial in this matter was held in March 2022. The court issued a final judgment on August 10, 2022 (the “Norwich Legal Decision”), finding that the U.S. Patents protecting the use of Xifaxan[®] (rifaximin) 550 mg tablets for the reduction in risk of HE recurrence valid and infringed and the U.S. patents protecting the composition, and use of Xifaxan[®] for treating IBS-D invalid. The Norwich Legal Decision prevents FDA approval of the Norwich First ANDA until October 2029. The Company appealed the Norwich Legal Decision to the U.S. Court of Appeals for the Federal Circuit on August 16, 2022. Following the Company’s appeal, Norwich claimed to have removed the HE indication from the Norwich First ANDA and then filed a motion in the District Court requesting modification of the Norwich Legal Decision to permit the FDA to approve the Norwich First ANDA before October 2029. The Company opposed the motion. On May 17, 2023, the District Court denied Norwich’s motion and confirmed that the FDA remained enjoined from granting final approval to the Norwich First ANDA until October 2029. Norwich filed its appeal to the U.S. Court of Appeals for the Federal Circuit on May 19, 2023. The Company’s and Norwich’s appeals were consolidated (the “Norwich Appeal”). The Federal Circuit heard oral arguments on January 8, 2024 in the Norwich Appeal. On April 11, 2024, the Federal Circuit issued an opinion affirming the Norwich Legal Decision and the District Court’s denial of Norwich’s motion requesting modification of the Norwich Legal Decision (the “Norwich Appeal Decision”). In May 2024, both the Company and

Norwich petitioned for panel and en banc rehearing of the Norwich Appeal Decision. The Federal Circuit denied the Company’s and Norwich’s rehearing petitions on June 13, 2024 and issued its mandate to the District Court on June 20, 2024. Under the Norwich Appeal Decision, the FDA remains enjoined from approving the Norwich First ANDA until October 2029. On September 11, 2024, the Company and Norwich filed petitions for writ of certiorari with the United States Supreme Court appealing certain aspects of the Norwich Appeal Decision. The Supreme Court denied Norwich’s and the Company’s petitions for writ of certiorari on November 18, 2024 and December 16, 2024, respectively.

In a letter to Norwich on June 2, 2023, the FDA granted tentative approval to the Norwich First ANDA, but confirmed that it is enjoined from granting final approval until October 2029. On June 5, 2023, Norwich brought a lawsuit against the FDA in the U.S. District Court for the District of Columbia (the “DC District Court”), alleging that the FDA acted improperly by only granting tentative approval to the Norwich First ANDA rather than final approval (the “First Norwich DC Lawsuit”). In June 2023, the Company intervened in the First Norwich DC Lawsuit. A hearing was held on October 6, 2023. On November 1, 2023, the DC District Court granted the Company’s and FDA’s motions for summary judgment, thereby ending the lawsuit. In December 2023, Norwich appealed the DC District Court’s November 1st decision to the U.S. Court of Appeals for the District of Columbia Circuit (the “DC Circuit”). Although the DC Circuit held the appeal in abeyance on February 2, 2024, the DC circuit returned the case to the court’s active docket on December 17, 2024. The Court held oral arguments on December 11, 2025.

The Norwich II Xifaxan® Litigation

The Company received a Notice of Paragraph IV Certification from Norwich, dated May 10, 2024, in which Norwich asserted that certain U.S. Patents listed in the FDA’s Orange Book for the Company’s Xifaxan® tablets, 550 mg, are invalid, unenforceable and/or will not be infringed by the manufacture, use, or sale of Norwich’s generic rifaximin tablets, 550 mg, for which Norwich filed an amended ANDA (the “Norwich Second ANDA”). On June 20, 2024, the Company filed suit against Norwich in the U.S. District Court for the District of New Jersey pursuant to the Hatch-Waxman Act, alleging infringement by Norwich of one or more claims of U.S. Patent Nos. 11,564,912 and 11,779,571. On March 10, 2026, Amneal and Norwich filed a motion for summary judgment. While no trial date has been set, the Company anticipates a trial in the summer of 2026.

In a letter to Norwich on January 10, 2025, the FDA granted tentative approval to the Norwich Second ANDA. In the January 10 letter, the FDA confirmed that the first ANDA applicant for rifaximin 550 mg tablets is eligible for 180-day exclusivity. The 180-day exclusivity precludes the FDA from granting final approval to the Norwich Second ANDA. On January 13, 2025, Norwich brought a lawsuit against the FDA in the DC District Court, alleging that the FDA acted improperly by only granting tentative approval to the Norwich Second ANDA rather than final approval (the “Second Norwich DC Lawsuit”). In the Second Norwich DC Lawsuit, Norwich asserts (1) that the Norwich Second ANDA is not subject to a 30-month stay of approval and (2) that the first ANDA applicant for rifaximin 550 mg tablets forfeited their 180-day exclusivity. Teva Pharmaceuticals USA, Inc. (“Teva”) and Salix intervened in the Second Norwich DC Lawsuit as defendants. On April 17, 2025, the DC District Court granted summary judgment in favor of the FDA, Teva, and the Company. The DC District Court confirmed that the FDA’s decision to only tentatively approve the Norwich Second ANDA was not arbitrary, capricious, or contrary to law because Teva had not forfeited its 180-day exclusivity. On April 18, 2025, Norwich appealed the judgment to the DC Circuit. The Court held oral arguments on December 11, 2025. On December 12, 2025, the Court issued an order requesting supplemental briefing from the parties. After supplemental briefing concluded in the DC Circuit, the Company filed a motion for leave and a cross-claim against the FDA on February 6, 2026 in the DC District Court. On March 5, 2026, the DC District Court issued an order denying the Company’s motion for lack of jurisdiction. On March 19, 2026, the FDA filed a letter to the DC Circuit advising that Actavis (Teva) received final approval for its generic rifaximin 550 mg tablets.

The Amneal Xifaxan® Litigation

On February 28, 2024, the Company received a Notice of Paragraph IV Certification from Amneal Pharmaceuticals of New York, LLC, U.S. Agent for Amneal EU, Limited (collectively “Amneal”), in which Amneal asserted that certain U.S. Patents listed in the FDA’s Orange Book for the Company’s Xifaxan® tablets, 550 mg, are invalid, unenforceable and/or will not be infringed by the manufacture, use, sale, offer for sale, and/or importation of Amneal’s generic rifaximin tablets, 550 mg, for which Amneal filed an ANDA. On April 5, 2024, the Company and Alfasigma filed suit against Amneal in the U.S. District Court for the District of New Jersey pursuant to the Hatch-Waxman Act, alleging infringement by Amneal of one or more claims of the Xifaxan® patents, thereby triggering a 30-month stay of the approval of Amneal’s ANDA for rifaximin tablets, 550 mg. Although enjoined from granting final approval, the FDA granted tentative approval to Amneal’s ANDA on January 16, 2025. On March 10, 2026, Amneal and Norwich filed a motion for summary judgment. While no trial date has been set, the Company anticipates a trial in the summer of 2026.

The Hetero Xifaxan® Litigation

The Company received a Notice of Paragraph IV Certification from Hetero, dated March 27, 2026, in which Hetero asserted that certain U.S. Patents listed in the FDA’s Orange Book for the Company’s Xifaxan® tablets, 550 mg, are invalid,

unenforceable and/or will not be infringed by the manufacture, use, sale, offer for sale, and/or importation of Hetero's generic rifaximin tablets, 550 mg, for which Hetero filed an ANDA. The Company anticipates filing suit against Hetero pursuant to the Hatch-Waxman Act, alleging infringement by Hetero of one or more claims of the Xifaxan[®] patents, thereby triggering a 30-month stay of the approval of Hetero's ANDA for rifaximin tablets, 550 mg.

The Company remains confident in the strength of the Xifaxan[®] patents and intends to vigorously defend its intellectual property.

The Cabtreo[®] Paragraph IV Proceedings

The Taro Cabtreo[®] Litigation

The Company received a Notice of Paragraph IV Certification from Taro Pharmaceuticals Inc. ("Taro"), dated February 5, 2025, in which Taro asserted that U.S. Patents listed in the FDA's Orange Book for the Company's Cabtreo[®] (clindamycin phosphate, adapalene, benzoyl peroxide) gel, 1.2%/0.15%/3.1%, are invalid, unenforceable and/or will not be infringed by the manufacture, use, sale, offer for sale, and/or importation of Taro's generic clindamycin phosphate/adapalene/benzoyl peroxide gel, 1.2%/0.15%/3.1%, for which Taro filed an ANDA. On March 20, 2025, the Company filed suit against Taro pursuant to the Hatch-Waxman Act, alleging infringement by Taro of one or more claims of the Cabtreo[®] patents, thereby triggering a 30-month stay of the approval of Taro's ANDA for clindamycin phosphate/adapalene/benzoyl peroxide gel, 1.2%/0.15%/3.1%.

The Zydus Cabtreo[®] Litigation

The Company received a Notice of Paragraph IV Certification from Zydus, dated February 26, 2026, in which Zydus asserted that U.S. Patents listed in the FDA's Orange Book for the Company's Cabtreo[®] (clindamycin phosphate, adapalene, benzoyl peroxide) gel, 1.2%/0.15%/3.1%, are invalid, unenforceable and/or will not be infringed by the manufacture, use, sale, offer for sale, and/or importation of Zydus's generic clindamycin phosphate/adapalene/benzoyl peroxide gel, 1.2%/0.15%/3.1%, for which Zydus filed an ANDA. On April 10, 2026, the Company filed suit against Zydus pursuant to the Hatch-Waxman Act, alleging infringement by Zydus of one or more claims of the Cabtreo[®] patents, thereby triggering a 30-month stay of the approval of Zydus's ANDA for clindamycin phosphate/adapalene/benzoyl peroxide gel, 1.2%/0.15%/3.1%.

The Company remains confident in the strength of the Cabtreo[®] patents and intends to vigorously defend its intellectual property.

Xifaxan[®] Litigation with Curia IP Holdings, LLC

Curia IP Holdings, LLC ("Curia") filed a lawsuit against the Company on October 25, 2021, alleging that Xifaxan[®] 200 mg and 550 mg tablets infringe certain patents owned by Curia (U.S. Patent Nos. 9,186,355, 10,556,915, 10,745,415 and 10,961,257 (the "Curia Patents")). Each of the Curia Patents was filed years after the Company's launches of Xifaxan[®] 200 mg and 550 mg tablets. On August 17, 2022, the U.S. District Court for the District of New Jersey dismissed the complaint, without prejudice. Curia then filed an amended complaint on September 16, 2022, realleging infringement of its patents. On August 31, 2023, Curia filed a second lawsuit against the Company alleging that Xifaxan[®] 200 mg and 550 mg tablets infringe U.S. Patent No. 11,739,099 (the "'099 Patent"). The '099 Patent is related to the Curia Patents and was also filed years after the Company's launches of Xifaxan[®] 200 mg and 550 mg tablets. The first and second lawsuits filed by Curia are now consolidated. On February 14, 2024, the court issued an order administratively terminating the case pending completion of mediation on or before April 14, 2024. Mediation was held on April 11, 2024, but no agreement was reached. On April 22, 2024, the court reopened the case. On May 1, 2024, the Court entered a stipulation and order of non-infringement for U.S. Patent Nos. 10,556,915, 10,745,415 and 10,961,257. On September 20, 2024, the Court entered a stipulation and order of non-infringement for the '099 Patent. The Company disputes Curia's infringement claims against Xifaxan[®] 200 mg and 550 mg tablets and will continue to defend this matter.

Zaxine[®] Notices of Allegation in Canada

The Company received a Notice of Allegation in Canada, dated January 14, 2025, from Sandoz Canada Inc. ("Sandoz Canada") concerning Zaxine[®] (rifaximin) 550 mg tablets. On March 5, 2025, the Company filed a Statement of Claim against Sandoz Canada asserting infringement of one or more claims of Canadian Patent No. 2,739,436. Trial dates have been set for November 23 to December 2, 2026 and December 7 to 8, 2026.

The Company received a Notice of Allegation in Canada, dated April 9, 2026, from Apotex Inc. concerning Zaxine[®] (rifaximin) 550 mg tablets. Under the Patented Medicines (Notice of Compliance) Regulations, the Company has 45 days from service of the Notice of Allegation to file a lawsuit and preserve a 24-month period in which Health Canada is prohibited from issuing a Notice of Compliance to Apotex. The Company is considering all options in response to the Notice of Allegation.

Lumify® Paragraph IV Proceedings

On August 16, 2021, Bausch & Lomb Incorporated (“B&L Inc.”) received a Notice of Paragraph IV Certification from Slayback Pharma LLC (“Slayback”), in which Slayback asserted that certain U.S. patents, each of which is listed in the FDA’s Orange Book for Lumify® (brimonidine tartrate solution) drops (the “Lumify Patents”), are either invalid, unenforceable and/or will not be infringed by the commercial manufacture, use or sale of Slayback’s generic drops, for which an ANDA has been filed by Slayback. B&L Inc., through its affiliate Bausch + Lomb Ireland Limited, exclusively licenses the Lumify Patents from Eye Therapies, LLC (“Eye Therapies”). On September 10, 2021, B&L Inc., Bausch + Lomb Ireland Limited and Eye Therapies filed suit in the U.S. District Court for the District of New Jersey against Slayback pursuant to the Hatch-Waxman Act, alleging infringement by Slayback of one or more claims of the Lumify Patents (the “Slayback Lawsuit”), thereby triggering a 30-month stay of the approval of the Slayback ANDA. Since then, U.S. Patent No. 9,259,425 has been dismissed from the case.

On May 15, 2023, the United States Patent & Trademark Office’s Patent Trial and Appeal Board (“PTAB”) issued a Final Written Decision, finding all claims of U.S. Patent No. 8,293,742 unpatentable (IPR2022-00142). This decision was appealed to the United States Court of Appeals for the Federal Circuit (the “Federal Circuit”). The Federal Circuit issued its opinion on June 30, 2025, which reversed the PTAB’s claim construction of certain limitation, vacated its obviousness finding, and remanded for further proceedings.

Furthermore, two additional patents (U.S. Patent Nos. 11,596,600 and 11,833,245) have issued and been listed in the Orange Book as related to Lumify®. Lawsuits alleging infringement of these patents were filed in the U.S. District Court for the District of New Jersey against Slayback and its licensees, Dr. Reddy’s Laboratories S.A. and Dr. Reddy’s Laboratories, Inc. (collectively, “DRL”) (the “DRL Lawsuits”). The Slayback Lawsuit and DRL Lawsuits were subsequently consolidated into one district court action before the U.S. District Court for the District of New Jersey (3:21-cv-16766-RK-RLS). On December 15, 2023, B&L Inc., Bausch + Lomb Ireland Limited, and Eye Therapies filed a Motion for a Preliminary Injunction requesting the court to enjoin any infringing activities by DRL and a hearing was held in January 2024. On May 10, 2024, the Court denied Plaintiffs’ Motion, finding that Plaintiffs had not proven that they would be “irreparably harmed” absent a preliminary injunction.

Additionally, on December 18, 2023, B&L Inc., Bausch + Lomb Ireland Limited, and Eye Therapies amended their complaint in the consolidated district court action to add claims for copyright infringement, as well as claims under the Lanham Act, including trademark and trade dress infringement. DRL subsequently petitioned for inter partes review (“IPR”) of the U.S. Patent Nos. 11,596,600 and 11,833,245; the PTAB instituted both petitions (IPR2024-00467 and IPR2024-00563). Oral argument was held before the PTAB on May 13, 2025.

On July 9, 2025, settlement was reached with DRL and B&L Inc., Bausch + Lomb Ireland Limited, Eye Therapies and DRL entered into a settlement agreement effective as of July 9, 2025, providing for, among other things, a market entry date of June 30, 2027 (or earlier subject to certain acceleration clauses) for DRL’s generic drops. On July 14, 2025, the consolidated district court action (3:21-cv-16766-RK-RLS) was dismissed without prejudice and on July 22, 2025, the PTAB terminated IPR2024-00467 and IPR2024-00563. On August 13, 2025, the PTAB terminated IPR2022-00142 following remand from the Federal Circuit.

On March 28, 2025, B&L Inc. received a Notice of Paragraph IV Certification from Somerset Therapeutics, LLC (“Somerset”), in which Somerset asserted that U.S. Patent Nos. 8,293,742, 9,259,425, 11,596,600 and 11,833,245, are either invalid, unenforceable and/or will not be infringed by the commercial manufacture, use or sale of Somerset’s generic drops, for which an ANDA has been filed by Somerset (the “Somerset ANDA”). On April 28, 2025, B&L Inc., Bausch + Lomb Ireland Limited and Eye Therapies filed suit against Somerset and certain affiliates pursuant to the Hatch-Waxman Act, alleging infringement by Somerset of one or more claims of the Lumify Patents, thereby triggering a 30-month stay of the approval of the Somerset ANDA. The case was dismissed on January 12, 2026.

On April 25, 2025, B&L Inc. and Bausch + Lomb Ireland Limited received a Notice of Paragraph IV Certification from Gland Pharma Limited (“Gland”), in which Gland asserted that U.S. Patent Nos. 8,293,742, 9,259,425, 11,596,600 and 11,833,245, each of which is listed in the FDA’s Orange Book for Lumify® (brimonidine tartrate solution) drops, are either invalid, unenforceable and/or will not be infringed by the commercial manufacture, use or sale of Gland’s generic drops, for which an ANDA has been filed by Gland. On April 28, 2025, B&L Inc., Bausch + Lomb Ireland Limited and Eye Therapies filed suit against Gland pursuant to the Hatch-Waxman Act, alleging infringement by Gland of one or more claims of such Lumify Patents, thereby triggering a 30-month stay of the approval of the Gland ANDA. A stipulation and order of dismissal was entered by the court on December 23, 2025.

On November 6, 2025, B&L Inc. and Bausch + Lomb Ireland Limited received a Notice of Paragraph IV Certification from Granules India Ltd. (“Granules”), in which Granules asserted that U.S. Patent Nos. 8,293,742, 9,259,425, 11,596,600 and 11,833,245, each of which is listed in the FDA’s Orange Book for Lumify® (brimonidine tartrate solution) drops, are either

invalid, unenforceable and/or will not be infringed by the commercial manufacture, use or sale of Granules' generic drops, for which an ANDA has been filed by Granules. On December 9, 2025, B&L Inc., Bausch + Lomb Ireland Limited and Eye Therapies filed suit against Granules pursuant to the Hatch-Waxman Act, alleging infringement by Granules of one or more claims of such Lumify Patents, thereby triggering a 30-month stay of the approval of the Granules ANDA. A consent judgment was entered by the court on April 1, 2026, and the matter was dismissed.

There are currently no ongoing litigation proceedings with respect to Lumify® drops.

In addition to the intellectual property matters described above, in connection with Vyzulta® and Lotemax® SM products, Bausch + Lomb previously commenced infringement proceedings against potential generic competitors in the U.S., certain of which are ongoing. In connection with Vyzulta®, two matters have been resolved and dismissed and one matter was recently filed in the U.S. District Court for the District of New Jersey and is ongoing. In connection with Lotemax® SM, one matter resulted in a four-day bench trial starting January 13, 2025, and the case was dismissed without prejudice on January 5, 2026; another matter was filed in the U.S. District Court for the District of New Jersey and was dismissed without prejudice on March 18, 2026.

Inter Partes Review Proceedings at the U.S. Patent and Trademark Office

Patents covering the Company's branded pharmaceutical products may be challenged in proceedings other than court proceedings, including IPR at the U.S. Patent & Trademark Office. The proceedings operate under different standards from district court proceedings, and are often completed within 18 months of institution. IPR challenges have been brought against patents covering the Company's branded pharmaceutical products.

Product Liability Litigation

Shower to Shower® Products Liability Litigation

Since 2016, the Company and its affiliates, including Bausch + Lomb, have been named in a number of product liability lawsuits involving the Shower to Shower® body powder product acquired in September 2012 from Johnson & Johnson; due to dismissals, twenty-three (23) of such product liability suits currently remain pending. In three (3) cases pending in the Atlantic County, New Jersey Multi-County Litigation, agreed stipulations of dismissal have been entered by the Court, thus dismissing the Company from those cases. One (1) case was also recently dismissed with prejudice in its entirety for failure of plaintiff to comply with court orders requiring plaintiff fact sheets. Two (2) cases in the federal multidistrict litigation were dismissed recently for failure to comply with orders requiring plaintiff profile forms. Potential liability (including its attorneys' fees and costs) arising out of these remaining suits is subject to full indemnification obligations of Johnson & Johnson owed to the Company and its affiliates, including Bausch + Lomb, and legal fees and costs will be paid by Johnson & Johnson. Twenty-two (22) of these lawsuits filed by individual plaintiffs allege that the use of Shower to Shower® caused the plaintiffs to develop ovarian cancer, mesothelioma or breast cancer. The allegations in these cases include failure to warn, design defect, manufacturing defect, negligence, gross negligence, breach of express and implied warranties, civil conspiracy concert in action, negligent misrepresentation, wrongful death, loss of consortium and/or punitive damages. The damages sought include compensatory damages, including medical expenses, lost wages or earning capacity, loss of consortium and/or compensation for pain and suffering, mental anguish anxiety and discomfort, physical impairment and loss of enjoyment of life. Plaintiffs also seek pre- and post-judgment interest, exemplary and punitive damages, and attorneys' fees. Additionally, two proposed class actions were filed in Canada against the Company and various Johnson & Johnson entities (one in the Supreme Court of British Columbia and one in the Superior Court of Quebec), on behalf of persons who have purchased or used Johnson & Johnson's Baby Powder or Shower to Shower®. The class actions allege the use of the product increases certain health risks (British Columbia) or negligence in failing to properly test, failing to warn of health risks, and failing to remove the products from the market in a timely manner (Quebec). The plaintiffs in these actions are seeking awards of general, special, compensatory and punitive damages. On November 17, 2020, the British Columbia court issued a judgment declining to certify a class as to the Company or Shower to Shower®, and at this time no appeal of that judgment has been filed. On December 16, 2021, the plaintiff in the British Columbia class action filed a Second Amended Notice of Civil Claim and Application for Certification, removing the Company as a defendant; as a result, the British Columbia class action is concluded as to the Company.

In October 2021, Johnson & Johnson, through one or more subsidiaries, purported to complete a Texas divisional merger with respect to any talc liabilities at Johnson & Johnson Consumer, Inc. ("JJCI"). LTL Management, LLC ("LTL"), the resulting entity of the divisional merger, assumed JJCI's talc liabilities and thereafter filed for Chapter 11 bankruptcy protection in the U.S. Bankruptcy Court for the Western District of North Carolina, which in November 2021 was transferred to the U.S. Bankruptcy Court for the District of New Jersey (the "New Jersey Bankruptcy Court"). The first bankruptcy case was dismissed on April 4, 2023, after a decision by the Third Circuit Court of Appeals, and LTL re-filed a new Chapter 11 case on the same day. Several motions to dismiss were again filed, and on August 11, 2023, the second Chapter 11 case was dismissed. LTL and certain supporting creditors and tort claimants appealed, and on July 25, 2024, the Third Circuit affirmed.

the dismissal order, and LTL's second bankruptcy case was closed. During the pendency of LTL's bankruptcy cases, the New Jersey Bankruptcy Court extended a preliminary injunction that had stayed substantially all cases subject to the indemnification agreement related to Johnson & Johnson's talc liability, which injunction was terminated in connection with the bankruptcy case dismissal.

In December 2023, LTL changed its name to LLT Management LLC ("LLT"). In June and July 2024, LLT solicited votes for a new "pre-packaged" Chapter 11 plan, and after the reported successful solicitation of votes to commence the planned bankruptcy, LLT and certain affiliates underwent another corporate restructuring that resulted in two entities, Red River Talc LLC ("Red River") and Pecos River Talc LLC ("Pecos River"), assuming the talc liabilities of LLT. On September 20, 2024, Red River filed for Chapter 11 bankruptcy protection in the U.S. Bankruptcy Court for the Southern District of Texas (the "Texas Bankruptcy Court"), seeking to resolve all ovarian cancer related talc claims. On October 21, 2024, the Texas Bankruptcy Court agreed to enter a temporary restraining order and preliminary injunction staying all ovarian cancer-related talc claims at least through December 2024, which it has since extended through March 15, 2025. On December 9, 2024, Red River filed a Second Amended Chapter 11 plan incorporating the settlement with the Talc Claimants' Committee. A hearing on confirmation of the plan and any objections thereto began on February 18, 2025. Johnson & Johnson has reported that the entity Pecos River will be responsible for resolving all non-ovarian cancer-related talc claims outside of bankruptcy. After the conclusion of the confirmation hearing, on March 31, 2025, the Texas Bankruptcy Court issued a memorandum decision denying confirmation of the plan, ordering the dismissal of Red River's bankruptcy case and vacating the preliminary injunction. The debtor's time to appeal has expired. Certain claimants filed motions to reconsider the dismissal of the bankruptcy case. Those motions were denied and the time to appeal has expired.

Red River, Pecos River and Johnson & Johnson continue to have indemnification obligations running to the Company and its affiliates, including Bausch + Lomb, for Shower to Shower[®] related product liability litigation. It is our expectation that Johnson & Johnson, in accordance with the applicable indemnification agreement, will continue to vigorously defend the Company and Bausch + Lomb, in each of the remaining actions, and that the Company and Bausch + Lomb will not incur any material losses with respect to indemnification claims as a result of the divisional merger or the bankruptcy.

General Civil Litigation

Doctors Allergy Formula Lawsuit

In April 2018, Doctors Allergy Formula, LLC ("Doctors Allergy"), filed a lawsuit against BHA in the Supreme Court of the State of New York, County of New York, asserting breach of contract and related claims under a 2015 Asset Purchase Agreement, which purports to include milestone payments that Doctors Allergy alleges should have been paid by BHA. Doctors Allergy claims its damages are not less than \$23 million. BHA has asserted counterclaims against Doctors Allergy. BHA filed a motion seeking an order granting BHA's motion for summary judgment on its counterclaims against Doctors Allergy and dismissing Doctors Allergy's claims against BHA. The motion was fully briefed as of May 2021. The Court held a hearing on the motion on January 25, 2022. On May 12, 2023, the Court issued a Decision and Order denying the motion. On June 14, 2023, BHA filed a Notice of Appeal as to the Decision and Order. On March 13, 2024, BHA filed its appellate brief with the Appellate Division of the New York Supreme Court, First Department, appealing the trial court's denial of BHA's motion for summary judgment. Doctors Allergy filed its answering brief on July 26, 2024, and BHA filed its reply brief on September 13, 2024. The Appellate Division heard oral argument on November 7, 2024. On December 5, 2024, the Appellate Division denied BHA's appeal as to Doctors Allergy's second cause of action (breach of contract) and BHA's counterclaims, but it granted the appeal as to Doctors Allergy's third cause of action (breach of the implied duty of good faith and fair dealing) and dismissed that claim. On December 13, 2024, the Appellate Division remitted this action back to the trial court. Trial is ongoing, with jury selection having begun on April 20, 2026, and trial scheduled to continue until May 8, 2026. BHA disputes the claims against it and this lawsuit will be defended vigorously.

Apriso[®] Qui Tam Litigation

In 2018, a qui tam complaint, captioned United States ex rel. Silbersher v. Valeant Pharmaceuticals Int'l, Inc., et al. (No. 4:18-cv-01496), was filed in the U.S. District Court for the Northern District of California against the Company, certain of its subsidiaries (collectively, the "Company"), and a third party, claiming that their alleged misrepresentations before the U.S. Patent Office ultimately resulted in false claims for payment being made to federal and state healthcare payors for Apriso[®]. The complaint asserts claims seeking, inter alia, damages, civil penalties and attorneys' fees under the federal False Claims Act and the false claims acts of several states.

In May 2020, the District Court granted defendants' motion to dismiss, holding that Plaintiff-relator's qui tam action was precluded by the False Claims Act's public disclosure bar. Plaintiff-relator appealed to the U.S. Court of Appeals for the Ninth Circuit. In August 2023, the Court of Appeals reversed the District Court's order and remanded to the District Court for further proceedings. In September 2023, the Company filed a petition for rehearing or rehearing en banc with the Court of Appeals. On January 5, 2024, the Court of Appeals panel denied the petition and issued an amended opinion, still reversing

the District Court's order and remanding the case to the District Court for further proceedings. On April 4, 2024, the Company filed a petition for a writ of certiorari to the Supreme Court, which was denied on October 7, 2024. Mandate issued and the case returned to the District Court. On November 27, 2024, Plaintiff-relator filed an amended complaint. The Company filed a motion to dismiss the amended complaint on February 5, 2025. On July 22, 2025, the District Court granted the motion to dismiss with leave to amend, holding that the amended complaint did not adequately differentiate between the multiple named defendants. Plaintiff-relator filed his amended complaint on August 11, 2025. The Company filed a motion to dismiss the third amended complaint on August 26, 2025. On March 31, 2026, the Court denied the Company's motion to dismiss and lifted the discovery stay.

The Company disputes the claims against it and intends to defend itself vigorously.

Completed or Inactive Matters

The following matters have concluded, have settled, are the subject of an agreement to settle or have otherwise been closed during or prior to the three months ended March 31, 2026 or have been inactive from the Company's perspective for several fiscal quarters or the Company anticipates that no further material activity will take place with respect thereto. Due to the closure, settlement, inactivity or change in status of the matters referenced below, these matters will no longer appear in the Company's future public reports and disclosures, unless required or as deemed appropriate. With respect to inactive matters, to the extent material activity takes place in subsequent quarters with respect thereto, the Company will provide updates as required or as deemed appropriate.

U.S. Securities Litigation - Opt-Out Litigation

Beginning October 2015, four putative securities class actions were filed in the U.S. District Court for the District of New Jersey against the Company and certain current or former officers and directors. The allegations related to, among other things, allegedly false and misleading statements and/or failures to disclose information about the Company's business and prospects, including relating to drug pricing, the Company's use of specialty pharmacies, and the Company's relationship with Philidor Rx Services LLC. The Court consolidated the matters in 2016 and they were later settled with final court approval in 2021 (the "Securities Class Action Settlement").

In addition to the consolidated putative class action, thirty-seven groups of individual investors in the Company's stock and debt securities chose to opt out of the consolidated putative class action and filed securities actions in the U.S. District Court for the District of New Jersey against the Company and certain current or former officers and directors. These actions are described and defined in the Company's Annual Report on Form 10-K for the year ended December 31, 2024.

These individual shareholder actions assert claims under Sections 10(b) and 20(a) of the Exchange Act. Certain of these individual actions assert additional claims, including claims under Section 18 of the Exchange Act, Sections 11, 12(a)(2) and 15 of the Securities Act. These claims are based on alleged purchases of Company stock, options, and/or debt at various times between January 3, 2013 and August 10, 2016. The allegations in the complaints are similar to those made by plaintiffs in the putative class action.

As of March 31, 2026, the Company has settled and paid all opt-out cases in the U.S. As part of the settlements, the Company and the other settling defendants admitted no liability as to the claims against them and denied all allegations of wrongdoing.

U.S. Securities Litigation - New Jersey Declaratory Judgment Lawsuit

On March 24, 2022, the Company and Bausch + Lomb were named in a declaratory judgment action in the Superior Court of New Jersey, Somerset County, Chancery Division, brought by certain individual investors in the Company's common shares and debt securities who are also maintaining individual securities fraud claims against the Company and certain current or former officers and directors as part of the U.S. Securities Litigation. This action sought a declaratory judgment that alleged transfers of certain Company assets to Bausch + Lomb would constitute a voidable transfer under the New Jersey Voidable Transactions Act and that Bausch + Lomb would be liable for damages, if any, awarded against the Company in the individual opt-out actions. The declaratory judgment action also alleged that the potential future separation of Bausch + Lomb from the Company by distribution of Bausch + Lomb stock to the Company's shareholders would leave the Company with inadequate financial resources to satisfy these plaintiffs' alleged securities fraud damages in the underlying individual opt-out actions. None of the plaintiffs in this declaratory judgment action have obtained a judgment against the Company in the underlying individual opt-out actions and the Company disputes the claims against it in those underlying actions. The underlying individual opt-out actions assert claims under Sections 10(b) and 20(a) of the Exchange Act, and certain actions assert claims under Section 18 of the Exchange Act. The allegations in those underlying individual opt out actions are made against the Company and several of its former officers and directors only and relate to, among other things, allegedly false and misleading statements made during the 2013-2016 time period by the Company and/or failures to disclose information about the Company's business and prospects including relating to drug pricing and the use of specialty pharmacies. On March 31, 2022, the Company and Bausch + Lomb removed the declaratory judgment action to the U.S. District Court for

the District of New Jersey. On April 29, 2022, Plaintiffs filed a motion to remand. On November 29, 2022, the District Court granted Plaintiffs' remand motion and the case was remanded to the New Jersey Superior Court Chancery Division. On December 8, 2022, Plaintiffs filed a proposed Order to Show Cause and motion for a preliminary injunction, and sought interim relief including expedited discovery. On December 13, 2022, the Court denied Plaintiffs' proposed Order to Show Cause and stayed discovery pending the resolution of the Company and Bausch + Lomb's forthcoming motions to dismiss, while instructing the Company to provide certain notice to Plaintiffs of the intended completion of a potential future distribution referenced above under certain circumstances. On December 22, 2022, Plaintiffs filed an amended complaint which, among other things, added claims seeking injunctive relief. On January 11, 2023, the Company and Bausch + Lomb moved to dismiss the amended complaint. Briefing was complete on February 24, 2023, and the motion to dismiss was heard on March 3, 2023. On April 3, 2023, the Court issued a decision granting in part and denying in part the motion to dismiss. In early August 2025, a settlement was reached, and, on August 29, 2025, the Court issued an order staying this action pending satisfaction of certain conditions to that settlement. On January 21, 2026, the Court entered a consent order dismissing the claims with prejudice.

Hound Partners Lawsuit

In October 2018, Hound Partners Offshore Fund, LP, Hound Partners Long Master, LP and Hound Partners Concentrated Master, LP, filed a lawsuit against the Company in the Superior Court of New Jersey Law Division/Mercer County (Hound Partners Offshore Fund, LP et al. v. Valeant Pharmaceuticals International, Inc., et al. (No. MER-L-002185-18)) that asserts claims for common law fraud, negligent misrepresentation, and violations of the New Jersey Racketeer Influenced and Corrupt Organizations Act. The allegations in the complaint are similar to those made in the Hound Partners opt-out case in the U.S. District Court for the District of New Jersey. This action is now settled.

The Ajanta Xifaxan® Litigation

The Company received a Notice of Paragraph IV Certification from Ajanta, dated October 6, 2025, in which Ajanta asserted that certain U.S. Patents listed in the FDA's Orange Book for the Company's Xifaxan® tablets, 550 mg, are invalid, unenforceable and/or will not be infringed by the manufacture, use, sale, offer for sale, and/or importation of Ajanta's generic rifaximin tablets, 550 mg, for which Ajanta filed an ANDA. The Company filed a lawsuit against Ajanta on November 20, 2025, pursuant to the Hatch-Waxman Act, alleging infringement by Ajanta of one or more claims of the Xifaxan® patents, thereby triggering a 30-month stay of approval of Ajanta's ANDA for rifaximin tablets, 550 mg. The Company and Ajanta executed a confidential settlement agreement on January 9, 2026. On January 13, 2026, the Court dismissed the lawsuit.

The MSN Trulance® Paragraph IV Proceedings and Related IPR Proceedings

In April 2021, the Company commenced litigation against MSN Laboratories Private Ltd. ("MSN") in the U.S. District Court for the District of New Jersey alleging patent infringement by MSN's filing of an ANDA for generic Trulance® (plecanatide) 3 mg tablets. The Company filed the lawsuit following receipt of a Notice of Paragraph IV Certification from MSN, in which MSN asserted that the U.S. patents listed in the FDA's Orange Book for Trulance® tablets, 3 mg, were invalid, unenforceable and/or would not be infringed by the commercial manufacture, use or sale of MSN's generic plecanatide tablets, 3 mg. Beginning November 10, 2025, the Court held a 3-day bench trial. On April 3, 2026, the parties executed a confidential settlement agreement resolving the dispute. The Court signed an order dismissing the lawsuit on April 6, 2026.

Mylan and MSN filed IPR petitions for certain U.S. patents listed in the FDA's Orange Book for Trulance® (plecanatide). On March 21, 2022, Mylan filed a petition for IPR of U.S. Patent No. 7,041,786 (the "'786 Patent"), which was then instituted on September 14, 2022. On October 12, 2022, MSN also filed a petition for IPR of the '786 Patent and the PTAB then issued a decision on December 14, 2022, instituting MSN's IPR and joining it with Mylan's IPR. On September 8, 2023, the PTAB issued a decision finding that Mylan and MSN had not shown that the '786 Patent is unpatentable. On September 28, 2023, Mylan appealed the PTAB's September 8th decision to the Federal Circuit. The Federal Circuit held oral arguments on April 7, 2025. On June 20, 2025, the Federal Circuit issued a decision vacating the PTAB's September 8, 2023 decision and remanded the matter back to the PTAB for additional fact-finding. On remand, the PTAB issued a decision on January 27, 2026, finding that MSN had not shown that the '786 Patent is unpatentable. On March 31, 2026, MSN filed a notice of appeal. On April 3, 2026, the parties executed a confidential settlement agreement resolving the dispute. The PTAB entered an order dismissing MSN's notice of appeal on April 14, 2026.

18. SEGMENT INFORMATION

Reportable Segments

The following is a brief description of the Company's reportable segments:

- **The Salix segment** consists of sales in the U.S. of GI products. Sales of the Xifaxan[®] product line currently represent approximately 85% of the Salix segment revenues.
- **The International segment** consists of sales, with the exception of sales of Bausch + Lomb products and Solta Medical aesthetic medical devices, outside the U.S. of branded pharmaceutical products, branded generic pharmaceutical products and OTC products.
- **The Solta Medical segment** consists of global sales of Solta Medical aesthetic medical devices.
- **The Diversified segment** consists of sales in the U.S. of: (i) pharmaceutical products in the areas of neuroscience and certain other therapeutic classes, (ii) dermatology products, (iii) generic pharmaceutical products and (iv) dentistry products.
- **The Bausch + Lomb segment** consists of global sales of Bausch + Lomb Vision Care, Surgical and Pharmaceuticals products.

Resources are allocated and performance is assessed by the Company's CEO, whom the Company has determined to be the Company's Chief Operating Decision Maker (the "CODM"). The Company's CODM evaluates the performance of its segments and allocates resources to them based on segment profit. Segment profit is based on operating income after the elimination of intercompany transactions. Certain costs, such as Amortization of intangible assets, Goodwill impairments, Asset impairments, Restructuring, integration and separation costs and Other expense, net, are not included in the measure of segment profit, as management excludes these items in assessing segment financial performance.

The CODM uses segment profit in the annual budgeting and forecasting process. The CODM considers budget-to-actual variances on a monthly basis for segment profit when making decisions about allocating capital and personnel to the segments. The CODM uses segment profit in determining the compensation of certain employees. In assessing segment performance and managing operations, the CODM does not review segment assets.

Corporate includes the finance, treasury, certain research and development programs, tax and legal operations of the Company's businesses and certain expenses, gains and losses related to the overall management of the Company, which are not allocated to the other business segments. Furthermore, a portion of share-based compensation is considered a corporate cost since the amount of such expense depends on company-wide performance rather than the operating performance of any single segment.

Segment Revenues and Profits

Segment revenues, profits and reconciliation of segment profit to consolidated Loss before income taxes were as follows:

(in millions)	Three Months Ended March 31,											
	Salix		International		Solta Medical		Diversified		Bausch + Lomb		Total	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
Revenues	\$ 639	\$ 542	\$ 285	\$ 262	\$ 171	\$ 113	\$ 185	\$ 205	\$ 1,244	\$ 1,137	\$ 2,524	\$ 2,259
Less:												
Cost of goods sold ^(a)	47	43	112	102	53	27	27	30	482	481		
Cost of other revenues	—	—	16	17	—	—	—	—	1	1		
Selling, general and administrative	105	111	63	52	35	28	43	45	439	447		
Research and development	19	17	6	6	8	5	3	3	45	28		
Segment profit	<u>\$ 468</u>	<u>\$ 371</u>	<u>\$ 88</u>	<u>\$ 85</u>	<u>\$ 75</u>	<u>\$ 53</u>	<u>\$ 112</u>	<u>\$ 127</u>	<u>\$ 277</u>	<u>\$ 180</u>	\$ 1,020	\$ 816
Corporate											(258)	(268)
Amortization of intangible assets											(241)	(256)
Goodwill impairments											(1,426)	—
Restructuring, integration and separation costs											(13)	(1)
Other expense, net											(32)	(15)
Operating (loss) income											(950)	276
Interest income											10	11
Interest expense											(402)	(330)
Loss on extinguishment of debt											(1)	—
Foreign exchange and other											(11)	(4)
Loss before income taxes											<u>\$ (1,354)</u>	<u>\$ (47)</u>

(a) Cost of goods sold excludes amortization and impairments of intangible assets.

During the three months ended March 31, 2026 and 2025, ten products represented 54% and 50% of total revenues, respectively.

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

INTRODUCTION

Unless the context otherwise indicates, as used in this "Management's Discussion and Analysis of Financial Condition and Results of Operations," the terms "we," "us," "our," "the Company," "Bausch Health," and similar terms refer to Bausch Health Companies Inc. and its subsidiaries, taken together. This "Management's Discussion and Analysis of Financial Condition and Results of Operations" should be read in conjunction with the unaudited interim Condensed Consolidated Financial Statements and the related notes (the "Financial Statements") included elsewhere in this Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2026 (this "Form 10-Q"). The matters discussed in this "Management's Discussion and Analysis of Financial Condition and Results of Operations" contain certain forward-looking statements within the meaning of Section 27A of The Securities Act of 1933, as amended, and Section 21E of The Securities Exchange Act of 1934, as amended, and that may be forward-looking information within the meaning of applicable Canadian securities laws (collectively "forward-looking statements"). Forward-looking statements can generally be identified by the use of words such as "believe", "anticipate", "expect", "intend", "estimate", "plan", "continue", "will", "may", "could", "would", "should", "target", "potential", "opportunity", "designed", "create", "predict", "project", "forecast", "seek", "strive", "ongoing", "likely", "evolve", "decrease" or "increase" and variations or other similar expressions. In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances are forward-looking statements.

These statements are based upon the current expectations and beliefs of management. Readers are cautioned that actual results may vary from those in the forward-looking statements. Although we believe that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties, and undue reliance should not be placed on such statements. Certain material factors or assumptions are applied in making such forward-looking statements, including, but not limited to, factors and assumptions relating to: (i) our ability to execute our business strategy, business plans and operational efficiency initiatives; (ii) demand for, competitive positioning of and pricing for our current and anticipated products and our ability to achieve expected revenues, margins and expense levels; (iii) the successful development, regulatory approval, manufacture and timing of launches and commercialization of pipeline and other products; (iv) the completion, timing, integration and expected benefits of acquisitions and other strategic transactions and the planned separation of our eye health business consisting of our Bausch + Lomb global Vision Care, Surgical and Pharmaceuticals businesses on anticipated terms, timing and costs; (v) the scope, duration and financial and operational impact of product quality matters; (vi) the continued availability and performance of key third-party distribution, fulfillment and other arrangements and the stability of global supply chains; (vii) the continuation of patent protection and regulatory exclusivity for key products; (viii) the expected impacts of the Inflation Reduction Act ("IRA"), and the selection by the Centers for Medicare & Medicaid Services ("CMS") of Xifaxan® for inclusion in the drug price negotiation program with negotiated pricing expected to become effective in 2027, and other healthcare reform measures and our ability to mitigate the impact thereof; (ix) our ability to generate cash flows and access liquidity to meet working capital needs, satisfy debt maturities as they become due, reduce debt levels and comply with financial and other covenants under our financing arrangements; (x) the expected scope and impact of tariffs, counter-tariffs and other trade restrictions and the effectiveness of mitigation actions; (xi) macroeconomic and geopolitical conditions (including inflation, recessionary pressures, foreign currency exchange rates and interest rates), changes in tax laws and related guidance (including legislation referred to as the One Big Beautiful Bill Act (the "OBBBA") and Organisation for Economic Co-operation and Development ("OECD") related measures); (xii) the expected outcomes of litigation and other contingencies; and (xiii) the factors described under Item 1A. "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2025.

We caution that, as it is not possible to predict or identify all relevant factors that may impact forward-looking statements, the factors referred to in this Management's Discussion and Analysis of Financial Condition and Results of Operations are not exhaustive and should not be considered a complete statement of all potential risks and uncertainties. When relying on our forward-looking statements to make decisions with respect to the Company, investors and others should carefully consider the aforementioned factors and other uncertainties and potential events. These forward-looking statements speak only as of the date made. We undertake no obligation to update or revise any of these forward-looking statements to reflect events or circumstances after the date of this Management's Discussion and Analysis of Financial Condition and Results of Operations or to reflect actual outcomes, except as required by law.

Our accompanying unaudited interim Condensed Consolidated Financial Statements as of March 31, 2026 and for the three months ended March 31, 2026 and 2025 have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and the rules and regulations of the United States Securities and Exchange Commission (the "SEC") for interim financial statements, and should be read in conjunction with our Consolidated Financial Statements for the year ended December 31, 2025, which were included in our Annual Report on Form 10-K. In our opinion, the unaudited interim Condensed Consolidated Financial Statements reflect all adjustments, consisting of normal and recurring adjustments, necessary for a fair statement of the financial condition, results of

operations and cash flows for the periods indicated. Additional company information is available on SEDAR+ at www.sedarplus.ca and on the SEC website at www.sec.gov. All currency amounts are expressed in U.S. dollars, unless otherwise noted. Certain defined terms used herein have the meaning ascribed to them in the Financial Statements.

OVERVIEW

We are a global, diversified specialty pharmaceutical and medical device company that develops, manufactures and markets, primarily in the therapeutic areas of gastroenterology (“GI”), hepatology, neuroscience and dermatology, a broad range of branded, generic and branded generic pharmaceuticals, over-the-counter (“OTC”) products and aesthetic medical devices, and, through our approximately 87% ownership of Bausch + Lomb Corporation (“Bausch + Lomb” or “B+L”), branded and branded generic pharmaceuticals, OTC products and medical devices (contact lenses, intraocular lenses, ophthalmic surgical equipment) in the therapeutic areas of eye health. Our products are marketed directly or indirectly in approximately 90 countries.

Our portfolio of products falls into five reportable segments: (i) Salix, (ii) International, (iii) Solta Medical, (iv) Diversified and (v) Bausch + Lomb. The following is a brief description of the Company’s segments:

- **The Salix segment** consists of sales in the U.S. of GI products. Sales of the Xifaxan[®] product line currently represent approximately 85% of the Salix segment revenues.
- **The International segment** consists of sales, with the exception of sales of Bausch + Lomb products and Solta Medical aesthetic medical devices, outside the U.S. of branded pharmaceutical products, branded generic pharmaceutical products and OTC products.
- **The Solta Medical segment** consists of global sales of Solta Medical aesthetic medical devices.
- **The Diversified segment** consists of sales in the U.S. of: (i) pharmaceutical products in the areas of neuroscience and certain other therapeutic classes, (ii) dermatology products, (iii) generic pharmaceutical products and (iv) dentistry products.
- **The Bausch + Lomb segment** consists of global sales of Bausch + Lomb Vision Care, Surgical and Pharmaceuticals products.

For additional discussion of our reportable segments, see Note 18, “SEGMENT INFORMATION” to our unaudited interim Condensed Consolidated Financial Statements.

Separation of the Bausch + Lomb Eye Health Business

On August 6, 2020, we announced our plan to separate our eye health business consisting of our Bausch + Lomb global Vision Care, Surgical and Pharmaceuticals businesses into an independent publicly traded entity, Bausch + Lomb (the “B+L Separation”). On May 10, 2022, a wholly owned subsidiary of Bausch Health sold 35,000,000 common shares of Bausch + Lomb in the initial public offering of Bausch + Lomb. Bausch Health indirectly holds 310,449,643 common shares of Bausch + Lomb, which represents approximately 87% of B+L’s outstanding common shares as of April 22, 2026.

We continue to believe that the B+L Separation, which may include the monetization of all or a portion of our ownership interest in Bausch + Lomb, the transfer of all or a portion of our remaining direct or indirect equity interest in Bausch + Lomb to our shareholders, or a combination thereof, makes strategic sense. The completion of the B+L Separation is subject to the achievement of targeted debt leverage ratios and the receipt of any applicable shareholder and other necessary approvals. We continue to evaluate all relevant factors and considerations related to the B+L Separation, including the Xifaxan[®] Generics Litigation (see “Xifaxan[®] Paragraph IV Proceedings” of Note 17, “LEGAL PROCEEDINGS” to our unaudited interim Condensed Consolidated Financial Statements).

The B+L Separation, if consummated, will result in two separate, independent companies:

- **Bausch Health excluding Bausch + Lomb** - a diversified pharmaceutical company with leading positions in GI, hepatology, dermatology, neuroscience and international pharmaceuticals, and aesthetic medical devices. The remaining pharmaceutical entity will comprise a diversified portfolio of our brands across the Salix, International, dentistry, neuroscience, medical dermatology and generics, and aesthetic medical devices businesses; and
- **Bausch + Lomb** - a fully integrated eye health company built on the iconic Bausch + Lomb brand and its long history of innovation.

As independent entities, management believes that each company will be better positioned to individually focus on its core businesses to drive additional growth, more effectively allocate capital and better manage its respective capital needs.

Although management believes the B+L Separation will unlock value, there can be no assurance that it will be successful in doing so.

See Item 1A. “Risk Factors — Risk Relating to the B+L Separation” of our Annual Report on Form 10-K for the year ended December 31, 2025 for additional risks relating to the B+L Separation.

For additional details on the B+L Separation, see “Separation of the Bausch + Lomb Eye Health Business” in Note 2, “SIGNIFICANT ACCOUNTING POLICIES” to our unaudited interim Condensed Consolidated Financial Statements.

Focus on Value and Core Businesses

We continue to execute on actions intended to bring out value in our Company. In line with this focus on our core businesses, we have: (i) made measurable progress in effectively managing our capital structure, including taking actions to reduce the principal balances or extend maturities of our long-term debt, (ii) directed capital allocation to drive growth within our core businesses, (iii) increased our efforts to improve patient access and (iv) continued to invest in sustainable growth drivers to position us for long-term growth.

We believe that these measures, along with our continued commitment to improving people’s lives through our health products, help position us to unlock potential value across our portfolio of assets, including by separating our eye health and pharmaceutical businesses. Although management believes the B+L Separation will unlock additional value, there can be no assurance that it will be successful in doing so.

Effectively Managing Our Capital Structure

At the time of our announcement of the B+L Separation, we emphasized that it is important that the post-separation entities be appropriately capitalized, with appropriate leverage and with access to additional capital, if and when needed, to provide each entity with the ability to independently allocate capital to areas that will strengthen their own competitive positions in their respective lines of business and position each entity for sustainable growth. Therefore, we see the appropriate capitalization and leverage of these businesses post-separation as a key to maximizing value across our portfolio of assets and, as such, it is a primary objective of our plan of separation.

April 2025 Refinancing Transactions

In April 2025, the Company and its indirect wholly-owned subsidiary, 1261229 B.C. Ltd., a company incorporated under the laws of British Columbia, Canada (“126NumberCo”), closed a series of transactions (the “April 2025 Refinancing Transactions”) whereby it: (i) entered into a credit agreement which provides for new senior secured credit facilities (the “2025 Credit Agreement”) consisting of a five-year senior secured revolving credit facility in an amount of \$500 million due April 8, 2030 (the “2030 Revolving Credit Facility”) and a \$3,000 million 5.5-year senior secured term loan B facility due October 8, 2030 (the “2030 Term Loan B Facility”, and together with the 2030 Revolving Credit Facility, the “2025 Senior Secured Credit Facilities”) and (ii) issued \$4,400 million aggregate principal amount of 10.00% senior secured notes due April 15, 2032 (the “2032 Senior Secured Notes”).

The proceeds from the April 2025 Refinancing Transactions were used: (i) to repay in full and terminate the Company’s term loan facility (the “February 2027 Term Loan B Facility”), (ii) to redeem certain senior secured notes, certain unsecured notes and the 9.00% Senior Secured Notes due 2028 (the “9.00% Intermediate Holdco Secured Notes”), (iii) to pay related fees, premiums and expenses and (iv) for general corporate purposes.

The April 2025 Refinancing Transactions reduced our short-term cash requirements for debt service by extending approximately \$6,870 million in aggregate debt maturities from the years 2025 through 2028 to the years 2030 through 2032.

August 2025 Repurchase Activity

In August 2025, we repurchased and retired our outstanding 9.25% Senior Unsecured Notes (the “August 2025 Repurchase Activity”) with an aggregate par value of approximately \$602 million using cash on hand, for an aggregate cost of approximately \$601 million.

December 2025 Exchange

In December 2025, the Company and 126NumberCo, completed offers to exchange (the “December 2025 Exchange”) \$797 million aggregate principal amount of 4.875% Senior Secured Notes due in 2028 (the “June 2028 Senior Secured Notes”) and \$886 million aggregate principal amount of 11.00% First Lien Secured Notes due in 2028 (the “11.00% First Lien Secured Notes”), for \$1,600 million in aggregate principal amount of new 10.00% Senior Secured Notes due April 2032, which form a single series with the 2032 Senior Secured Notes issued in April 2025 which reduced the outstanding principal value of our debt by \$83 million. In connection with the December 2025 Exchange, 26,495,472 common shares of

Bausch + Lomb were transferred to 126NumberCo, which owns, in the aggregate, 211,963,893 common shares of Bausch + Lomb following such transfer.

The December 2025 Exchange reduced our short-term cash requirements for debt service by extending approximately \$1,600 million in aggregate debt maturities from the year 2028 to the year 2032.

Defined terms used above but not defined in this “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” are defined and discussed in Note 10, “FINANCING ARRANGEMENTS” to our unaudited interim Condensed Consolidated Financial Statements.

Bausch + Lomb June 2025 Refinancing Activity

On June 26, 2025, Bausch + Lomb entered into an incremental amendment to its credit agreement (the “B+L June 2025 Credit Facility Amendment”, which consisted of a new \$800 million revolving credit facility maturing June 26, 2030 (the “B+L 2030 Revolving Credit Facility”) and a new \$2,325 million term B loan facility maturing January 15, 2031 (the “B+L January 2031 Term Loan B Facility”). In addition, Bausch + Lomb’s subsidiaries, Bausch + Lomb Netherlands B.V. and Bausch & Lomb Incorporated, issued €675 million aggregate principal amount of Senior Secured Floating Rate Notes due January 2031 (the “B+L January 2031 Secured Notes” and, together with the B+L October 2028 Senior Secured Notes, the “B+L Secured Notes”). The B+L January 2031 Secured Notes accrue interest at a rate per annum of: (i) three-month EURIBOR (subject to a 0% floor) plus (ii) 3.875%, reset quarterly, payable quarterly in arrears on January 15, April 15, July 15 and October 15 of each year, commencing on January 15, 2026.

The proceeds from the B+L January 2031 Secured Notes along with the proceeds of the B+L January 2031 Term Loan B Facility were used by Bausch + Lomb to: (i) repay in full borrowings under the B+L May 2027 Revolving Credit Facility, (ii) refinance, in full, its outstanding term loans due 2027 and (iii) pay related fees and expenses (these transactions together, the “B+L 2025 Refinancing Activity”).

In January 2026, Bausch + Lomb entered into a refinancing transaction amendment (the “Bausch + Lomb January 2026 Credit Facility Amendment”; the B+L Original Credit Agreement, as amended by the B+L September 2023 Credit Facility Amendment, the B+L November 2024 Credit Facility Amendment, the B+L June 2025 Credit Facility Amendment and the B+L January 2026 Credit Facility Amendment, the “B+L Amended Credit Agreement”) providing for a new \$2,802 million term loan facility maturing on January 15, 2031 (the “B+L January 2031 Refinancing Term Facility” or the “B+L Term Facilities”; the B+L Term Facilities, together with the B+L 2030 Revolving Credit Facility, the “B+L Senior Secured Credit Facilities”). The proceeds from the B+L January 2031 Refinancing Term Facility were used to refinance, in full, the B+L September 2028 Term Loan B Facility and the B+L January 2031 Term Loan B Facility.

The April 2025 Refinancing Transactions, August 2025 Repurchase Activity, December 2025 Exchange, B+L 2025 Refinancing Activity and B+L January 2031 Refinancing Term Facility provide us more flexibility to operate and allow us to more effectively allocate capital to initiatives that will strengthen our products and brands.

As of March 31, 2026, we had aggregate maturities and mandatory payments of our principal balances of debt obligations as follows:

<i>(in millions)</i>	Remainder of 2026	2027	2028	2029	2030	2031	Thereafter	Total
Total debt obligations	\$ 44	\$ 701	\$ 3,765	\$ 1,667	\$ 4,123	\$ 3,912	\$ 6,000	\$ 20,212

Continue to Manage our Capital Structure

We continue to monitor our capital structure and to evaluate other opportunities to simplify our business and improve our capital structure, giving us the ability to better focus on our core businesses. The Company regularly evaluates market conditions, its liquidity profile and various financing alternatives for opportunities to enhance its capital structure. If the Company determines that conditions are favorable, the Company may refinance or repurchase existing debt or issue additional debt, equity or equity-linked securities.

See Note 10, “FINANCING ARRANGEMENTS” to our unaudited interim Condensed Consolidated Financial Statements and “— Liquidity and Capital Resources — Liquidity and Debt — Long-term Debt” below for additional discussion of these matters. Cash requirements for future debt repayments including interest can be found in “— Liquidity and Capital Resources — Off-Balance Sheet Arrangements and Contractual Obligations.”

Direct Capital Allocation to Drive Growth Within Our Core Businesses

Our capital allocation is also driven by our long-term growth strategies. We allocate resources to promote our core businesses globally through: (i) strategic acquisitions, (ii) research and development (“R&D”) investment, (iii) strategic

licensing agreements and (iv) strategic investments in our infrastructure. We believe that the outcome of this process allows us to better drive value in our product portfolio and generate operational efficiencies.

R&D Investment

We search for new product opportunities through internal development and strategic licensing agreements, that, if successful, will allow us to leverage our commercial footprint, particularly our sales force, and supplement our existing product portfolio and address specific unmet needs in the market.

Our internal R&D organization focuses on the development of products through clinical trials. As of December 31, 2025, approximately 1,400 dedicated R&D and quality assurance employees in 25 R&D facilities were involved in our R&D efforts internally.

As of March 31, 2026, we had approximately 80 projects in our global pipeline. Certain core internal R&D projects that have received a significant portion of our R&D investment in current and prior periods are listed below.

Gastrointestinal

- **Larsucosterol** - In September 2025, we completed the acquisition of DURECT Corporation (“DURECT”). Larsucosterol, DURECT’s lead drug candidate, has the potential to be the first U.S. Food and Drug Administration (“FDA”) approved therapeutic option for alcohol-associated hepatitis (“AH”) patients. The FDA has granted a Breakthrough Therapy designation for this drug. A registrational Phase 3 program to evaluate the safety and efficacy of Larsucosterol for the treatment of patients with severe AH began in January 2026.
- **Rifaximin** - In January 2026, we received the results for the double-blind Phase 3 clinical trials for two global clinical programs evaluating our rifaximin soluble solid dispersion (“SSD”) formulation of rifaximin, known as rifaximin SSD-40IR, as part of our RED-C clinical trial program (“RED-C”). These trials were aimed to assess the drug’s ability to delay the first occurrence of overt hepatic encephalopathy (“OHE”) in patients with early decompensated liver cirrhosis. While safe and well-tolerated, both clinical trials failed to achieve their primary endpoint.
- **Amiselimod (S1P modulator)** - A Phase 2 study to evaluate Amiselimod (S1P modulator) for the treatment of mild to moderate ulcerative colitis was completed in 2024. In 2024, we met with the FDA for an end of Phase 2 meeting. We also met with the European Medicines Agency of the European Union (“EU”) and Japan’s Pharmaceuticals and Medical Devices Agency. All regulatory feedback is currently under review.

Solta Medical

- **Clear + Brilliant® Touch** - The latest generation Clear + Brilliant® laser is designed to deliver a customized and more comprehensive skin resurfacing treatment protocol by providing patients of all ages and skin types the benefits of two wavelengths in one treatment. Clear + Brilliant® Touch was launched in Canada in February 2026 and was submitted for approval in multiple markets globally to support the ongoing globalization.
- **Fraxel FTX®** - The next generation Fraxel® is a fractionated laser device for skin resurfacing launched in the U.S. in April 2025 and was submitted for approval in multiple markets globally.

Dermatology

- **CABTREO® Topical Gel** - The first and only FDA approved fixed-dose, triple-combination topical treatment for acne was submitted for approval to the European Medicines Agency of the EU.

Bausch + Lomb

- **Lumify® Franchise** – An OTC redness reliever eye drop that significantly reduces redness to help eyes look whiter and brighter. To date, Bausch + Lomb has launched and acquired the right to launch Lumify® in various countries. A new line extension formulation, Lumify® Preservative Free, was launched in the first quarter of 2025. In addition, Bausch + Lomb is in the process of initiating a Lumify® next generation clinical study, for which a Phase 3 study met all primary and secondary endpoints and for which the New Drug Application has been submitted and approval is anticipated during the first half of 2027.
- **Blink® Franchise** – During June 2024, Bausch + Lomb expanded its OTC dry eye portfolio with the launch of Blink® NutriTears®, a clinically proven OTC supplement that targets the key root causes of dry eyes, promotes healthy tear production and provides noticeable relief of eye dryness symptoms. In June 2025, Bausch + Lomb began launching Blink® Nourish and Blink® Boost lubricating eye drops in the U.S. Bausch + Lomb recently developed a preservative free lipid-based formulation for its Blink® Triple Care product, which began launching in 2026.

- LuxLife® – Bausch + Lomb is expanding its portfolio of premium IOLs built on the “Lux” platform with the LuxLife® Trifocal IOL with two options, non-Toric and Toric for astigmatic patients. The European launch of this product is in process.
- Bausch + Lomb is expanding its portfolio of premium IOLs built on the enVista® platform with: enVista Aspire® monofocal and toric IOLs with Intermediate Optimized optics launched in the U.S. in October 2023, in Europe and Canada in 2025, enVista Envy® launched in Canada in June 2024, in the U.S. in November 2024 and in Europe in October 2025, and launches in Singapore and Hong Kong are expected and enVista Beyond™ extended depth of focus is anticipated to launch in the U.S. in 2027.

Strategic Licensing Agreements

To supplement our internal R&D initiatives and to build-out and refresh our product portfolio, we also search for opportunities to augment our pipeline through arrangements that allow us to gain access to unique products and investigational treatments, by strategically aligning ourselves with other innovative product solutions.

In the normal course of business, the Company may enter into select licensing and collaborative agreements for the commercialization and/or development of unique products primarily in the U.S. and Canada. These products are sometimes investigational treatments in early stage development that target unique conditions. The ultimate outcome, including whether the product will be: (i) fully developed, (ii) approved by the FDA or other regulators, (iii) covered by third-party payors or (iv) profitable for distribution, is highly uncertain. Under certain agreements, the Company may be required to make payments contingent upon the achievement of specific developmental, regulatory, or commercial milestones.

Strategic Acquisitions

We remain very selective when considering any acquisition and pursue only those opportunities that we believe align well with our current organization and strategic plan. In being selective, we seek to enter into only those acquisitions that provide us with significant synergies with our existing business, thereby minimizing risks to our core businesses and providing long-term growth opportunities.

In December 2025, we completed the acquisition of Wuhan Shibo Zhenmei Technology Co., Ltd. (“Shibo Zhenmei”), consisting of the aesthetics distribution business of our full-service distributor in China, the Shibo Group. Through this transaction, we assumed full responsibility for the distribution of Solta Medical’s entire product portfolio, including Thermage® FLX as well as other aesthetic devices, within the Chinese market.

In September 2025, we acquired DURECT, a biopharmaceutical company engaged in the development of epigenetic therapies that target dysregulated deoxyribonucleic acid methylation to transform the treatment of serious and life-threatening conditions, including acute organ injury. DURECT’s lead drug candidate, Larsucosterol, is a novel therapeutic molecule that has demonstrated promising results in Phase 2 trials for the treatment of AH and has been granted Breakthrough Therapy designation by the FDA.

In December 2025, Bausch + Lomb acquired certain manufacturing equipment, other assets and the assumption of a manufacturing facility lease in Mexico. The acquisition is expected to unlock manufacturing capacity and expand Bausch + Lomb’s margins.

In January 2025, Bausch + Lomb acquired Whitecap Biosciences, LLC which is currently developing two innovative therapies for potential use in glaucoma and geographic atrophy.

See Note 4, “LICENSING AGREEMENTS AND ACQUISITIONS” to our unaudited interim Condensed Consolidated Financial Statements for additional information.

Divest Assets to Simplify Our Business

In order to better focus on our core businesses, we continue to evaluate opportunities to simplify our operations and improve our capital structure, including divesting non-core assets in order to narrow the Company’s activities to our core businesses where we believe we have an existing and sustainable competitive edge and the ability to generate operational efficiencies. We will also consider dispositions or divestitures in core areas that we believe represent attractive opportunities for the Company.

Improve Patient Access

Improving patient access to our products, as well as making them more affordable, is a key element of our business strategy.

Patient Access and Pricing Team - We formed the Patient Access and Pricing Team which is committed to maintaining patients' ability to access our branded prescription pharmaceutical products. All future pricing actions will be subject to review by the Patient Access and Pricing Team. Future pricing changes and programs could affect the average realized pricing for our products and may have a significant impact on our revenues and profits.

Bausch Health Patient Assistance Program - We are committed to supporting patients through our Patient Assistance Program which offers free medication for patients who meet income and other eligibility criteria. If approved, patients receive their Bausch Health prescription product(s) at no cost to them. Eligible patients must reapply yearly to remain in the program and must meet all current requirements.

Cash-pay Prescription Program - The cash-pay or Point of Sale program was adopted to address the affordability and availability of certain branded dermatology products when insurers and pharmacy benefit managers are no longer offering those branded prescription pharmaceutical products under their designated pharmacy benefit offerings. This program is currently limited to a select group of our brands and offered through different fulfillment platforms which allows for patients to choose telemedicine, direct delivery to their home or to use a pharmacy of their choice. This program is designed to connect patients with dermatologists and provide patients both a predictable customer experience and a predictable cost for their dermatology health care needs.

Walgreens Fulfillment Arrangements - Under our brand fulfillment arrangement with Walgreen Co. ("Walgreens"), we make certain dermatology products available to eligible patients through patient access and co-pay assistance programs at Walgreens U.S. retail pharmacy locations, as well as participating independent retail pharmacies.

Invest in Sustainable Growth Drivers to Position us for Long-Term Growth

We are constantly challenged by the changing dynamics of our industry to innovate and bring new products to market. We have divested certain businesses where we saw limited growth opportunities, so that we can be more aggressive in redirecting our R&D spend and other corporate investments to innovate within our core businesses where we believe we can be most profitable and where we aim to be an industry leader.

We believe that we have a well-established product portfolio that is diversified within our core businesses and provides a sustainable revenue stream to fund our operations. However, our future success is also dependent upon our ability to continually refresh our pipeline, to provide a rotation of product launches that meet new and changing demands and replace other products that have lost momentum. We believe we have a pipeline that not only provides for the next generation of our existing products but is also poised to bring new products to market.

Salix - We believe in our GI product portfolio and we have implemented initiatives, including increasing our marketing investment in Xifaxan[®], to further capitalize on the value of the infrastructure we have built around these products to extend our market share. We have continued our investment in Xifaxan[®] DTC advertising and new sales force capabilities. In January 2026, we received the results for the double-blind Phase 3 clinical trials for two global RED-C clinical programs evaluating our rifaximin SSD formulation, designed to prevent OHE and related complications in patients with early-stage liver cirrhosis. While safe and well-tolerated, both clinical trials did not meet the primary endpoint. We have also invested in developing our investigational oral drug Amiselimod (S1P modulator) for the treatment of moderate to severe ulcerative colitis. We have met with the FDA for an end of Phase 2 meeting, as well as with the EU's European Medicines Agency and Japan's Pharmaceuticals and Medical Devices Agency for Amiselimod (S1P modulator) for the treatment of moderate to severe ulcerative colitis. All regulatory feedback is currently under review.

International - Our International product portfolio includes our recently launched product, CABTREO[®] Topical Gel, a triple-combination topical treatment for acne. Our current focus is on expanding towards general practitioners ("GPs") and strengthening awareness and education for both GPs and patients.

Solta Medical - More than 75% of our Solta Medical business revenue has historically come from consumables, which we believe results in a durable business model. We continue to invest in key markets, including through the acquisition of Shibo Zhenmei in China. Our Thermage[®] FLX, Fraxel FTX[®] and Clear + Brilliant[®] Touch platforms continue to expand, reaching more customers, with Clear + Brilliant[®] Touch launched in Canada in February 2026.

Diversified - We continue to seek ways to bring out value in our promoted and nonpromoted products within our Diversified portfolio. In the first quarter of 2024, we launched CABTREO[®] Topical Gel in the U.S. adding to our established acne product portfolio.

Business Trends

In addition to the actions previously outlined, the events described below have affected and may affect our business trends. The matters discussed in this section contain forward-looking statements. Please see "INTRODUCTION" above for additional information.

Macroeconomic Matters

The Company is monitoring ongoing policy changes being made by the Trump administration and the responses to these policy changes by foreign governments, including those related to existing trade agreements, the actual or threatened imposition of new tariffs and non-tariff barriers, and amendments to existing tariffs, and the counter-duties, counter-tariffs and/or other counter-measures threatened or implemented in response by other countries, as well as the recent United States Supreme Court ruling that invalidated certain tariffs and the possible eligibility for refunds of previously paid tariffs following such ruling, and the tensions between the U.S. and other members of North Atlantic Treaty Organization. Some of these policies have targeted countries and sectors in which we do business, including pharmaceuticals. Given the international scope of our operations, any sanctions, export controls, tariffs, trade wars and other governmental actions, could have an adverse effect on our business, financial condition, cash flows and results of operations. Similarly, adverse economic conditions impacting our customers in these countries or uncertainty about global economic conditions could cause purchases of our products to decline, which would adversely affect our revenues and operating results.

Additionally, on February 20, 2026 the U.S. Supreme Court issued a decision invalidating tariffs imposed under the International Emergency Economic Powers Act (“IEEPA”). In response to the U.S. Supreme Court’s decision, new Executive Orders were announced aimed at restructuring U.S. tariff policy and exploring alternative statutory authorities under which to impose or maintain tariffs. On March 4, 2026, the U.S. Court of International Trade (“CIT”) ordered the U.S. Customs and Border Protection (“CBP”) to liquidate (meaning calculate and finalize) and, where applicable, reliquidate, or correct, certain import entries without regard to duties imposed under the IEEPA. The CIT order provides relief for entries affected by IEEPA tariffs. On April 10, 2026, the CBP opened the Consolidated Administration and Processing of Entries (“CAPE”) portal to facilitate the submission and processing of IEEPA duty refund claims. We are evaluating the impact of these developments on our business, financial condition, cash flows and results of operations, however, as of the date of this filing, no amounts related to potential tariff recoveries have been recorded.

On April 2, 2026, the White House posted a Presidential Proclamation that following an investigation into the effects of imports of pharmaceuticals and pharmaceutical ingredients on the national security of the United States under section 232 of the Trade Expansion Act of 1962, as amended, the President imposed a one hundred percent (100%) tariff on patented pharmaceutical products and ingredients imported after September 29, 2026. The tariff rate is reduced to fifteen percent (15%) for products originating from the European Union, Japan, Korea or Switzerland and Liechtenstein. A zero percent (0%) tariff will apply through January 20, 2029 for companies that enter Most Favored Nation pricing agreements with the Department of Health and Human Services and onshoring agreements with the Department of Commerce. We are evaluating the impact of such tariffs and do not expect a material impact on our business and consolidated results of operations.

See Item 1A. “Risk Factors” of our Annual Report on Form 10-K for the year ended December 31, 2025 for additional information on the risks associated with tariffs.

Russia-Ukraine War

In February 2022, Russia invaded Ukraine. As military activity and sanctions against Russia and specific areas of Ukraine have continued, the war has continued to affect economic and global financial markets and placed further pressure on ongoing economic challenges, including issues such as inflation and global supply-chain disruption. The U.S., Canada, the EU and other jurisdictions have imposed sanctions and export controls against Russia in response to the ongoing war. To date, the challenges associated with the Russia-Ukraine war and related sanctions from the U.S., EU and elsewhere have not had a material impact on our operations; although, we continue to review recent and proposed sanctions imposed by the EU, U.S. and others to assess their impact on our operations.

Our revenues attributable to Russia, Ukraine and Belarus for each of the three months ended March 31, 2026 and 2025 were approximately 2% of our total revenues. In addition, we do not have any research or manufacturing facilities in Russia, Ukraine or Belarus. While we have been monitoring this conflict and will continue to do so as this conflict continues to evolve, we are unable to predict the impact of this conflict on our business.

For a further discussion of these and other risks relating to our international business, see Item 1A. “Risk Factors — Risks Relating to the International Scope of our Business” in our Annual Report on Form 10-K for the year ended December 31, 2025.

Middle East Conflict

The conflict between Israel and Hamas began in October 2023 and has since expanded to include other regional actors, including Iran, as well as military involvement by the U.S. and Israel. While certain ceasefire or de-escalation efforts have been announced, the situation remains uncertain and continues to evolve. Our revenues attributable to the impacted regions are not material and to date, the conflict has not had a measurable impact on our supply chain and business. While we have been monitoring this conflict (including the potential macroeconomic impact) and will continue to do so as this conflict continues to evolve, we are unable to predict the impact of this conflict on our business.

Global Minimum Corporate Tax

On October 8, 2021, the Organisation for Economic Co-operation and Development (“OECD”)/G20 inclusive framework on Base Erosion and Profit Shifting (the “Inclusive Framework”) published a statement updating and finalizing the key components of a two-pillar plan on global tax reform. The Inclusive Framework plan has now been agreed to by more than 140 OECD members, including several countries which did not agree to the initial plan. Under Pillar One, a portion of the residual profits of multinational businesses with global turnover above €20 billion and a profit margin above 10% will be allocated to market countries where such allocated profits would be taxed. Under Pillar Two, the Inclusive Framework has agreed on a global minimum corporate tax rate of 15% for companies with revenue above €750 million, calculated on a country-by-country basis. While many countries have adopted some or all aspects of these rules, some countries have not adopted any or all of them, and many interpretive questions remain that are expected to be addressed in future guidance. On June 20, 2024, Canada enacted the Global Minimum Tax Act (“GMTA”) that adopted certain components of Pillar Two. The GMTA is generally aligned with the model rules proposed by the OECD.

The United States did not announce plans to enact the tax measures under the two-pillar plan. On January 20, 2025, the Trump administration issued an executive order declaring the Inclusive Framework has no force or effect in the U.S. absent congressional action, and directing the U.S. Department of Treasury to: (i) investigate whether any non-U.S. countries are not in compliance with any U.S. tax treaty or have implemented or are likely to implement tax rules that are extraterritorial or disproportionately affect U.S. companies, which may include actions or taxes imposed under Pillar One or Pillar Two, and (ii) develop options for “protective measures” in response to any such noncompliance or tax rules. On June 28, 2025, the United States and the rest of the G7 countries announced an agreement that would, in principle, exclude U.S. parented groups from certain taxes under Pillar Two and address certain risks of base erosion and profit shifting. In January 2026, the OECD published the “side by side” arrangement package to implement this exclusion. However, we cannot predict whether the United States will adopt any other protective measures including with respect to any taxes imposed under Pillar One, or whether or how any non-U.S. countries may change their tax laws, including with respect to taxes imposed under Pillar One or Pillar Two, in response to the executive order, the “side by side” arrangement described above, or otherwise. It is possible that any changes in United States or non-U.S. tax law could have a material adverse effect on our future tax liabilities and our effective tax rate.

While many jurisdictions in which the Company operates have adopted the global minimum tax provision of Pillar Two effective for tax years beginning in January 2024, the Company has concluded that there is minimal impact to its 2026 tax rate due to the accounting for the tax effects of intercompany transactions. The Company expects that there is risk that the impact of the global minimum tax and other changes in tax law in jurisdictions in which it operates may eventually result in an increase to its overall effective tax rate.

One Big Beautiful Bill Act

On July 4, 2025, President Trump signed into law the OBBBA. The effects of this legislation for the Company include extending and modifying certain key provisions of the Tax Cuts and Jobs Act enacted in December 2017 (both domestic and international). The corporate tax rate remains unchanged but bonus, depreciation and an adjustment to the interest limitation were retroactive to January 1, 2025. The OBBBA makes additional changes to international tax provisions, including substantive changes to existing Global Intangible Low Tax Income, foreign-derived intangible income, and base erosion and anti-abuse tax provisions. These changes are effective for taxable years after 2025. We believe the impact of this legislation will be favorable to our future tax positions.

Health Care Reform

The U.S. federal and state governments continue to propose and pass legislation designed to regulate the health care industry. Many of these changes focused on health care cost containment, which resulted in pricing pressures relating to the sales and reimbursements of health care products.

In August 2022, the IRA was signed into law, which among other matters made significant changes to how drugs are covered and paid for under the Medicare program, including imposing financial penalties if drug prices are increased at a rate faster than inflation, redesigning Medicare Part D benefits to shift a greater portion of the costs to manufacturers and allowing the U.S. government to set prices for certain drugs in Medicare. The IRA provides for (i) the U.S. government to set or “negotiate” prices for select high-cost Medicare Part D (beginning in 2026) and Medicare Part B drugs (beginning in 2028)

that are more than nine years (for small-molecule drugs) or 13 years (for biological products) from their initial FDA approval, (ii) manufacturers to pay a rebate for Medicare Part B and Part D drugs when prices increase faster than inflation beginning in 2022 for Medicare Part D and 2023 for Medicare Part B drugs and (iii) Medicare Part D redesign which replaced the current Part D Coverage Gap Discount Program and established a \$2,000 cap for out-of-pocket limits costs for Medicare beneficiaries beginning in 2025, which has increased to \$2,100 for 2026, with manufacturers being responsible for 10% of costs up to the \$2,100 cap and 20% after that cap is reached. Although we have taken certain actions which we believe may mitigate any negative pricing impact, the reduction of prices or reimbursement levels for certain of our products could materially affect our business and consolidated results of operations and may accelerate revenue erosion prior to the expiration of intellectual property protections.

In January 2025, the CMS selected Xifaxan[®] for its drug price negotiation program as part of the IRA. There remains a possibility that additional products from our portfolio may be selected in subsequent years. After the Company completed negotiations with the CMS, the finalized maximum fair prices were announced publicly on November 25, 2025. The agreed price for Xifaxan[®] will take effect on January 1, 2027, and is projected to reduce revenue and operating results for Xifaxan[®] primarily in that year. As generic versions of Xifaxan[®] are expected to enter the market in 2028, the impact on our revenues and operating results is anticipated to be concentrated in 2027, and is not expected to have a substantial influence on our long-term business strategies or overall cash flow.

Although management continues to evaluate the potential impact of the IRA, the anticipated short-term impact is not expected to affect the recoverability or useful lives of our Xifaxan[®]-related intangible assets based on our most recent assessment.

In addition, certain U.S. states have passed legislation intended to impact pricing or requiring manufacturers to report price increases to states, including certain states also allowing for drug affordability (i.e. price control) review boards. It is expected that state legislatures will continue to focus on drug pricing in 2026 and beyond and that similar bills will be passed in more states. These proposals create new authorities for state regulatory bodies to limit reimbursement for certain drugs and such efforts may expand to additional states.

Over the past several years, numerous legislative changes have caused the Company and other pharmaceutical manufacturers to re-evaluate participation in optional Federal programs.

In 2025, Bausch Health US, LLC (“BHUS”) ceased participation in two optional Federal drug pricing programs – the Medicaid Drug Rebate Program (“MDRP”) and the 340B Drug Pricing Program (“340B”). BHUS provided notice to the CMS and the Health Resources and Services Administration of the end of its participation in these programs effective September 30, 2025. Other Federal programs such as Medicare and the Federal Supply Schedule (supporting agencies such as the Department of Veterans Affairs and the Department of Defense) are not affected by this decision. We continue to evaluate the Company’s participation in government channels. Bausch + Lomb continues to participate in state government-managed Medicaid programs, as well as certain other qualifying federal and state government programs whereby rebates are provided to participating government entities.

The Company remains fully committed to the patients who are prescribed our products and understands the importance of its therapies to patients supported through Federal government programs. To prioritize the needs of patients first, effective October 1, 2025, the Company expanded support of Medicaid-eligible patients for most single-source pharmaceuticals through an enhanced Patient Assistance Program, where eligible patients will receive the pharmaceutical free of charge. Our goal is to maintain a straightforward process to ensure continuity of care for patients, physicians and caregivers during this transition.

The ultimate long-term outcome, including any impact on our business and consolidated results of operations of discontinuing our participation in the MDRP and 340B is still being assessed.

Generic Competition and Loss of Exclusivity

Certain of our products face the expiration of their patent or regulatory exclusivity in 2026 or in later years, following which we anticipate generic competition of these products. In addition, in certain cases, as a result of negotiated settlements of some of our patent infringement proceedings against generic competitors, we have granted licenses to such generic companies, which will permit them to enter the market with their generic products prior to the expiration of our applicable patent or regulatory exclusivity. Finally, for certain of our products that lost patent or regulatory exclusivity in prior years, we anticipate that generic competitors may launch in 2026 or in later years. Following a loss of exclusivity (“LOE”) of and/or generic competition for a product, we would anticipate that product sales for such product would decrease significantly shortly following the LOE or entry of a generic competitor. Where we have the rights, we may elect to launch an authorized generic (“AG”) of such product (either ourselves or through a third-party) prior to, upon or following generic entry, which may mitigate the anticipated decrease in product sales; however, even with launch of an AG, the decline in product sales of such product would still be expected to be significant, and the effect on our future revenues could be material.

2026 through 2030 LOE Branded Products - Based on current patent expiration dates, settlement agreements and/or competitive information, we have identified branded products that we believe could begin facing potential LOE and/or generic competition in the U.S. during the years 2026 through 2030. These products and year of expected LOE include, but are not limited to, Aplenzin[®] (2026), Bryhali[®] (2026), Relistor[®] Subcutaneous (2028), Xifaxan[®] (2028), Plenvu[®] (2030) and Duobrii[®] (2030) in the U.S. and Jublia[®] (2028) in Canada. These dates may change based on, among other things, challenges to our patents, settlement of existing or future patent litigation and at-risk generic launches. We believe the entry into the market of generic competition generally would have an adverse impact on the volume and/or pricing of the affected products, however we are unable to predict the magnitude or timing of this impact.

In addition, for a number of our products (including Xifaxan[®] 550 mg, Cabtreo[®] and Vyzulta[®] in the U.S), we have commenced (or anticipate commencing) and have (or may have) ongoing infringement proceedings against potential generic competitors in the U.S. If we are not successful in these proceedings, we may face increased generic competition for these products.

See Note 17, “LEGAL PROCEEDINGS” to our unaudited interim Condensed Consolidated Financial Statements elsewhere in this Form 10-Q, as well as Note 21, “LEGAL PROCEEDINGS” to our audited Consolidated Financial Statements contained in our Annual Report on Form 10-K for the year ended December 31, 2025 for further details regarding certain infringement proceedings.

The risks of generic competition are a fact of the health care industry and are not specific to our operations or product portfolio. These risks are not avoidable, but we believe they are manageable. To manage these risks, our leadership team continually evaluates the impact that generic competition may have on future profitability and operations. In addition to aggressively defending the Company’s patents and other intellectual property, our leadership team makes operational and investment decisions regarding these products and businesses at risk, not the least of which are decisions regarding our pipeline. Our leadership team actively manages the Company’s pipeline in order to identify innovative and realizable projects aligned with our core businesses that are expected to provide incremental and sustainable revenues and growth into the future. We believe that our current pipeline is strong enough to meet these objectives and provide future sources of revenues, in our core businesses, sufficient enough to sustain our growth and corporate health as other products in our established portfolio face generic competition and lose momentum.

We believe that we have a well-established product portfolio that is diversified within our core businesses. We also believe that we have a pipeline that not only provides for the next generation of our existing products, but also brings new solutions into the market.

See Item 1A “Risk Factors” of our Annual Report on Form 10-K for the year ended December 31, 2025 for additional information on our competition risks.

Regulatory Matters

In the normal course of business, our products, devices and facilities are the subject of ongoing oversight and review by regulatory and governmental agencies, including general, for cause and pre-approval inspections by the relevant competent authorities where we have business operations.

Through the date of this filing, we believe that all of our global operations and facilities have the relevant operational good manufacturing practices certificates and all Company products and all operating sites are in good compliance in all material respects with all relevant notified bodies and global health authorities.

FINANCIAL PERFORMANCE HIGHLIGHTS

The following table provides selected unaudited financial information for the three months ended March 31, 2026 and 2025:

<i>(in millions, except per share data)</i>	Three Months Ended March 31,		
	2026	2025	Change
Revenues	\$ 2,524	\$ 2,259	\$ 265
Operating (loss) income	\$ (950)	\$ 276	\$ (1,226)
Loss before income taxes	\$ (1,354)	\$ (47)	\$ (1,307)
Net loss attributable to Bausch Health Companies Inc.	\$ (1,423)	\$ (58)	\$ (1,365)
Basic and diluted loss per share attributable to Bausch Health Companies Inc.	\$ (3.82)	\$ (0.16)	\$ (3.66)

Financial Performance

Summary of the Three Months Ended March 31, 2026 Compared to the Three Months Ended March 31, 2025

Revenues for the three months ended March 31, 2026 and 2025 were \$2,524 million and \$2,259 million, respectively, an increase of \$265 million, or 12%. The increase is primarily attributable to growth in our Bausch + Lomb, Salix, Solta Medical and International segments driven by: (i) improved net realized pricing, (ii) the favorable impact of foreign currencies and (iii) incremental sales attributable to acquisitions, partially offset by: (i) lower volumes and (ii) the impact of divestitures and discontinuations.

Operating loss for the three months ended March 31, 2026 was \$950 million as compared to operating income of \$276 million for the three months ended March 31, 2025, and included non-cash charges for Depreciation and amortization of intangible assets of \$295 million and \$305 million, Goodwill impairments of \$1,426 million and \$0 and Share-based compensation of \$52 million and \$43 million, respectively. The decrease in our operating results of \$1,226 million reflects, among other factors:

- an increase in contribution (Product sales revenue less Cost of goods sold, excluding amortization and impairments of intangible assets) of \$235 million, primarily due to the increase in revenues as previously discussed;
- a decrease in selling, general and administrative (“SG&A”) expenses of \$6 million, primarily attributable to lower general and administrative expenses and advertising expenses, partially offset by higher compensation costs and the unfavorable impact of foreign currencies;
- an increase in goodwill impairments of \$1,426 million related to our Salix reporting unit; and
- an increase in Other expense, net of \$17 million, primarily attributable to: (i) higher provisions for certain legal matters and (ii) higher acquisition-related contingent consideration, partially offset by lower acquired IPR&D costs.

Loss before income taxes for the three months ended March 31, 2026 and 2025 was \$1,354 million and \$47 million, respectively, an unfavorable change of \$1,307 million. The change is attributable to the decrease in our operating results of \$1,226 million, as previously discussed, and an increase in Interest expense of \$72 million.

Net loss attributable to Bausch Health for the three months ended March 31, 2026 and 2025 was \$1,423 million and \$58 million, respectively, an unfavorable change of \$1,365 million, which is primarily attributable to an unfavorable change in Loss before income taxes of \$1,307 million, as previously discussed, and an increase in Provision for income taxes of \$38 million.

RESULTS OF OPERATIONS

Our unaudited operating results for the three months ended March 31, 2026 and 2025 were as follows:

<i>(in millions)</i>	Three Months Ended March 31,		
	2026	2025	Change
Revenues			
Product sales	\$ 2,500	\$ 2,227	\$ 273
Other revenues	24	32	(8)
	<u>2,524</u>	<u>2,259</u>	<u>265</u>
Expenses			
Cost of goods sold (excluding amortization and impairments of intangible assets)	721	683	38
Cost of other revenues	17	18	(1)
Selling, general and administrative	861	867	(6)
Research and development	163	143	20
Amortization of intangible assets	241	256	(15)
Goodwill impairments	1,426	—	1,426
Restructuring, integration and separation costs	13	1	12
Other expense, net	32	15	17
	<u>3,474</u>	<u>1,983</u>	<u>1,491</u>
Operating (loss) income	(950)	276	(1,226)
Interest income	10	11	(1)
Interest expense	(402)	(330)	(72)
Loss on extinguishment of debt	(1)	—	(1)
Foreign exchange and other	(11)	(4)	(7)
Loss before income taxes	(1,354)	(47)	(1,307)
Provision for income taxes	(77)	(39)	(38)
Net loss	(1,431)	(86)	(1,345)
Net loss attributable to noncontrolling interest	8	28	(20)
Net loss attributable to Bausch Health Companies Inc.	<u>\$ (1,423)</u>	<u>\$ (58)</u>	<u>\$ (1,365)</u>

Three Months Ended March 31, 2026 Compared to the Three Months Ended March 31, 2025

Revenues

The Company's revenues are primarily generated from product sales, primarily in the therapeutic areas of GI, hepatology, neuroscience, dermatology and eye health, that consist of: (i) branded pharmaceuticals, (ii) generic and branded generic pharmaceuticals, (iii) OTC products and (iv) medical devices (contact lenses, intraocular lenses, ophthalmic surgical equipment and aesthetic medical devices). Other revenues include alliance and service revenue from the licensing and co-promotion of products and contract service revenue which is derived primarily from contract manufacturing for third parties and which is not material.

For the three months ended March 31, 2026, revenues were impacted by our decision to exit certain channels within the Salix and Diversified segments during the second half of 2025. Historically, sales through these channels were subject to high rebates and chargebacks. While this strategic decision resulted in lower volumes within the exited channels, it contributed to an improvement in net realized pricing. At the same time, we have continued to see volume growth in other channels, which has helped to offset the reduction in sales from the exited channels.

Our revenues were \$2,524 million and \$2,259 million for the three months ended March 31, 2026 and 2025, respectively, an increase of \$265 million, or 12%. The increase was primarily due to: (i) an increase in net realized pricing of \$229 million across all our segments, (ii) the favorable impact of foreign currencies of \$71 million and (iii) incremental sales attributable to acquisitions of \$33 million, partially offset by: (i) a decrease in volumes of \$64 million, primarily attributable to our decision to exit certain channels, as discussed above and (ii) the impact of divestitures and discontinuations of \$4 million.

The changes in our segment revenues and segment profits for the three months ended March 31, 2026 are discussed in further detail below under "— Reportable Segment Revenues and Profits."

Cash Discounts and Allowances, Chargebacks and Distribution Fees

As is customary in the pharmaceutical industry, gross product sales are subject to a variety of deductions in arriving at net product sales. Provisions for these deductions are recognized concurrently with the recognition of gross product sales. These provisions include cash discounts and allowances, chargebacks, and distribution fees, which are paid or credited to direct customers, as well as rebates and returns, which can be paid or credited to direct and indirect customers. As more fully discussed in Note 3, "REVENUE RECOGNITION" to our unaudited interim Condensed Consolidated Financial Statements, the Company continually monitors the provisions for these deductions and evaluates the estimates used as additional information becomes available. Price appreciation credits are generated when we increase a product's wholesaler acquisition cost ("WAC") under our contracts with certain wholesalers. Under such contracts, we are entitled to credits from such wholesalers for the impact of that WAC increase on inventory on hand at the wholesalers. In wholesaler contracts, such credits are offset against the total distribution service fees we pay on all of our products to each such wholesaler. In addition, some payor contracts require discounting if a price increase or series of price increases in a contract period exceeds a negotiated threshold. Returns provision balances and volume discounts to direct customers are included in Accrued and other current liabilities. All other provisions related to direct customers are included in Trade receivables, net, while provision balances related to indirect customers are included in Accrued and other current liabilities.

We actively manage these offerings, focusing on the incremental costs of our patient assistance programs, the level of discounting to non-retail accounts and identifying opportunities to minimize product returns. We also concentrate on managing our relationships with our payors and wholesalers, reviewing the ranges of our offerings and being disciplined as to the amount and type of incentives we negotiate. Provisions recorded to reduce gross product sales to net product sales and revenues for the three months ended March 31, 2026 and 2025 were as follows:

<i>(in millions)</i>	Three Months Ended March 31,			
	2026		2025	
	Amount	Pct.	Amount	Pct.
Gross product sales	\$ 3,969	100.0 %	\$ 3,922	100.0 %
Provisions to reduce gross product sales to net product sales				
Discounts and allowances	164	4.1 %	163	4.2 %
Returns	42	1.1 %	29	0.7 %
Rebates	865	21.7 %	992	25.3 %
Chargebacks	328	8.3 %	432	11.0 %
Distribution fees	70	1.8 %	79	2.0 %
Total provisions	1,469	37.0 %	1,695	43.2 %
Net product sales	2,500	63.0 %	2,227	56.8 %
Other revenues	24		32	
Revenues	\$ 2,524		\$ 2,259	

Cash discounts and allowances, returns, rebates, chargebacks and distribution fees as a percentage of gross product sales were 37.0% and 43.2% for the three months ended March 31, 2026 and 2025, respectively, a decrease of 6.2 percentage points and includes:

- rebates as a percentage of gross product sales which was lower primarily due to lower rebates for: (i) lower gross product sales for certain branded products such as Xifaxan[®], Relistor[®], Apriso[®], Onexton[®] and Wellbutrin[®] and (ii) lower rebates for Bausch + Lomb's XIIDRA[®];
- chargebacks as a percentage of gross product sales which was lower primarily due to lower chargebacks for Xifaxan[®] and Wellbutrin[®] and lower gross product sales of certain generic products such as Elidel[®] AG.

Expenses

Cost of Goods Sold (excluding amortization and impairments of intangible assets)

Cost of goods sold primarily includes: manufacturing and packaging; the cost of products we purchase from third parties; royalty payments we make to third parties; depreciation of manufacturing facilities and equipment; and lower of cost or net realizable value adjustments to inventories. Cost of goods sold typically vary between periods as a result of product mix, volume, royalties, changes in foreign currency and inflation. Cost of goods sold excludes the amortization and impairments of intangible assets.

Cost of goods sold was \$721 million and \$683 million for the three months ended March 31, 2026 and 2025, respectively, an increase of \$38 million, or 6%. The increase was primarily driven by: (i) a change in product mix and (ii) the unfavorable impact of foreign currencies.

Cost of goods sold as a percentage of product sales revenue were 28.8% and 30.7% for the three months ended March 31, 2026 and 2025, respectively.

Selling, General and Administrative Expenses

SG&A expenses primarily include: employee compensation associated with sales and marketing, finance, legal, information technology, human resources and other administrative functions; certain outside legal fees and consultancy costs; product promotion expenses; overhead and occupancy costs; depreciation of corporate facilities and equipment; and other general and administrative costs. The Company has incurred and expects to continue to incur, incremental costs with respect to the B+L Separation. These separation-related costs include, but are not limited to rebranding costs and costs associated with facility relocation and/or modification.

SG&A expenses were \$861 million and \$867 million for the three months ended March 31, 2026 and 2025, respectively, a decrease of \$6 million, or 1%. The decrease was primarily attributable to lower general and administrative expenses and advertising expenses, partially offset by higher compensation costs and the unfavorable impact of foreign currencies.

Research and Development Expenses

Included in Research and development are costs related to our product development and quality assurance programs. Expenses related to product development include: employee compensation costs; overhead and occupancy costs; depreciation of research and development facilities and equipment; clinical trial costs; clinical manufacturing and scale-up costs; and other third-party development costs. Quality assurance are the costs incurred to meet evolving customer and regulatory standards and include: employee compensation costs; overhead and occupancy costs; amortization of software; and other third-party costs.

R&D expenses were \$163 million and \$143 million for the three months ended March 31, 2026 and 2025, respectively, an increase of \$20 million, or 14%. The increase is primarily attributable to an increase in spend on certain projects in the Bausch + Lomb and Solta Medical segments.

R&D expenses as a percentage of Product sales were approximately 7% and 6% for the three months ended March 31, 2026 and 2025, respectively.

Amortization of Intangible Assets

Intangible assets with finite lives are amortized using the straight-line method over their estimated useful lives, generally 1 to 20 years. Management continually assesses the useful lives related to the Company's long-lived assets to reflect the most current assumptions.

Amortization of intangible assets was \$241 million and \$256 million for the three months ended March 31, 2026 and 2025, respectively, a decrease of \$15 million, or 6%, primarily attributable to fully amortized intangible assets no longer being amortized in 2026.

See Note 8, "INTANGIBLE ASSETS AND GOODWILL" to our unaudited interim Condensed Consolidated Financial Statements for further details related to our intangible assets.

Goodwill Impairments

Goodwill is not amortized but is tested for impairment at least annually at the reporting unit level. An interim goodwill impairment test in advance of the annual impairment assessment may be required if events occur that indicate an impairment might be present. A reporting unit is the same as, or one level below, an operating segment. We test reporting units for impairment by comparing the estimated fair value of each reporting unit with its carrying amount. If the carrying amount of a reporting unit exceeds its estimated fair value, we record an impairment based on the difference between fair value and carrying amount of the reporting unit as a reduction to goodwill. The fair value of a reporting unit refers to the price that would be received to sell the reporting unit in an orderly transaction between market participants. We estimate the fair values of our reporting units using a discounted cash flow model, which utilizes Level 3 unobservable inputs.

Goodwill impairments were \$1,426 million for the three months ended March 31, 2026, related to the Salix reporting unit. In January 2026, the Company received the results for the double-blind Phase 3 clinical trials for two global RED-C clinical programs evaluating its rifaximin soluble solid dispersion formulation, designed to prevent overt hepatic encephalopathy and related complications in patients with early-stage liver cirrhosis. While safe and well-tolerated, both clinical trials failed to achieve their primary endpoints. The Company performed a quantitative goodwill analysis for the Salix reporting unit using revised forecasts, an updated discount rate of 9.50%, and a new long-term growth rate that reflect the impact of the Phase 3 clinical trial results and recognized an impairment charge of \$1,426 million.

There were no impairments to goodwill during the three months ended March 31, 2025.

Restructuring, integration and separation costs

Restructuring and Integration Costs

The Company evaluates opportunities to improve its operating results and implement cost savings programs to streamline its operations and eliminate redundant processes and expenses. Restructuring and integration costs are expenses associated with the implementation of these cost savings programs and include expenses associated with: (i) reducing headcount, (ii) eliminating real estate costs associated with unused or under-utilized facilities and (iii) implementing contribution margin improvement and other cost reduction initiatives.

Restructuring, integration and separation costs were \$13 million and \$1 million for the three months ended March 31, 2026 and 2025, respectively, an increase of \$12 million. The Company continues to evaluate opportunities to streamline its operations and identify additional cost savings globally. Although a specific plan does not exist at this time, the Company may identify and take additional exit and cost-rationalization restructuring actions in the future, the costs of which could be material.

See Note 5, “RESTRUCTURING, INTEGRATION AND SEPARATION COSTS” to our unaudited interim Condensed Consolidated Financial Statements for further details regarding these actions.

Other Expense, Net

Other expense, net for the three months ended March 31, 2026 and 2025 consists of the following:

<i>(in millions)</i>	Three Months Ended March 31,	
	2026	2025
Acquisition-related contingent consideration	\$ 12	\$ (11)
Acquired IPR&D costs	11	28
Litigation and other matters, net of insurance recoveries and restitutions	10	(3)
Acquisition-related transaction costs	1	1
Gain on sale of assets, net	(3)	—
Other, net	1	—
	<u>\$ 32</u>	<u>\$ 15</u>

Acquisition-related contingent consideration reflects adjustments for changes in estimates in the timing and amounts of expected future royalty and milestone payments and accretion for the time value of money.

Acquired IPR&D costs for the three months ended March 31, 2026 and 2025 are primarily related to certain acquisitions by Bausch + Lomb.

Litigation and other matters, net of insurance recoveries and restitutions primarily relates to adjustments to provisions for certain legal matters and for the three months ended March 31, 2025, includes restitution received in connection with a certain legal matter.

Non-Operating Income and Expense

Interest Expense

Interest expense primarily consists of interest payments due, amortization and write-off of debt discounts, premiums and debt issuance costs under our credit facilities and notes, and the amortization of amounts excluded from the assessment of hedge effectiveness over the term of the Company’s cross-currency swaps.

Interest expense was \$402 million and \$330 million and included non-cash amortization and write-offs of debt premiums, discounts and deferred issuance costs of \$19 million and \$15 million, for the three months ended March 31, 2026 and 2025, respectively. Interest expense for the three months ended March 31, 2026 increased \$72 million, or 22%, as compared to the three months ended March 31, 2025. The increase is primarily attributable to higher effective interest rates on the debt as refinanced in 2025.

The weighted average stated rate of interest as of March 31, 2026 and 2025 was 8.47% and 7.71%, respectively. Due to the accounting treatment for the 2022 Secured Notes (as defined in Note 10, "FINANCING ARRANGEMENTS" to our unaudited interim Condensed Consolidated Financial Statements), interest expense in the Company's financial statements will not be representative of the weighted average stated rate of interest.

Foreign Exchange and Other

Foreign exchange and other was a loss of \$11 million and \$4 million for the three months ended March 31, 2026 and 2025, respectively, an unfavorable change of \$7 million. This change was primarily driven by: (i) transaction gains and losses on intercompany balances and third-party liabilities and (ii) gains and losses from foreign currency exchange contracts.

Income Taxes

Provision for income taxes was \$77 million and \$39 million for the three months ended March 31, 2026 and 2025, respectively, an unfavorable change of \$38 million.

Our effective income tax rate for the three months ended March 31, 2026 differs from the statutory Canadian income tax rate primarily due to: (i) the impairment to goodwill for which no tax benefit is recognized, (ii) the recording of valuation allowances on entities for which no tax benefit of losses is expected and (iii) tax provision generated from our annualized mix of earnings by jurisdiction.

Our effective income tax rate for the three months ended March 31, 2025 differs from the statutory Canadian income tax rate primarily due to: (i) the recording of valuation allowances on entities for which no tax benefit of losses is expected, (ii) the tax provision generated from our annualized mix of earnings by jurisdiction and (iii) the discrete treatment of certain tax matters associated with the filing of certain tax returns.

See Note 15, "INCOME TAXES" to our unaudited interim Condensed Consolidated Financial Statements for further details.

Reportable Segment Revenues and Profits

Our portfolio of products falls into five reportable segments: (i) Salix, (ii) International, (iii) Solta Medical, (iv) Diversified and (v) Bausch + Lomb.

Segment profit is based on operating income after the elimination of intercompany transactions. Certain costs, such as Amortization of intangible assets, Goodwill impairments, Asset impairments, Restructuring, integration and separation costs and Other expense, net, are not included in the measure of segment profit, as management excludes these items in assessing segment financial performance. See Note 18, "SEGMENT INFORMATION" to our unaudited interim Condensed Consolidated Financial Statements for a reconciliation of segment profit to Loss before income taxes.

The following table presents segment revenues, segment revenues as a percentage of total revenues, and the period-over-period changes in segment revenues for the three months ended March 31, 2026 and 2025. The following table also presents segment profits, segment profits as a percentage of segment revenues and the period-over-period changes in segment profits for the three months ended March 31, 2026 and 2025.

<i>(in millions)</i>	Three Months Ended March 31,					
	2026		2025		Change	
	Amount	Pct.	Amount	Pct.	Amount	Pct.
Segment Revenues						
Salix	\$ 639	25 %	\$ 542	24 %	\$ 97	18 %
International	285	12 %	262	12 %	23	9 %
Solta Medical	171	7 %	113	5 %	58	51 %
Diversified	185	7 %	205	9 %	(20)	(10)%
Bausch + Lomb	1,244	49 %	1,137	50 %	107	9 %
Total revenues	<u>\$ 2,524</u>	<u>100 %</u>	<u>\$ 2,259</u>	<u>100 %</u>	<u>\$ 265</u>	<u>12 %</u>
Segment Profits / Segment Profit Margins						
Salix	\$ 468	73 %	\$ 371	68 %	\$ 97	26 %
International	88	31 %	85	32 %	3	4 %
Solta Medical	75	44 %	53	47 %	22	42 %
Diversified	112	61 %	127	62 %	(15)	(12)%
Bausch + Lomb	277	22 %	180	16 %	97	54 %
Total segment profits	<u>\$ 1,020</u>	<u>40 %</u>	<u>\$ 816</u>	<u>36 %</u>	<u>\$ 204</u>	<u>25 %</u>

Organic Revenues and Organic Growth Rates (non-GAAP)

Organic revenue and organic revenue change are non-GAAP measures. Non-GAAP measures are not standardized measures under the financial reporting framework used to prepare the Company's financial statements and might not be comparable to similar financial measures disclosed by other issuers.

Organic revenue (non-GAAP) and change in organic revenue (non-GAAP), are defined as GAAP Revenue and change in GAAP revenue (the most directly comparable GAAP financial measures), adjusted for changes in foreign currency exchange rates (if applicable) and excluding the impact of recent acquisitions, divestitures and discontinuations, as defined below. Organic revenue (non-GAAP) is impacted by changes in product volumes and price. The price component is made up of two key drivers: (i) changes in product gross selling price and (ii) changes in sales deductions. The Company uses organic revenue (non-GAAP) and change in organic revenue (non-GAAP) to assess performance of its reportable segments, and the Company in total. The Company believes that providing these measures is useful to investors as they provide a supplemental period-to-period comparison.

The adjustments to GAAP Revenue and changes in GAAP revenue to determine organic revenue (non-GAAP) and changes in organic revenue (non-GAAP) are as follows:

Foreign currency exchange rates: Although changes in foreign currency exchange rates are part of our business, they are not within management's control. Changes in foreign currency exchange rates, however, can mask positive or negative trends in the business. The impact of changes in foreign currency exchange rates is determined as the difference in the current period reported revenues at their current period currency exchange rates and the current period reported revenues revalued using the monthly average currency exchange rates during the comparable prior period.

Acquisitions, divestitures and discontinuations: In order to present period-over-period organic revenue (non-GAAP) growth/change on a comparable basis, revenues associated with acquisitions, divestitures and discontinuations are adjusted to include only revenues from those businesses and assets owned during both periods. Accordingly, organic revenue and organic growth/change exclude from the current period, revenues attributable to each acquisition for twelve months subsequent to the day of acquisition, as there are no revenues from those businesses and assets included in the comparable prior period. Organic revenue and change in organic revenue exclude from the prior period, all revenues attributable to each divestiture and discontinuance during the twelve months prior to the day of divestiture or discontinuance, as there are no revenues from those businesses and assets included in the comparable current period.

The following table presents a reconciliation of GAAP revenues to organic revenues (non-GAAP) and the period-over-period changes in organic revenue (non-GAAP) for the three months ended March 31, 2026 and 2025 by segment.

	Three Months Ended March 31, 2026				Three Months Ended March 31, 2025			Change in Organic Revenue (Non-GAAP)	
	Revenue as Reported	Changes in Exchange Rates	Acquisitions	Organic Revenue (Non-GAAP)	Revenue as Reported	Divestitures and Discontinuations	Organic Revenue (Non-GAAP)	Amount	Pct.
(in millions)									
Salix	\$ 639	\$ —	\$ —	\$ 639	\$ 542	\$ —	\$ 542	\$ 97	18 %
International	285	(25)	—	260	262	(1)	261	(1)	— %
Solta Medical	171	(4)	(32)	135	113	—	113	22	19 %
Diversified	185	—	—	185	205	—	205	(20)	(10)%
Bausch + Lomb	1,244	(42)	(1)	1,201	1,137	(3)	1,134	67	6 %
Total	\$ 2,524	\$ (71)	\$ (33)	\$ 2,420	\$ 2,259	\$ (4)	\$ 2,255	\$ 165	7 %

Salix Segment:

Salix Segment Revenue

The Salix segment includes our Xifaxan[®] product line which currently accounts for approximately 85% of the Salix segment revenues. Salix segment revenue for the three months ended March 31, 2026 and 2025 was \$639 million and \$542 million, respectively, an increase of \$97 million, or 18%, primarily attributable to an increase in net realized pricing of \$148 million, partially offset by a decrease in volumes of \$51 million, primarily attributable to our decision to exit certain channels as previously discussed. Xifaxan[®] was the primary contributor to growth for the three months ended March 31, 2026.

Salix Segment Profit

The Salix segment profit for the three months ended March 31, 2026 and 2025 was \$468 million and \$371 million, respectively, an increase of \$97 million, or 26%. The increase was primarily driven by: (i) higher contribution attributable to the increase in revenues, as previously discussed and (ii) lower SG&A expenses.

International Segment:

International Segment Revenue

The International segment has a diversified product line with no single product group representing 10% or more of its product sales. The International segment revenue was \$285 million and \$262 million for the three months ended March 31, 2026 and 2025, respectively, an increase of \$23 million, or 9%. The increase was primarily attributable to: (i) the favorable impact of foreign currencies of \$25 million and (ii) an increase in net realized pricing of \$6 million, partially offset by: (i) a decrease in volumes of \$7 million, primarily attributable to Latin America and Canada and (ii) the impact of divestitures and discontinuations of \$1 million.

International Segment Profit

The International segment profit for the three months ended March 31, 2026 and 2025 was \$88 million and \$85 million, respectively, an increase of \$3 million, or 4% and was primarily driven by higher contribution primarily attributable to the increase in revenues, as previously discussed.

Solta Medical Segment:

Solta Medical Segment Revenue

The Solta Medical segment includes the Thermage[®] product line, which accounted for over 85% of the Solta Medical segment revenues. The Solta Medical segment revenue for the three months ended March 31, 2026 and 2025 was \$171 million and \$113 million, respectively, an increase of \$58 million, or 51%. The increase was primarily attributable to: (i) incremental sales attributable to the acquisition of Shibo Zhenmei of \$32 million, (ii) an increase in volumes of \$23 million and (iii) the favorable impact of foreign currencies of \$4 million, partially offset by a decrease in net realized pricing of \$1 million.

Solta Medical Segment Profit

The Solta Medical segment profit for the three months ended March 31, 2026 and 2025 was \$75 million and \$53 million, respectively, an increase of \$22 million, or 42%. The increase was primarily driven by higher contribution attributable to the increase in revenues as previously discussed, partially offset by higher: (i) expenses related to the reacquired inventory attributable to the Shibo Zhenmei acquisition, (ii) selling, advertising and promotion expenses and (iii) R&D expenses.

Diversified Segment:

Diversified Segment Revenue

The Diversified segment revenue for the three months ended March 31, 2026 and 2025 was \$185 million and \$205 million, respectively, a decrease of \$20 million, or 10%. The decrease was primarily driven by a decrease in volumes of \$57 million, primarily in our Neuroscience and Dermatology businesses, partially offset by an increase in net realized pricing of \$37 million, primarily in our Neuroscience business. These changes in volumes and net realized pricing were partially caused by our decision to exit certain channels, as previously discussed.

Diversified Segment Profit

The Diversified segment profit for the three months ended March 31, 2026 and 2025 was \$112 million and \$127 million, respectively, a decrease of \$15 million, or 12%. The decrease was primarily driven by lower contribution attributable to the decrease in revenues, as previously discussed.

Bausch + Lomb Segment:

Bausch + Lomb Segment Revenue

The Bausch + Lomb segment revenue was \$1,244 million and \$1,137 million for the three months ended March 31, 2026 and 2025, respectively, an increase of \$107 million, or 9%. The increase was primarily driven by: (i) the favorable impact of foreign currencies of \$42 million, (ii) an increase in net realized pricing of \$38 million, primarily driven by the Vision Care and Pharmaceuticals businesses, (iii) an increase in volumes of \$29 million primarily within the Pharmaceuticals and Vision Care businesses and (iv) incremental sales attributable to acquisitions of \$1 million, partially offset by the impact of divestitures and discontinuations of \$3 million.

Bausch + Lomb Segment Profit

The Bausch + Lomb segment profit for the three months ended March 31, 2026 and 2025 was \$277 million and \$180 million, respectively, an increase of \$97 million, or 54%. The increase was primarily attributable to the increase in revenues as previously discussed, and lower advertising and promotion expenses.

LIQUIDITY AND CAPITAL RESOURCES

Cash Flows

<i>(in millions)</i>	Three Months Ended March 31,		
	2026	2025	Change
Net loss	\$ (1,431)	\$ (86)	\$ (1,345)
Adjustments to reconcile net loss to net cash provided by operating activities	1,704	362	1,342
Cash provided by operating activities before changes in operating assets and liabilities	273	276	(3)
Changes in operating assets and liabilities	(43)	(65)	22
Net cash provided by operating activities	230	211	19
Net cash used in investing activities	(139)	(130)	(9)
Net cash used in financing activities	(100)	(146)	46
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(4)	21	(25)
Net decrease in cash, cash equivalents and restricted cash	(13)	(44)	31
Cash, cash equivalents and restricted cash, beginning of period	1,325	1,201	124
Cash, cash equivalents and restricted cash, end of period	<u>\$ 1,312</u>	<u>\$ 1,157</u>	<u>\$ 155</u>

Operating Activities

Net cash provided by operating activities was \$230 million and \$211 million for the three months ended March 31, 2026 and 2025, respectively, an increase of \$19 million.

Cash provided by operating activities before changes in operating assets and liabilities was \$273 million and \$276 million for the three months ended March 31, 2026 and 2025, respectively, a decrease of \$3 million and is primarily attributable to higher payments of accrued legal settlements of \$142 million during 2026, partially offset by changes in the timing of interest payments and improved operating performance as previously discussed.

Changes in operating assets and liabilities resulted in a net decrease in cash of \$43 million and \$65 million for the three months ended March 31, 2026 and 2025, respectively, an increase of \$22 million. During the three months ended March 31, 2026, Changes in operating assets and liabilities were favorably impacted by timing in the collection of trade receivables of \$148 million, partially offset by: (i) the timing of certain payments in the ordinary course of business of \$177 million and (ii) an increase in inventories of \$14 million. During the three months ended March 31, 2025, Changes in operating assets and liabilities were unfavorably impacted by: (i) the timing of certain payments in the ordinary course of business of \$145 million and (ii) an increase in inventories of \$30 million, partially offset by the favorable timing in the collection of trade receivables of \$110 million.

Investing Activities

Net cash used in investing activities was \$139 million for the three months ended March 31, 2026 and was primarily driven by Purchases of property, plant and equipment and B+L acquisitions and other investments.

Net cash used in investing activities was \$130 million for the three months ended March 31, 2025 and was primarily driven by Purchases of property, plant and equipment and B+L acquisitions and other investments.

Financing Activities

Net cash used in financing activities was \$100 million for the three months ended March 31, 2026 and was primarily driven by the repayment of long-term debt of \$2,857 million which included: (i) \$2,805 million of repayments of debt with the proceeds related to the Bausch + Lomb January 2026 Credit Facility Amendment, (ii) \$44 million of contractual interest payments on the Remaining Secured Notes (as defined below) allocated to the reduction of the recorded premiums and (iii) \$8 million of amortization payments related to our term loan facilities, partially offset by \$2,802 million of net proceeds from the Bausch + Lomb January 2026 Credit Facility Amendment.

Net cash used in financing activities was \$146 million for the three months ended March 31, 2025 and was primarily driven by the repayment of long-term debt of \$168 million which includes: (i) \$127 million of contractual interest payments on the 2022 Secured Notes allocated to the reduction of the recorded premiums and (ii) \$41 million of amortization payments related to our term loan facilities, partially offset by \$50 million of additional borrowings under the B+L Revolving Credit Facility.

See Note 10, "FINANCING ARRANGEMENTS" to our unaudited interim Condensed Consolidated Financial Statements for additional information regarding the financing activities described above, including the definitions of certain defined terms used above.

Liquidity and Debt

Future Sources of Liquidity

Our primary sources of liquidity are our cash and cash equivalents, cash collected from customers, funds as available from our revolving credit facilities, issuances of long-term debt and issuances of equity and equity-linked securities. We believe these sources will be sufficient to meet our current liquidity needs for the next twelve months.

Cash, cash equivalents and restricted cash as presented in the Condensed Consolidated Balance Sheet includes cash, cash equivalents and restricted cash held by legal entities of Bausch + Lomb. Cash held by Bausch + Lomb legal entities and any future cash from the operating, investing and financing activities of Bausch + Lomb is expected to be retained by Bausch + Lomb entities and is generally not available to support the operations, investing and financing activities of other legal entities, including Bausch Health unless paid as a dividend which would be determined by the Board of Directors of Bausch + Lomb and paid pro rata to Bausch + Lomb's shareholders. As of March 31, 2026 and 2025, cash, cash equivalents and restricted cash was as follows:

<i>(in millions)</i>	2026	2025
Bausch Health	\$ 1,033	\$ 942
Bausch + Lomb	279	215
Total Cash, cash equivalents and restricted cash	<u>\$ 1,312</u>	<u>\$ 1,157</u>

As of March 31, 2026, we had aggregate maturities and mandatory payments of our principal balances of debt obligations as follows:

<i>(in millions)</i>	Remainder of 2026	2027	2028	2029	2030	2031	Thereafter	Total
Bausch Health debt obligations	\$ 23	\$ 673	\$ 2,325	\$ 1,639	\$ 3,995	\$ 463	\$ 6,000	\$ 15,118
Bausch + Lomb debt obligations	21	28	1,440	28	128	3,449	—	5,094
Total debt obligations	\$ 44	\$ 701	\$ 3,765	\$ 1,667	\$ 4,123	\$ 3,912	\$ 6,000	\$ 20,212

We regularly evaluate market conditions, our liquidity profile and available financing alternatives and may consider executing opportunistic financing transactions, including but not limited to, refinancing or restructuring consolidated indebtedness, issuing new debt instruments, divesting of assets or businesses and issuing equity or equity-linked securities (including secondary offerings or other monetization of a portion of our holdings of common shares of Bausch + Lomb), as deemed appropriate, to manage our debt maturities and to improve our capital structure and liquidity.

Our ability to satisfy our debt obligations will depend principally upon our future operating performance, as well as our continuing efforts to improve our balance sheet. Our ability to restructure or refinance our debt, should we elect to do so, will depend on the capital markets and our financial condition at such times. Additional information about these factors can be found in Item 1A. “Risk Factors – Debt-related Risks” of our Annual Report on Form 10-K for the year ended December 31, 2025.

Long-term Debt

Long-term debt, net of unamortized premiums, discounts and issuance costs was \$20,764 million and \$20,817 million as of March 31, 2026 and December 31, 2025, respectively. Aggregate contractual principal amounts due under our debt obligations were \$20,212 million and \$20,232 million as of March 31, 2026 and December 31, 2025, respectively, a decrease of \$20 million.

Accounting for the 2022 Exchange

During September 2022, the Company closed a series of transactions whereby it exchanged (the “2022 Exchange”) validly tendered senior unsecured notes for newly issued secured notes (the “2022 Secured Notes”). The Company performed an assessment of the 2022 Exchange and determined that it met the criteria to be accounted for as a troubled debt restructuring under Accounting Standards Codification 470-60. As a result of the application of this accounting, the difference between the principal amount of the 2022 Secured Notes and their carrying value was recorded as a premium and is included in long-term debt on the Company’s Consolidated Balance Sheet.

The original premium recorded on the 2022 Secured Notes was \$1,835 million, which has been reduced as contractual interest payments are made on the 2022 Secured Notes. The portion of each contractual interest payment allocated to reduce the recorded premium is determined as the difference between the payment due and the calculated interest at the effective interest rate of the underlying carry amount of the associated note. During the three months ended March 31, 2026 and 2025, the Company made contractual interest payments of \$49 million and \$143 million, respectively, related to the 2022 Secured Notes, of which \$44 million and \$127 million, respectively, was recorded as a reduction of the premium.

In connection with the April 2025 Refinancing Transactions, we redeemed all of the 9.00% Intermediate Holdco Secured Notes issued in connection with the 2022 Exchange. The April 2025 Refinancing Transactions was accounted for as an extinguishment of debt and the unamortized premium associated with the 9.00% Intermediate Holdco Secured Notes was included in the gain on extinguishment of debt. In connection with the December 2025 Exchange, we exchanged \$886 million in aggregate principal amount of 11.00% First Lien Secured Notes with unamortized premiums of \$263 million for \$903 million of aggregate principal amount of 2032 Senior Secured Notes. This exchange was accounted for as a modification of debt, and accordingly the unamortized premium associated with the exchanged 11.00% First Lien Secured Notes will now be amortized over the remaining term of the newly issued 2032 Senior Secured Notes

The following table presents the future scheduled contractual interest payments of our 11.00% First Lien Secured Notes due 2028, 14.00% Second Lien Secured Notes due 2030 and 10.00% Senior Secured Notes due 2032 (together, the “Remaining Secured Notes”). Contractual interest payments of the Remaining Secured Notes will be allocated to the reduction of the recorded premium and interest expense as presented below. The amount of interest which reduces the recorded premium will be reported as a financing activity in the Consolidated Statements of Cash Flows.

<i>(in millions)</i>	Remainder of 2026	2027	2028	2029	2030	2031 to 2032	Total
Interest payments:							
11.00% First Lien Secured Notes due 2028	\$ 49	\$ 98	\$ 97	\$ —	\$ —	\$ —	\$ 244
14.00% Second Lien Secured Notes due 2030	49	49	49	49	50	—	246
10.00% Senior Secured Notes due 2032	600	600	600	600	600	900	3,900
	<u>\$ 698</u>	<u>\$ 747</u>	<u>\$ 746</u>	<u>\$ 649</u>	<u>\$ 650</u>	<u>\$ 900</u>	<u>\$ 4,390</u>
Interest payments recorded as:							
Interest expense	\$ 542	\$ 572	\$ 566	\$ 554	\$ 550	\$ 809	\$ 3,593
Reduction of recorded premium	156	175	180	95	100	91	797
	<u>\$ 698</u>	<u>\$ 747</u>	<u>\$ 746</u>	<u>\$ 649</u>	<u>\$ 650</u>	<u>\$ 900</u>	<u>\$ 4,390</u>

Senior Unsecured Notes

The Senior Unsecured Notes issued by the Company are the Company's senior unsecured obligations and are jointly and severally guaranteed on a senior unsecured basis by each of its subsidiaries that is a guarantor under the 2025 Credit Agreement, other than 126NumberCo and 1530065 B.C. Ltd. ("153NumberCo"). The Senior Unsecured Notes issued by Bausch Health Americas, Inc. ("BHA") are senior unsecured obligations of BHA and are jointly and severally guaranteed on a senior unsecured basis by the Company and each of its subsidiaries (other than BHA) that is a guarantor under the 2025 Credit Agreement, other than 126NumberCo and 153NumberCo. Future subsidiaries of the Company and BHA, if any, may be required to guarantee the Senior Unsecured Notes. The Senior Unsecured Notes and Senior Secured Notes are guaranteed by a portion of the Company's subsidiaries. On a non-consolidated basis, the non-guarantor subsidiaries with respect to the Senior Unsecured Notes and Senior Secured Notes (other than the 2032 Senior Secured Notes) had total assets of \$25,936 million and total liabilities of \$17,438 million as of March 31, 2026, and revenues of \$1,487 million and operating income of \$29 million for the three months ended March 31, 2026. On a non-consolidated basis, the non-guarantor subsidiaries with respect to the 2032 Senior Secured Notes had total assets of \$16,358 million and total liabilities of \$8,027 million as of March 31, 2026, and revenues of \$1,487 million and operating income of \$29 million for the three months ended March 31, 2026.

See Note 10, "FINANCING ARRANGEMENTS" to our unaudited interim Condensed Consolidated Financial Statements for additional information regarding the financing activities described above, including the definitions of certain defined terms used above.

Availability Under Revolving Credit Facilities

As of April 29, 2026, there were no outstanding borrowings, \$31 million of issued and outstanding letters of credit and approximately \$468 million of remaining availability under the 2030 Revolving Credit Facility.

As of April 29, 2026, there were \$150 million of outstanding borrowings, \$32 million of issued and outstanding letters of credit and \$618 million of remaining availability under the B+L 2030 Revolving Credit Facility. Absent the payment of a dividend, which would be determined by the Board of Directors of Bausch + Lomb and paid pro rata to Bausch + Lomb's shareholders, proceeds from the B+L 2030 Revolving Credit Facility are not available to fund the operations, investing and financing activities of any other subsidiaries of Bausch Health.

Weighted Average Interest Rate

The accounting for the 2022 Exchange results in the Remaining Secured Notes being carried at a premium relative to their principal amount and will result in reduced interest expense to be recorded in our financial statements for a significant portion of the Remaining Secured Notes as depicted in the table above. Therefore, interest expense recorded in our consolidated financial statements will differ significantly from the contractual interest rates of our debt. As of March 31, 2026, the weighted average interest rate of our debt as reported in our financial statements was 7.53% and the weighted average stated rate of interest was 8.47%.

Focus on Capitalization of the Post-separation Entities

In connection with the B+L Separation, we have emphasized that it is important that the post-separation entities be appropriately capitalized, with appropriate leverage and with access to additional capital, if and when needed, to provide each entity with the ability to independently allocate capital to areas that will strengthen their own competitive positions in their respective lines of business and position each entity for sustainable growth. Therefore, we see the appropriate capitalization and leverage of these businesses post-separation as a key to bringing out additional value across our portfolio of assets and it continues to be a primary objective of our plan of separation.

Credit Rating

As of April 29, 2026, the credit ratings and outlook from Moody's, Standard & Poor's and Fitch for certain outstanding obligations of the Company were as follows:

Rating Agency	Bausch Health Companies Inc.				Bausch + Lomb Corporation		
	Corporate Rating	Senior Secured Rating	Senior Unsecured Rating	Outlook	Corporate Rating	Senior Secured Rating	Outlook
Moody's	Caa2	Caal	Ca	Stable		B1	Stable
Standard & Poor's	B-	B-	CCC+	Negative	B	B	Developing
Fitch					B	BB	Rating Watch Evolving

Bausch Health Companies Inc. - There was no change to the corporate credit rating or other credit ratings of Bausch Health Companies Inc. during the first quarter of 2026.

Bausch + Lomb Corporation - There was no change to the corporate credit rating or other credit ratings of Bausch + Lomb during the first quarter of 2026.

Any downgrade in our corporate credit ratings or other credit ratings may increase our cost of borrowing and may negatively impact our ability to raise additional debt capital.

OFF-BALANCE SHEET ARRANGEMENTS AND CONTRACTUAL OBLIGATIONS

We have no off-balance sheet arrangements that have a material current effect or that are reasonably likely to have a material effect on our results of operations, financial condition, capital expenditures, liquidity or capital resources.

A substantial portion of our cash requirements for the remainder of 2026 are for debt service. Our other future cash requirements relate to working capital, capital expenditures, business development transactions (contingent consideration), restructuring, integration and separation costs, benefit obligations and litigation settlements. In addition, we may use cash to enter into licensing arrangements and/or to make strategic acquisitions. We are considering further acquisition opportunities within our core therapeutic areas, some of which could be sizable.

In addition to our working capital requirements, as of March 31, 2026, we expect our primary cash requirements during the remainder of 2026 to include:

- *Debt repayments and interest payments*—We anticipate making mandatory maturities and amortization payments of approximately \$44 million and interest payments of approximately of \$1,422 million during the period April 1, 2026 through December 31, 2026. We have and, in the future, may also elect to make additional principal payments under certain circumstances. Further, in the ordinary course of business, we may borrow and repay additional amounts under our credit facilities using cash on hand, cash from operations and cash provided from other financing or refinancing actions, including the sale of equity or equity-linked securities, additional debt financings, and the monetization of a portion of our holdings of Bausch + Lomb;
- *Capital expenditures*—We expect to make payments of approximately \$235 million for property, plant and equipment during the period April 1, 2026 through December 31, 2026; and
- *Contingent consideration and milestone payments*—We expect to make contingent consideration and milestone payments of approximately \$65 million during the period April 1, 2026 through December 31, 2026.

Future Costs of B+L Separation

The Company has incurred costs associated with activities to complete the B+L Separation and will continue to incur costs associated with the B+L Separation. These activities include the costs of separating the Bausch + Lomb business from the remainder of the Company. Separation costs are incremental costs directly related to the B+L Separation and include, but are not limited to, legal, audit and advisory fees. The Company has also incurred, and will incur, separation-related costs which are incremental costs indirectly related to the B+L Separation. These costs include, but are not limited to: (i) rebranding costs and (ii) costs associated with facility relocation and/or modification. The extent and timing of future charges for these costs cannot be reasonably estimated at this time and could be material.

Litigation Payments

In the ordinary course of business, the Company is involved in litigation, claims, government inquiries, investigations, charges and proceedings. As of March 31, 2026, the Company's Condensed Consolidated Balance Sheet includes accrued loss contingencies of \$28 million related to matters which are both probable and reasonably estimable, however, a reliable estimate of the period in which the remaining loss contingencies will be payable, if ever, cannot be made. Our ability to successfully defend the Company against pending and future litigation may impact future cash flows.

See Note 17, "LEGAL PROCEEDINGS" to our unaudited interim Condensed Consolidated Financial Statements for further details.

Future Cost Savings Programs

We continue to evaluate opportunities to improve our operating results and may initiate additional cost savings programs to streamline our operations and eliminate redundant processes and expenses. These cost savings programs may include, but are not limited to: (i) reducing headcount, (ii) eliminating real estate costs associated with unused or under-utilized facilities and (iii) implementing contribution margin improvement and other cost reduction initiatives. The expenses associated with the implementation of these cost savings programs could be material and may impact our cash flows.

Future Licensing Payments

In the ordinary course of business, the Company may enter into select licensing and collaborative agreements for the commercialization and/or development of unique products primarily in the U.S. and Canada. In connection with these agreements, the Company may pay an upfront fee to secure the agreement. See Note 4, "LICENSING AGREEMENTS AND ACQUISITIONS" to our unaudited interim Condensed Consolidated Financial Statements. Payments associated with the upfront fee for these agreements cannot be reasonably estimated at this time and could be material.

Future Repurchases of Debt

The Company regularly evaluates market conditions, its liquidity profile, and available financing alternatives for opportunities to enhance its capital structure. If opportunities are favorable, we may, from time to time, purchase outstanding debt for cash in open market purchases or privately negotiated transactions. Such repurchases or exchanges, if any, will depend on prevailing market conditions, future liquidity requirements, contractual restrictions and other factors.

There have been no other material changes to the contractual obligations disclosed in Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations — Off-Balance Sheet Arrangements and Contractual Obligations" included in our Annual Report on Form 10-K for the year ended December 31, 2025.

OUTSTANDING SHARE DATA

Our common shares trade on the New York Stock Exchange and the Toronto Stock Exchange under the symbol "BHC".

At April 24, 2026, we had 373,475,644 issued and outstanding common shares. In addition, as of April 24, 2026, we had outstanding 4,944,433 stock options, 13,029,056 time-based restricted share units that each represent the right of a holder to receive one of the Company's common shares and 4,751,046 performance-based restricted share units that represent the right of a holder to receive a number of the Company's common shares up to a specified maximum. A maximum of 9,502,091 common shares could be issued upon vesting of the performance-based restricted share units outstanding.

CRITICAL ACCOUNTING ESTIMATES

Critical accounting estimates are those estimates that are most important and material to the preparation of our financial statements, and which require management's most subjective and complex judgment due to the need to make estimates about matters that are inherently uncertain. Management has reassessed the critical accounting estimates as disclosed in Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations — Critical Accounting Estimates" included in our Annual Report on Form 10-K for the year ended December 31, 2025 and determined that there were no significant changes in our critical accounting estimates during the three months ended March 31, 2026 except for:

Interim Goodwill Assessment

During the three months ended March 31, 2026, no other events occurred, or circumstances changed that would indicate that the fair value of any of the Company's reporting units, other than the Salix reporting unit might be below its

carrying value.

Salix

In January 2026, we received the results for the double-blind Phase 3 clinical trials for two global RED-C clinical programs evaluating the rifaximin soluble solid dispersion formulation, designed to prevent overt hepatic encephalopathy and related complications in patients with early-stage liver cirrhosis. While safe and well-tolerated, both clinical trials failed to achieve their primary endpoints. The Company performed a quantitative goodwill analysis for the Salix reporting unit using revised forecasts, an updated discount rate of 9.50%, and a new long-term growth rate that reflect the impact of the Phase 3 clinical trial results. Based on the quantitative fair value test, the carrying value of the Salix reporting unit exceeded its fair value as of January 22, 2026, and the Company recognized a goodwill impairment of \$1,426 million. As of March 31, 2026, the Salix reporting unit had remaining goodwill of \$1,733 million.

If market conditions deteriorate, or if the Company is unable to execute its strategies, it may be necessary to record impairment charges in the future, and any such charges could be material.

NEW ACCOUNTING STANDARDS

None.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Other than as indicated below under “— Interest Rate Risk” and “— Inflation Risk”, there have been no material changes to our exposures to market risks as disclosed in Item 7. “Management’s Discussion and Analysis of Financial Condition and Results of Operations — Quantitative and Qualitative Disclosures About Market Risks” included in our Annual Report on Form 10-K for the year ended December 31, 2025.

Interest Rate Risk

As of March 31, 2026, we had \$13,552 million and \$6,660 million in outstanding aggregate principal amount of fixed rate debt and variable rate debt, respectively. The estimated fair value of our issued fixed rate debt as of March 31, 2026 was \$12,710 million. If interest rates were to increase by 100 basis-points, the fair value of our issued fixed rate debt would decrease by approximately \$349 million. If interest rates were to decrease by 100 basis-points, the fair value of our issued fixed rate debt would increase by approximately \$329 million. We are subject to interest rate risk on our variable rate debt as changes in interest rates could adversely affect earnings and cash flows. A 100 basis-point increase in interest rates would have an annualized pre-tax effect of approximately \$67 million in our Condensed Consolidated Statements of Operations and Cash Flows, based on current outstanding borrowings and effective interest rates on our variable rate debt. While our variable-rate debt may impact earnings and cash flows as interest rates change, it is not subject to changes in fair value.

Inflation Risk

We are subject to price control restrictions on our pharmaceutical products in a number of countries in which we operate. As a result, our ability to raise prices in a timely fashion in anticipation of inflation may be limited in some markets.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”), has evaluated the effectiveness of our disclosure controls and procedures as of March 31, 2026. Based on this evaluation, our CEO and CFO concluded that our disclosure controls and procedures were effective as of March 31, 2026.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the three months ended March 31, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

For information concerning legal proceedings, reference is made to Note 17, "LEGAL PROCEEDINGS" to the unaudited interim Condensed Consolidated Financial Statements included elsewhere in this Form 10-Q.

Item 1A. Risk Factors

As of the date of this Form 10-Q there are no other material changes to the risk factors as disclosed in Item 1A. "Risk Factors" included in our Annual Report on Form 10-K for the year ended December 31, 2025.

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

Unregistered Sales of Equity Securities

There were no sales of equity securities by the Company during the three months ended March 31, 2026.

Issuer Purchases of Equity Securities

The Company does not have a share repurchase program and no shares were repurchased during the three months ended March 31, 2026.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

None.

Item 5. Other Information

During the three months ended March 31, 2026, no director or officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "Non-Rule 10b5-1 trading arrangement" as each term is defined in Item 408 of Regulation S-K.

Item 6. Exhibits

<u>10.1*</u>	<u>Amended and Restated Form of PSU Agreement by and between Bausch Health Companies Inc. and Thomas J. Appio. †</u>
<u>10.2*</u>	<u>PSU Letter Agreement by and between Bausch Health Companies Inc. and Seana Carson. †</u>
<u>10.3*</u>	<u>Form of 2026 Amended and Restated PSU Award Agreement †</u>
<u>31.1*</u>	<u>Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
<u>31.2*</u>	<u>Certification of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
<u>32.1**</u>	<u>Certificate of the Chief Executive Officer of Bausch Health Companies Inc. pursuant to 18 U.S.C. § 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
<u>32.2**</u>	<u>Certificate of the Chief Financial Officer of Bausch Health Companies Inc. pursuant to 18 U.S.C. § 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
101.INS*	Inline XBRL Instance Document
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith.

** Furnished herewith. These exhibits shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, or otherwise subject to the liability of that Section. Such exhibits shall not be deemed incorporated into any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934.

† Management contract or compensatory plan or arrangement.

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.

Bausch Health Companies Inc.
(Registrant)

Date: April 29, 2026

/s/ THOMAS J. APPIO

Thomas J. Appio
Chief Executive Officer
(Principal Executive Officer)

Date: April 29, 2026

/s/ JEAN-JACQUES CHARHON

Jean-Jacques Charhon
Executive Vice President, Chief Financial Officer
(Principal Financial Officer)

Acknowledgement and Consent

I, the undersigned, acknowledge that I have been granted an award of performance restricted share units, with a grant date of March 2, 2023 (the "Award"), which are currently outstanding under the Bausch Health Companies Inc. (the "Company") 2014 Omnibus Incentive Plan, as amended and restated, effective as of May 14, 2024.

I, the undersigned, understand and acknowledge that the Company intends to amend and restate the Award, substantially in the form attached hereto as Exhibit I (the "Amendment"), and I hereby consent to such Amendment, and in so doing understand and acknowledge the significance of such Amendment, pursuant to which, effective as of the date the Company adopts the Amendment, upon vesting and settlement of the Award, in lieu of Company Common Shares, I will be entitled to receive only an amount of cash determined based on the value of the number of Company Common Shares underlying the Award that were earned upon certification by the Talent and Compensation Committee of the Board of Directors of the Company on February 9, 2026 as set forth in the Amendment.

By: /s/ THOMAS J. APPIO
Name: Thomas J. Appio
Title: CEO

Exhibit I

**Bausch Health Companies Inc.
Amended and Restated Form of Share Unit Grant Agreement (Performance Vesting)
(Performance Restricted Share Units)
(2014 Omnibus Incentive Plan, as amended and restated, effective as of May 14, 2024)**

Bausch Health Companies Inc. (the “*Company*”), pursuant to Section 7(c) of the Company’s 2014 Omnibus Incentive Plan, as amended and restated, effective as of May 14, 2024 (the “*Plan*”), hereby awards to you a Share Unit Award in the form of performance restricted share units (“*PSUs*”) in the target amount set forth below that are payable in accordance with the terms set forth herein (the “*Award*”). This Award is subject to all of the terms and conditions as set forth herein (the “*Agreement*”) and in the Plan, which is incorporated herein in its entirety. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Plan. In the event of any conflict between the terms in the Agreement and the Plan, the terms of the Plan shall control. For the avoidance of doubt, any terms contained in the Agreement but are not in the Plan shall not constitute a conflict and such terms in the Agreement shall control.

Participant: ___

Grant Date: ___

Target Number of PSUs: ___

The details of your Award are as follows.

1. Consideration. Consideration for this Award is satisfied by your services to the Company and its Subsidiaries and complying with the terms of this Agreement, including the restrictive covenants set forth in Sections 8 and 9.

2. Vesting; Termination of Service.

(a) In General. The target number of PSUs granted to you hereunder (as set forth above) (the “*Target PSUs*”) may be earned between 0% and 200% based on the level of attainment of the service-based vesting condition (set forth in Section 2(b) below) and the performance-based vesting condition (set forth in Section 2(c) below). The date on which both of the service-based vesting condition and the performance-based vesting condition applicable to your Award are satisfied shall be referred to as the “*Vesting Date*”.

(b) Service-Based Vesting Condition. Subject to the provisions of the Plan and the acceleration provisions contained herein, the Earned PSUs (as defined below) (if any) will vest (as to service) on the third anniversary of the Grant Date (the “*Service Vesting Date*”); *provided* that (i) you must not have experienced a Termination of Service prior to the Service Vesting Date (unless otherwise vested upon your Termination of Service pursuant to Sections 2(d) through (f) and subject to Section 3) and (ii) you continue to comply with the restrictive covenants set forth in Sections 8 and 9. Any PSUs that did not become vested prior to your Termination of Service or that do not become vested according to the provisions in this Section 2

shall be forfeited immediately following the date of your Termination of Service, without any consideration thereto. Settlement of vested Awards shall be pursuant to Section 3 below.

(c) Performance-Based Vesting Condition.

(i) General. The number of PSUs that are earned and become eligible to vest pursuant to this Award (the “**Earned PSUs**”) will be equal to (A) the number of Target PSUs, *multiplied by* (B) the Performance Goal Payout Percentage *multiplied by* (C) the rTSR Modifier Percentage. Any PSUs that do not become Earned PSUs in accordance with this Agreement as of the end of the Performance Period shall be immediately forfeited and cancelled, without the payment of any consideration therefor. Notwithstanding anything to the contrary herein, in no event will the Earned PSUs exceed 200% of the Target PSUs.

(ii) Adjusted Operating Cash Flow Performance Goal. The Committee shall establish the Adjusted Operating Cash Flow Performance Goal (including a schedule setting forth the threshold, target and maximum performance levels and corresponding goal achievement percentages (each, a “**Performance Payout Matrix**”)) for each Annual Measurement Period during the Performance Period. The specific Adjusted Operating Cash Flow Performance Goal and Performance Payout Matrix for each Annual Measurement Period during the Performance Period will be provided to you in a separate notification. Following the end of each Annual Measurement Period in the Performance Period, the Committee will determine the level of achievement of the Adjusted Operating Cash Flow Performance Goal for such Annual Measurement Period and the corresponding achievement percentage of the Award for such Annual Measurement Period in accordance with the Performance Payout Matrix established for such Annual Measurement Period (with interpolation, on a mathematical straight-line basis, to reflect attained performance between defined ends of the applicable spectrum) (the “**Adjusted Operating Cash Flow Performance Goal Achievement Percentage**”). At the end of the Performance Period, the Adjusted Operating Cash Flow Performance Goal Achievement Percentage for each Annual Measurement Period in the Performance Period will be averaged (such average, the “**Average Operating Cash Flow Performance Goal Achievement Percentage**”), which will be used to calculate the “**Performance Goal Payout Percentage**” in accordance with the table below (*provided* that there shall be interpolation, on a mathematical straight-line basis, to derive any Average Operating Cash Flow Performance Goal Achievement Percentage not expressly forth in the table below including, for the avoidance of doubt, for achievement of Average Operating Cash Flow Performance Goal Achievement Percentage below 90%):

Average Operating Cash Flow Performance Goal Achievement Percentage (%)	Performance Goal Payout Percentage (%)
90%	50%
100%	100%
110%	200%

In the event that, with respect to any Annual Measurement Period, the Adjusted Operating Cash Flow Performance Goal Achievement Percentage falls at a level below the applicable

performance threshold level for such Annual Measurement Period, the Adjusted Operating Cash Flow Performance Goal Achievement Percentage for such Annual Measurement Period shall be 0%; *provided that*, (i) if the Adjusted Operating Cash Flow Performance Goal Achievement Percentage for any other Annual Measurement Period during the Performance Period is achieved at or above the threshold performance level for such Annual Measurement Period, the Performance Goal Payout Percentage will be determined in accordance with the table set forth above and (ii) if the Adjusted Operating Cash Flow Performance Goal Achievement Percentage falls at a level below the threshold performance level for all three Annual Measurement Periods, the Performance Goal Payout Percentage will be 0% (and the Award be forfeited in its entirety), regardless of the level of achievement of the rTSR Modifier Percentage. For the avoidance of doubt, (i) in no event will the calculation of a positive Adjusted Operating Cash Flow Performance Goal Achievement Percentage for any Annual Measurement Period be construed to guarantee that any Common Shares will be distributed to you on the Settlement Date (as defined below) and (ii) the achievement percentages for each Annual Measurement Period are determined solely for purposes of determining the Average Operating Cash Flow Performance Goal Achievement Percentage for the Performance Period.

(iii) rTSR Modifier. The “*rTSR Modifier Percentage*” shall be determined as follows (*provided that* there shall be interpolation, on a mathematical straight-line basis, to derive any rTSR Modifier Percentage not expressly forth in the below):

(A) If the Company TSR Percentile Ranking is at or below the 25th percentile, then the rTSR Modifier Percentage will be 75%;

(B) If the Company TSR Percentile Ranking is at the 50th percentile, then the rTSR Modifier Percentage will be 100%; and

(C) If the Company TSR Percentile Ranking is at or above the 75th percentile, then the rTSR Modifier Percentage will be 125%.

(iv) Definitions. For purposes of this Agreement, the following terms shall have the following meanings:

(A) “*Adjusted Operating Cash Flow*” means, for any Annual Measurement Period, the amount of net cash provided by operating activities for such Annual Measurement Period, as determined in accordance with U.S. GAAP, and adjusted, if at all, as a result of events or circumstances, as determined by the Committee.

(B) “*Adjusted Operating Cash Flow Performance Goal*” means the level of performance that must be attained with respect to the Company’s Adjusted Operating Cash Flow for an Annual Measurement Period. The Committee shall provide how the Adjusted Operating Cash Flow Performance Goal will be adjusted, if at all, as a result of events or circumstances, as determined by the Committee.

(C) “*Annual Measurement Periods*” means each of the three calendar years during the Performance Period. The first Annual Measurement

period begins on January 1, 2025 and ends on December 31, 2025. The second Annual Measurement Period begins on January 1, 2026 and ends on December 31, 2026. The third Annual Measurement period begins on January 1, 2027 and ends on December 31, 2027.

(D) “**Company TSR Percentile Ranking**” means the percentile ranking of the Company’s TSR relative to the TSR of the Comparator Companies, rounded to the whole nearest percentile, as determined by the Committee. In determining the Company TSR Percentile Ranking, in the event that the Company’s TSR is equal to the TSR of one or more Comparator Companies, the Company TSR Percentile Ranking will be determined by ranking the Company’s TSR as being greater than such applicable Comparator Company.

(E) “**Comparator Companies**” means, collectively, (i) all of the companies which comprise the Russell 1000 Pharmaceutical and Biotechnology Index as of the first day of the Performance Period and (ii) all of the companies which comprise the NYSE Arca Pharmaceutical Index (^DRG) as of the first day of the Performance Period, in each case other than (x) the Company and (y) any companies that cease to exist as of the end of the Performance Period by virtue of having been acquired, merged into another company or subject to a similar fundamental transaction.

(F) “**Performance Period**” means the period beginning on January 1, 2025 and ending on December 31, 2027.

(G) “**TSR**” means, with respect to the Company or any Comparator Company, as applicable, the change in the fair market value per share of common stock of the Company or such Comparator Company, as applicable, including the pre-tax value of any dividends or other distributions per share for any dividend record dates that occur during the Performance Period (with the value of such dividends or distributions determined by treating them as reinvested in additional shares of common stock at the closing market price on the applicable ex-dividend date), calculated as the percentage difference (whether positive or negative) between the average of the closing price per share of the common stock of the Company or such Comparator Company, as applicable, for (i) the last 20 consecutive trading days immediately preceding the first day of the Performance Period and (ii) the last 20 consecutive trading days ending on the last trading day of the Performance Period (*plus* the pre-tax value of any dividends or other distributions per share for any dividend record dates that occur during the Performance Period, assuming reinvestment thereof in common stock as described above); *provided that*, for the avoidance of doubt, with respect to the Company, the value of any common shares of Bausch + Lomb Corporation (“**B+L**”) that are

distributed to shareholders of the Company in connection with the Company's spinoff distribution of B+L shall be deemed reinvested in additional Common Shares, to the extent such spin-off distribution occurs during the Performance Period.

(d) Vesting Acceleration Upon Termination of Service due to Death or Disability, due to Retirement or a Termination of Service without Cause. Notwithstanding the foregoing and any other provisions of the Plan to the contrary, in the event that you experience a Termination of Service due to your death or Disability or Retirement, by the Company without Cause, the Target PSUs will remain outstanding and will be eligible to be earned and vest based on actual achievement of the applicable performance-based vesting conditions determined as of the end of the Performance Period in accordance Section 2(c) of this Agreement; *provided* that the number of your Earned PSUs (if any) that may become vested will be prorated based on a fraction, the numerator of which is the number of days from the first day of the Performance Period through the date of your Termination of Service, and the denominator of which is 1,096; and *provided further* that (i) in the event of your Termination of Service due to Retirement, or by the Company without Cause, you have been employed by the Company or one of its Subsidiaries for at least twelve (12) months following the Grant Date, (ii) in the event of your Termination of Service by the Company without Cause, you deliver to the Company, and fail to revoke, a signed release of claims acceptable to the Company within fifty-five (55) days following the date of your Termination of Service and (iii) you comply with the restrictive covenants set forth in Sections 8 and 9. Notwithstanding the foregoing, in the event your Termination of Service occurs as a result of the entity for which you are employed ceasing to qualify as a Subsidiary prior to the twelve (12)-month anniversary of the Grant Date, the requirement to be employed by the Company or one of its Subsidiaries for at least twelve (12) months as set forth in clause (i) above shall not apply and one-third (1/3) of the Target PSUs will remain outstanding and will be eligible to be earned and vest based on actual achievement of the applicable performance-based vesting conditions determined as of the end of the Performance Period in accordance with Section 2(c) of this Agreement (and, for the avoidance of doubt, the remaining two-thirds (2/3rds) of the Target PSUs shall be immediately forfeited and cancelled as of the date of your Termination of Service) (the "***Divestiture Treatment***"). Unless otherwise defined in your employment agreement, "***Retirement***" means your Termination of Service on or after the date on which you attain age 55 and your age plus your years of service with the Company and its Subsidiaries total at least 65, and your Termination of Service was not for Cause (and your Retirement has not occurred at a time when grounds for a Termination of Service for Cause exists).

(e) Treatment of Award in Event of Change of Control. Notwithstanding the foregoing and any other provisions of the Plan to the contrary, in the event of a Change of Control:

(i) the performance-based vesting conditions set forth in Section 2(c) shall be deemed achieved at the target performance levels (for the avoidance of doubt, the Performance Goal Payout Percentage and the rTSR Modifier Percentage shall each be deemed equal to 100%);

(ii) if this Award of PSUs is assumed or substituted (as described in Section 11(a)(iii) of the Plan) in connection with such Change of Control, then (A) the number of PSUs will be adjusted in accordance with Section 6(f) of the Plan, and (B) in the event you experience a Termination of Service by the Company (or the acquiring entity or its affiliates) without Cause, in each case within the twelve (12) month period immediately following such Change of Control, then a pro rata portion of the Target PSUs will vest as of the date of such Termination of Service based on a fraction, the numerator of which is the number of days from the first day of the Performance Period through the date of your Termination of Service, and the denominator of which is 1,096; *provided* that you deliver to the Company, and fail to revoke, a signed release of claims acceptable to the Company within fifty-five (55) days following the date of your Termination of Service; and

(iii) if this Award of PSUs is not assumed or substituted (as described in Section 11(a)(iii) of the Plan) in connection with such Change of Control, then a pro rata portion of the Target PSUs will vest as of immediately prior to such Change of Control based on a fraction, the numerator of which is the number of days from the first day of the Performance Period through the date of such Change of Control, and the denominator of which is 1,096.

3. Settlement of PSUs. The Company will deliver to you an amount of cash equal to the Market Price of the number of Common Shares vested in accordance with the provisions of Section 2 of this Agreement (plus any Common Shares resulting from dividend equivalents credited with respect to this Award in accordance with Section 6 of this Agreement), determined as of the Vesting Date, as soon as administratively practicable after the Vesting Date, but in no event later than March 15 of the calendar year following the year in which such Common Shares become vested (the “**Settlement Date**”); *provided* that, notwithstanding anything in the Plan or this Agreement to the contrary, any remaining right to payment of your Award will be forfeited in the event of your Termination of Service by the Company for Cause prior to the Settlement Date or if you violate any post-employment obligation that you may have to the Company or any of its Subsidiaries, including the restrictive covenants set forth in Sections 8 and 9.

4. Number of Shares Underlying Award. The number of Common Shares underlying your Award may be adjusted from time to time in accordance with Section 6(f) of the Plan. The Company will establish a bookkeeping account to reflect the number of PSUs standing to your credit from time to time. However, you will not be deemed to be the holder of, or to have any of the rights of a shareholder with respect to, any Common Shares subject to your Award and, for the avoidance of doubt, your Award may only be paid in cash.

5. Reserved.

6. Dividend Equivalents. The bookkeeping account maintained for the Award granted pursuant to this Agreement shall, until the Vesting Date or the termination and cancellation or forfeiture of the Award pursuant to the terms of the Plan, be allocated additional PSUs on the payment date of dividends on the Company’s Common Shares. Such dividends will be converted into a number of additional Common Shares covered by the PSUs equal to the quotient of (i) the aggregate amount or value of the dividends paid with respect to that number of Common Shares equal to the number of shares covered by the PSUs divided by (ii) the Market Price per Common Share on the payment date for such dividend. Any such additional PSUs

shall vest in accordance with, and subject to, the same terms as the PSUs granted under this Agreement (including the performance-based vesting conditions set forth in Section 2(c)).

7. Disclosure and Ownership of Intellectual Property.

(a) **Company Intellectual Property.** You acknowledge and agree that any intellectual property, including, without limitation, works, materials, inventions, invention disclosures, invention registrations, patent rights, trademarks, service marks, trade names, trade dress, logos, domain names, copyrights, design rights, mask works, software, apparatus, technology, data, trade secrets, know-how and all other intellectual property and proprietary rights recognized by any applicable law of any jurisdiction, that you create, discover, conceive, reduce to practice, develop or acquire during the course of your employment or service, either alone or jointly with others, (i) using any equipment, supplies, facilities, trade secrets, know-how or other Confidential Information of the Company or any of its affiliates, (ii) that results from any work performed for the Company or any of its affiliates and/or (iii) that otherwise relates to the Company's or any of its affiliates' business or actual or demonstrably anticipated research or development (collectively, "**Company Intellectual Property**") is and shall remain the exclusive property of the Company or the affiliate of the Company, as applicable, that is your employer (the "**Employer**") whether registered or otherwise exploited or not. In furtherance of the foregoing, you hereby assign, transfer, convey and deliver to the Employer your entire right, title and interest in and to any and all such Company Intellectual Property.

(b) **Work Made for Hire.** You acknowledge and agree that, with respect to any Company Intellectual Property that may qualify as a Work Made For Hire as defined in 17 U.S.C. § 101 or other applicable law, such Company Intellectual Property is and will be deemed a Work Made for Hire and the Employer will have the sole and exclusive right to the copyright (or, in the event that any such Company Intellectual Property does not qualify as a Work Made for Hire, the copyright and all other rights thereto are hereby automatically assigned to the Employer as above).

(c) **Disclosure.** You agree to record all activities undertaken in the course of your employment and to disclose promptly in writing to the Employer any and all Company Intellectual Property. You agree that you will give the Company or any of its affiliates all reasonable assistance and execute all documents necessary to assist with enabling the Company or any of its affiliates to prosecute, perfect, register, record, enforce and defend any and all of their rights in and to any Company Intellectual Property and Confidential Information.

(d) **Non-Assignable Inventions.** If your principal work location is in California, Illinois, Kansas, Minnesota or Washington State, the provisions regarding your assignment of Company Intellectual Property to the Employer in Sections 7(a) and (b) of this Agreement may not apply to certain inventions ("**Non-Assignable Inventions**") as specified in the statutory code of the applicable state. You acknowledge having received notification regarding such Non-Assignable Inventions pursuant to such states' codes.

(e) **Prior Intellectual Property.** If, in the course of your employment with the Employer, you use any intellectual property that is solely or jointly owned by you or licensed to you, with the right to sub-license (collectively, "**Prior Intellectual Property**"), you hereby

grant to the Company and its affiliates a worldwide, non-exclusive, irrevocable, perpetual, fully paid-up and royalty-free license (with rights to sublicense through multiple tiers of sublicensees) to use, reproduce, modify, make derivative works of, publicly perform, publicly display, make, have made, sell, offer for sale, import and otherwise exploit such Prior Intellectual Property for any purpose.

(f) Waiver of Moral Rights. To the extent you may do so under applicable law, you hereby waive and agree never to assert any Moral Rights that you may have in or with respect to any Company Intellectual Property, even after termination of any work on behalf of the Company or its affiliates. As used in this Agreement, “*Moral Rights*” means any rights to claim authorship of a work, to object to or prevent the modification or destruction of a work, or to withdraw from circulation or control the publication or distribution of a work, and any similar right, existing under any applicable law of any jurisdiction, regardless of whether or not such right is denominated or generally referred to as a “moral right.”

(g) This Section 7 shall survive your Termination of Service.

8. Records and Confidential Data. In consideration of the PSUs issued to you pursuant to this Agreement, subject to Sections 8(e) and 8(f), you agree to be bound by the covenant of confidentiality set forth in this Section 8 with respect to any and all Confidential Information (as defined below) disclosed or made available to you or of which you have otherwise become aware, whether before, on or after the date hereof.

(a) Ownership; Recognition of Company’s Rights. You acknowledge that in connection with the performance of your duties, the Company will make available to you, or you will have access to, certain Confidential Information of the Company and its affiliates. You acknowledge and agree that any and all Confidential Information you learned or obtained during the course of your employment or service by the Company or any of its affiliates or otherwise, whether developed by you alone or in conjunction with others or otherwise, shall be and is the sole and exclusive property of the Employer. No license or other right to any Confidential Information is granted to you under this Agreement. To the extent that you acquire any right, title or interest in or to any Confidential Information, you hereby assign, transfer, convey and deliver to the Employer all such right, title and interest in and to such Confidential Information.

(b) Restrictions. Subject to Sections 8(e) and 8(f), you (i) will keep all Confidential Information strictly confidential, (ii) will not use Confidential Information in any manner which is detrimental to the Company or its affiliates, (iii) will not use Confidential Information other than in connection with the discharge of your duties to the Company and its affiliates, (iv) will safeguard any and all Confidential Information from unauthorized disclosure, and (v) will not disclose, publish, use, transfer or otherwise disseminate any Confidential Information to any person or entity without the Employer’s express prior written consent, except as may be necessary to perform your duties as an employee of the Company or its affiliates for the benefit of the Company or its affiliates. You may, however, disclose Confidential Information to the extent it is in response to a valid order of a court or other governmental authority or to otherwise comply with applicable law; *provided* that, subject to your protections under Sections 8(e) and 8(f) below, you shall first give notice to the Employer and reasonably cooperate with the Employer to obtain a protective order or other measures preserving the

confidential treatment of such Confidential Information and requiring that the information or documents so disclosed be used only for the purposes for which the order was issued or is otherwise required by applicable law. For the avoidance of doubt, nothing in this Section 8(b) shall prevent you from exercising any legally protected whistleblower rights (including under Rule 21F under the Exchange Act), and you shall not be required to first give notice to the Employer when you are exercising your legally protected whistleblower rights.

(c) Disposition of Confidential Information. Following your Termination of Service or upon the Company's request, you will return to the Company all copies of any and all Confidential Information in your custody, possession or control (including all copies of any analyses, compilations, studies or other documents prepared by you or for your use containing or reflecting any Confidential Information). Alternatively, with the Company's prior written consent, you may destroy such Confidential Information. Within five (5) business days of your Termination of Service or such request by the Company, you shall deliver to the Company a document certifying that such written Confidential Information has been returned or destroyed in accordance with this Section 8(c).

(d) Confidential Information. For the purposes of this Agreement, "**Confidential Information**" shall mean any and all non-public, proprietary or other confidential information of the Company or its affiliates disclosed to you, to which you have access, or of which you otherwise become aware, in each case whether in oral, written, graphic or machine readable form, including, without limitation, (i) know-how, trade secrets, inventions, discoveries, concepts, information, works, materials, processes, methods, data, software, programs, apparatus, designs and the like, and any other intellectual property the value of which is contingent upon maintaining the confidentiality thereof, (ii) information regarding the business of the Company or its affiliates, including its products, services, budgets, contracts, reports, investigations, experiments, research, work in progress, drawings, designs, plans, proposals, codes, marketing and sales programs, client lists, client mailing lists, supplier lists, financial projections, cost summaries, pricing formulae, marketing studies relating to prospective business opportunities, and all other concepts, ideas, materials, or information prepared or performed for or by the Company or its affiliates, (iii) information regarding the skills and compensation of the employees, contractors, and any other service providers of the Company or its affiliates, (iv) the existence of any business discussions, negotiations, or agreements between the Company or its affiliates and any third party, (v) all documents and other work product generated by you which contain, comment upon, or relate in any way to any information disclosed by the Company or its affiliates, (vi) all third-party information held in confidence by the Company or its affiliates, and (vii) the terms and conditions of this Agreement. For purposes of this Agreement, the Confidential Information shall not include and your obligation shall not extend to (i) information which is generally available to the public and (ii) information obtained by you other than pursuant to or in connection with your employment.

(e) Defend Trade Secrets Act. Pursuant to Section 7 of the Defend Trade Secrets Act of 2016 (which added 18 U.S.C. § 1833(b)), you and the Company acknowledge and agree that you shall not have criminal or civil liability under any federal or state trade secret law for the disclosure of a trade secret that (A) is made (i) in confidence to a federal, State, or local government official, either directly or indirectly, or to an attorney and (ii) solely for the purpose

of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In addition and without limiting the preceding sentence, if you file a lawsuit for retaliation by the Company for reporting a suspected violation of law, you may disclose the trade secret to your attorney and may use the trade secret information in the court proceeding, if you (x) file any document containing the trade secret under seal and (y) do not disclose the trade secret, except pursuant to court order. Nothing in this Agreement is intended to conflict with 18 U.S.C. §1833(b) or create liability for disclosures of trade secrets that are expressly allowed by such Section.

(f) **Whistleblower Protections.** Notwithstanding the foregoing, nothing in this Agreement precludes or otherwise limits your ability to communicate directly with and provide information, including documents, not otherwise protected from disclosure by any applicable law or privilege to the Securities and Exchange Commission (the “SEC”), or any other federal, state or local governmental agency or commission or self-regulatory organization (each such agency, commission or organization, a “**Government Agency**”) organization regarding possible legal violations, without disclosure to the Company. You do not need the prior authorization of the Company to make any such reports or disclosures, and you shall not be required to notify the Company that such reports or disclosures have been made. The Company may not retaliate against you for any of these activities, and nothing in this Agreement requires you to waive any monetary award or other relief that you might become entitled to from the SEC or any other Government Agency.

(g) This Section 8 shall survive your Termination of Service.

9. **Covenant Not to Solicit, Not to Compete and Not to Disparage.** In consideration of the PSUs issued to you pursuant to this Agreement, you agree to be bound by the covenants of non-solicitation, non-competition and non-disparagement as set forth in this Section 9.

(a) **Covenant Not to Solicit.** To protect the Confidential Information and other trade secrets of the Company and its affiliates, you agree, during the period of your employment with or service to the Company and for a period of twelve (12) months thereafter (or, if greater, the period set forth in your employment or service agreement) (the “**Restricted Period**”), not to solicit, hire or participate in or assist in any way in the solicitation or hire of any employees of the Company or any of its Subsidiaries (or any person who was an employee of the Company or any of its Subsidiaries during the 6-month period preceding such action). For purposes of this covenant, “**solicit**” or “**solicitation**” means directly or indirectly influencing or attempting to influence employees of the Company to become employed with any other person, partnership, firm, corporation or other entity. You agree that the covenants contained in this Section 9(a) are reasonable and desirable to protect the Confidential Information of the Company and its affiliates, *provided* that solicitation through general advertising or the provision of references shall not constitute a breach of such obligations.

(b) **Covenant Not to Compete.** The non-compete provision contained in this Section 9(b) does not apply to any Participant who resides in or whose principal place of employment is in the State of California. To protect the Confidential Information and other trade secrets of the Company and its affiliates, you agree, during the Restricted Period, not to engage

in Prohibited Activities (as defined below) in any country in which the Company or its affiliates conduct business, or plan to conduct business, during the period of your employment or service. For the purposes of this Agreement, the term “**Prohibited Activities**” means directly or indirectly engaging as an owner, employee, consultant or agent of any entity that derives more than 10% of its consolidated revenue from the research, development, production, manufacturing, marketing, promotion, sale and/or distribution (directly or indirectly) of branded or generic prescription or non-prescription pharmaceuticals or medical products or devices that, in each case, is the same or similar to, or competitive with, a pharmaceutical, device, product or business the Company was engaged in (or was actively planning to engage in) during your employment; *provided* that Prohibited Activities shall not mean (i) your investment in securities of a publicly-traded company equal to less than five (5%) percent of such company’s outstanding voting securities or (ii) serving as a member of a board of directors of a company provided that, for the avoidance of doubt, you comply with the obligations set forth in Sections 8 and 9(a) of this Agreement. You agree that the covenants contained in this Section 9(b) are reasonable and desirable to protect the Confidential Information of the Company and its affiliates. Notwithstanding anything set forth in this Section 9(b), if you reside in or your principal place of employment is in the State of California, then the noncompete restrictions set forth in this Section 9(b) that are void under the laws of the State of California shall not apply to you and will not be enforced by the Company. Nothing herein alters any other terms and conditions or any other post-employment contractual obligations set forth in this Agreement that remain enforceable under the laws of the State of California, including without limitation, any obligations related to confidential and/or proprietary information or invention assignments, which shall remain in full force and effect. By accepting this Award, you hereby agree and acknowledge that the covenant not to compete set forth in this Section 9(b) of this Agreement shall supersede and replace in its entirety covenants not to compete set forth in any prior award agreements granted to you under the Plan or any employment or similar agreement between you and the Company.

(c) **Non-Disparagement Covenant.** Except in connection with your exercise of your legally protected rights described in Sections 8(e) and 8(f) above, you agree not to make written or oral statements about the Company or its affiliates or their directors, executive officers or non-executive officer employees that are negative or disparaging. Notwithstanding the foregoing, nothing in this Agreement shall preclude you from communicating or testifying truthfully to the extent required by law to any federal, state, provincial or local governmental agency or in response to a subpoena to testify issued by a court of competent jurisdiction.

(d) Your obligations under this Section 9 shall survive your Termination of Service.

10. Severability of Restrictive Covenants. It is the intent and desire of you and the Company that the restrictive provisions of this Agreement be enforced to the fullest extent permissible under the laws and public policies as applied in each jurisdiction in which enforcement is sought. If any particular provision of Sections 8 or 9 shall be determined to be invalid or unenforceable, such provision shall be amended, without any action on the part of either party hereto, to delete therefrom the portion so determined to be invalid or unenforceable, such deletion to apply only with respect to the operation of such covenant in the particular jurisdiction in which such adjudication is made. Any provision of Sections 8 or 9 (or part of

such a Section) so declared to be unlawful or invalid will, if possible, be construed in a manner that will give effect to the terms of such Section or part of such Section to the fullest extent possible while remaining lawful and valid.

11. Remedies for Breach of Obligations Under Sections 8 and 9. You acknowledge that the Company will suffer irreparable injury, not readily susceptible to valuation in monetary damages, if you breach any obligation under Sections 8 or 9. Accordingly, you agree that the Company will be entitled, in addition to any other available remedies, to obtain preliminary and permanent injunctive relief against any breach or prospective breach by you of your obligations under Sections 8 or 9. Without limiting other forms of relief available to the Company, in the event of your breach of any of your obligations under Sections 8 or 9, your Award will be forfeited for no consideration and, if payment in respect of your Award has been made, you will be obligated to return the proceeds to the Company. You agree that process in any or all of those actions or proceedings may be served by registered mail, addressed to the last address provided by you to the Company, or in any other manner authorized by law.

12. Clawback. This Agreement is subject to Section 12 of the Plan, any policy the Company has adopted or will adopt regarding the recovery of incentive compensation and any additional clawback provisions as required by law or applicable listing rules. By accepting this Award and the benefits provided to you hereunder, you hereby agree and acknowledge that you shall be subject to the Bausch Health Companies Inc. Compensation Recoupment Policy and the Bausch Health Companies Inc. Clawback Policy, in each case subject to the terms and conditions thereof as in effect from time to time and, accordingly, this Award and other incentive-based compensation provided to you (as set forth in the applicable policy), which may include incentive-based compensation provided to you prior to the date of this Agreement (including, without limitation, other equity awards under the Plan prior to the date hereof), may be subject to forfeiture and/or recoupment in accordance with the terms of such applicable policy.

13. Compliance with Section 409A of the Internal Revenue Code. The Award is intended to comply with Section 409A of the Code to the extent subject thereto or to otherwise be exempt from Section 409A of the Code, and shall be interpreted in accordance with this intent and Section 409A of the Code and treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the Grant Date. Notwithstanding any provision in the Plan to the contrary, no payment or distribution under this Plan that constitutes an item of deferred compensation under Section 409A of the Code and becomes payable by reason of your Termination of Service with the Company shall be made to you until your Termination of Service constitutes a separation from service within the meaning of Section 409A of the Code. For purposes of this Award, each amount to be paid or benefit to be provided shall be construed as a separate identified payment for purposes of Section 409A of the Code. Notwithstanding any provision in the Plan to the contrary, if you are a specified employee within the meaning of Section 409A of the Code, then to the extent necessary to avoid the imposition of taxes under Section 409A of the Code, you shall not be entitled to any payments upon your Termination of Service until the earlier of: (i) the expiration of the six (6)-month period measured from the date of your separation from service or (ii) the date of your death. Upon the expiration of the applicable waiting period set forth in the preceding sentence, all payments and benefits deferred pursuant to this Section 13

(whether they would have otherwise been payable in a single lump sum or in installments in the absence of such deferral) shall be paid to you in a lump sum as soon as practicable, but in no event later than sixty (60) calendar days, following such expired period, and any remaining payments due under this Award will be paid in accordance with the normal payment dates specified for them herein. Notwithstanding any provision of the Plan to the contrary, in no event shall the Company or any affiliate be liable to you on account of an Award's failure to (i) qualify for favorable U.S. or foreign tax treatment or (ii) avoid adverse tax treatment under U.S. or foreign law, including, without limitation, Section 409A of the Code.

14. Reserved.

15. Reserved.

16. Transferability. Except as otherwise permitted by the Committee in accordance with the terms of the Plan, your Award is not transferable, except by will or by the laws of descent and distribution. Notwithstanding the foregoing, by delivering written notice to the Company, in the form prescribed by the Company, you may designate a third party who, in the event of your death, will thereafter be entitled to receive any payment pursuant to Section 3 of this Agreement.

17. Award Not a Service Contract. Your Award is not an employment or service contract, and nothing in your Award will be deemed to create in any way whatsoever any obligation on your part to continue in the service of the Company or an affiliate, or on the part of the Company or an affiliate to continue such service. In addition, nothing in your Award will obligate the Company or an affiliate, their respective shareholders, boards of directors or employees to continue any relationship that you might have as an employee of the Company or an affiliate.

18. Unsecured Obligation. Your Award is unfunded, and as a holder of PSUs, you will be considered an unsecured creditor of the Company with respect to the Company's obligation, if any, to settle the PSUs pursuant to this Agreement. You will not have voting or any other rights as a shareholder of the Company with respect to the Common Shares underlying your Award. Nothing contained in this Agreement, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between you and the Company or any other person.

19. Withholding Obligations. On or before the time you receive a payment pursuant to your Award, or at any time thereafter as requested by the Company, you hereby authorize any required withholding from your Award, payroll and any other amounts payable or issuable to you and/or otherwise agree to make adequate provision in cash for any sums that can be withheld to satisfy the federal, state, local and foreign tax withholding obligations of the Company or any affiliate which arise in connection with your Award (the "**Withholding Taxes**"). In this regard, you hereby authorize the Company and/or its affiliates, at their discretion, to satisfy any applicable Withholding Taxes in respect of this Award by one or a combination of the following: (i) withholding, from payment otherwise due upon settlement of the Award, a portion of the payment equal to the amount of the applicable Withholding Taxes (*provided, however*, that the amount so withheld shall not exceed the maximum amount that can be withheld to satisfy the

Company's required tax withholding obligations) (the "*Net Settlement Method*"); or (ii) causing you to tender a cash payment sufficient to satisfy the Withholding Taxes.

20. Notices. Any notices provided for in your Award or the Plan shall be given in writing and shall be deemed effectively given upon receipt or, in the case of notices delivered by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company.

21. Headings. The headings of the Sections in this Agreement are inserted for convenience only and will not be deemed to constitute a part of this Agreement or to affect the meaning of this Agreement.

22. Amendment. Nothing in this Agreement shall restrict the Committee's (or its applicable delegate's) ability to exercise its discretionary authority pursuant to Section 4 of the Plan; *provided, however*, that no such action may, without your consent, materially adversely affect your rights under your Award and this Agreement. Without limiting the foregoing, the Board (or appropriate committee thereof) reserves the right to change, by written notice to you, the provisions of this Agreement in any way it may deem necessary or advisable to carry out the purpose of the grant as a result of any change in applicable laws or regulations or any future law, regulation, ruling, or judicial decision; *provided* that any such change will be applicable only to rights relating to that portion of the Award which is then subject to restrictions as provided herein.

23. Miscellaneous.

(a) The rights and obligations of the Company under your Award will be transferable by the Company to any one or more persons or entities, and all covenants and agreements hereunder will inure to the benefit of, and be enforceable by the Company's successors and assigns.

(b) You agree upon request to execute any further documents or instruments necessary or desirable in the sole determination of the Company to carry out the purposes or intent of your Award.

(c) You acknowledge and agree that you have reviewed your Award in its entirety, have had an opportunity to obtain the advice of counsel prior to executing and accepting your Award and fully understand all provisions of your Award. This Agreement and the Plan contain the entire agreement and understanding among the parties as to the subject matter hereof, and supersede any other agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof (including, without limitation, the provisions in your employment letter with respect thereto).

(d) This Agreement will be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

(e) All obligations of the Company under the Plan and this Agreement will be binding on any successor to the Company, whether the existence of such successor is the result

of a direct or indirect purchase, merger, consolidation, or otherwise, of all or substantially all of the business and/or assets of the Company.

24. Governing Plan Document. Your Award is subject to all the provisions of the Plan, the provisions of which are hereby made a part of your Award, and is further subject to all interpretations, amendments, rules and regulations which may from time to time be promulgated and adopted pursuant to the Plan. In the event of any conflict between the provisions of your Award and those of the Plan, the provisions of the Plan will control; *provided, however*, for avoidance of doubt, terms contained in the Agreement but not in the Plan shall not constitute a conflict and such terms in the Agreement shall control. The Committee will have the power to interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation, and application of the Plan as are consistent therewith and to interpret or revoke any such rules. All actions taken and all interpretations and determinations made by the Committee will be final and binding upon you, the Company, and all other interested persons. No member of the Board or the Committee will be personally liable for any action, determination, or interpretation made in good faith with respect to the Plan or this Agreement.

25. Effect on Other Employee Benefit Plans. The value of the Award subject to this Agreement will not be included as compensation, earnings, salaries, or other similar terms used when calculating the employee's benefits under any employee benefit plan sponsored by the Company or any affiliate except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any of the Company's or any affiliate's employee benefit plans.

26. Choice of Law. The interpretation, performance and enforcement of this Agreement will be governed by the laws of the Province of Ontario and the laws of Canada. Each of the parties submits to the exclusive jurisdiction of the state courts within the State of New Jersey. In any issue, claim, demand, action, cause of action, suit or proceeding arising out of, or relating to, this Agreement, each of the parties agrees that all claims in respect of the action or proceeding may be heard and determined in any such court, and agrees not to bring any action or proceeding arising out of, relating to, based on or in connection with this Agreement in any other court. Each of the parties waives any defense of inconvenient forum to the maintenance of any action or proceeding so brought and waives any bond, surety or other security that might be required of any other party with respect thereto.

27. Severability. If all or any part of this Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity will not invalidate any portion of this Agreement or the Plan not declared to be unlawful or invalid. Any Section of this Agreement (or part of such a Section) so declared to be unlawful or invalid will, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

28. Appendices. Notwithstanding any provisions in this Agreement, the PSUs shall be subject to any special terms and conditions for employees outside the United States set forth in Appendix A and Appendix B attached hereto (the "*Appendices*"). Further, if you relocate to one of the countries included in Appendix B, the special terms and conditions for such country will apply to you to the extent that the Company determines that the application of such terms

and conditions is necessary or advisable for legal or administrative reasons. The Appendices constitutes part of this Agreement.

29. ACKNOWLEDGEMENTS. By accepting this Award, you hereby consent to receive such documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third-party designated by the Company.

Bausch Health Companies Inc.

**Form of Restricted Share Unit Award Agreement (Performance Vesting)
(Performance Restricted Share Units)**

(2014 Omnibus Incentive Plan)

Appendix A

Additional Terms and Conditions For Employees Outside the United States

This Appendix A includes additional terms and conditions that govern the Award granted to you under the Plan if you are a Participant and reside and/or work in a country outside the United States of America (or later relocate to such a country). Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan and/or the Agreement to which this Appendix A is attached. Appendix A constitutes part of the Agreement.

1. Withholding Obligations. The following provisions supplement Section 19 of the Agreement:

You acknowledge that, regardless of any action taken by the Company or, if different, your employer (the “*Employer*”), the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to your participation in the Plan and legally applicable or deemed applicable to you (“*Tax-Related Items*”) is and remains your responsibility and may exceed the amount, if any, actually withheld by the Company or the Employer. You further acknowledge that the Company and the Employer (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Award, and (b) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Award to reduce or eliminate your liability for Tax-Related Items or achieve any particular tax result. Further, if you are subject to Tax-Related Items in more than one jurisdiction, you acknowledge that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any applicable taxable or tax withholding event, you authorize the Company and/or the Employer, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by any of the methods referred to in Section 19 of the Agreement.

The Company may withhold or account for Tax-Related Items by considering statutory or other withholding rates, including minimum or maximum withholding rates applicable in your jurisdiction. In the event of over-withholding, you may receive a refund of any over-withheld amount in cash (with no entitlement to the Common Share equivalent), or if not refunded, you may seek a refund from the local tax authorities. In the event of under-withholding, you may be required to pay any additional Tax-Related Items directly to the applicable tax authority or to the Company and/or the Employer.

Finally, if requested by the Company, you agree to pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of your participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to deliver payment of your Award, if you fail to comply with your obligations in connection with the Tax-Related Items.

2. Accelerated Vesting upon a Termination of Employment due to Retirement. The following provision supplements Section 2(d) of the Agreement:

Notwithstanding anything to the contrary in the Plan or the Agreement, if the Company receives a legal opinion that there has been a legal judgment and/or legal development in your jurisdiction that likely would result in the favorable treatment that applies to the PSUs as a result of your Retirement or you reaching a certain age being deemed unlawful and/or discriminatory, the favorable treatment shall not apply and you shall be treated in accordance with the remaining provisions of Section 2 of the Agreement.

3. Disclosure and Ownership of Inventions and Intellectual Property. The following provision supplements Section 7 of the Agreement:

Notwithstanding anything to the contrary in the Plan or the Agreement, this Section 7 shall not apply if you work and/or reside in France or Germany. Moreover, this Section 7 shall not apply if you work and/or reside in any other jurisdiction in which the Company determines that the provisions of this Section 7 would be deemed unlawful or invalid.

4. Transferability. The following provision replaces in its entirety Section 16 of the Agreement:

Your Award and any interest therein shall not be sold, assigned, transferred, pledged, hypothecated, or otherwise disposed of, other than by will or by the applicable laws of descent and distribution.

5. Nature of Grant. In accepting the grant of the PSUs, you acknowledge, understand and agree that:

(a) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;

(b) the grant of the PSUs is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants of restricted share units, or benefits in lieu of restricted share units, even if restricted share units have been granted in the past;

(c) all decisions with respect to future restricted share unit or other grants, if any, will be at the sole discretion of the Company;

(d) you are voluntarily participating in the Plan;

(e) the PSUs and any payment under the Plan, and the income from and value of same, are not intended to replace any pension rights or compensation;

(f) the PSUs and any payment under the Plan, and the income from and value of same, are not part of normal or expected compensation or salary for any purpose, including, but limited to, calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, holiday pay, long-term service awards, pension or retirement or welfare benefits or similar payments;

(g) the future value of the Common Shares underlying the PSUs is unknown, indeterminable, and cannot be predicted with certainty;

(h) unless otherwise agreed with the Company in writing, the PSUs and any payment under the Plan, and the income from and value of same, are not granted as consideration for, or in connection with, any service you may provide as a director of a Subsidiary;

(i) neither the Company, the Employer, nor any other Subsidiary will be liable for any foreign exchange rate fluctuation between any local currency and the U.S. dollar that may affect the value of the PSUs or any amounts due to you pursuant to the vesting or settlement of the PSUs;

(j) no claim or entitlement to compensation or damages shall arise from (i) forfeiture of the PSUs resulting from the termination of your employment with the Employer (for any reason whatsoever, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are employed or the terms of your employment or service agreement, if any) and/or (ii) the forfeiture or cancellation of the PSUs and/or recoupment of any cash or other benefits acquired under the Plan resulting from the application of the Company's recoupment policies contemplated under Section 12 of this Agreement. In consideration of the PSUs, you agree not to institute any claim against the Company or the Employer;

(k) the Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding your participation in the Plan or any payment under your Award; and

(l) you should consult with your own personal tax, legal and financial advisors regarding your participation in the Plan before taking any action related to the Plan.

6. Data Privacy.

(a) The following provisions applies to Eligible Recipients in the European Union ("EU"/European Economic Area ("EEA"), in Switzerland, and in the United Kingdom ("U.K."):

You understand that the Company and the Employer may hold certain personal information about you, including, but not limited to, your name, home address, email address and telephone number, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, any Common Shares or directorships held in the

Company, details of all PSUs or any other entitlement to Common Shares awarded, canceled, exercised, vested, unvested or outstanding in your favor (“Data”), for the purpose of implementing, administering and managing the Plan.

You understand that this Data will be processed in accordance with the Employee notice notified to you in local language in 2018 and available at <http://valeantvision.valeant.corp.vrx/Europe/Pages/Compliance.aspx>.

Data may be transferred to any third parties assisting the Company with the implementation, administration and management of the Plan. You understand that these recipients of Data may be located in other countries, such as the United States, which may afford a lower level of data protection and judicial redress than your country. This is necessary to perform this Agreement and to implement the Plan. You understand that you may request a list with the names and addresses of any potential recipients of Data by contacting your local Human Resources Representative. You understand that the Company and the recipients assisting the Company (presently or in the future) receive, possess, use, retain and transfer Data, in electronic or other form, for the purpose of implementing, administering and managing your participation in the Plan. You understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan. You understand that you may, at any time, view Data, request information about the storage and processing of Data, require any necessary amendments to Data, in any case without cost, by contacting in writing your local Human Resources Representative.

(b) The following provisions applies to Eligible Recipients outside the EU/EEA, outside Switzerland, and outside the U.K.:

By accepting the Award, you hereby explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal data as described in this Agreement and any other grant materials by and among, as applicable, the Company, your Employer and any other Subsidiary for the exclusive purpose of implementing, administering and managing your participation in the Plan.

You understand that the Company and the Employer may hold certain personal information about you, including, but not limited to, your name, home address, email address and telephone number, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, any Common Shares or directorships held in the Company, details of all PSUs or any other entitlement to Common Shares awarded, canceled, exercised, vested, unvested or outstanding in your favor (“Data”), for the exclusive purpose of implementing, administering and managing the Plan.

You understand that Data may be transferred to any third parties assisting the Company with the implementation, administration and management of the Plan. You understand that these recipients of Data may be located in the United States or elsewhere, and that the recipients’ country (e.g., the United States) may have different data privacy laws and protections than your country. You understand that you may request a list with the names and addresses of any potential recipients of Data by contacting your local Human Resources Representative. You authorize the Company and the recipients assisting the Company (presently or in the future)

with implementing, administering and managing the Plan to receive, possess, use, retain and transfer Data, in electronic or other form, for the sole purpose of implementing, administering and managing your participation in the Plan. You understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan. You understand that you may, at any time, view Data, request information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing your local Human Resources Representative. Further, you understand that you are providing the consents herein on a purely voluntary basis. If you do not consent, or if you later seek to revoke the consents, your employment or service with the Employer will not be affected; the only consequence of refusing or withdrawing the consents is that the Company would not be able to grant PSUs or other equity awards to you or administer or maintain such awards. Therefore, you understand that refusing or withdrawing your consent may affect your ability to participate in the Plan. For more information on the consequences of your refusal to consent or withdrawal of consent, you understand that you may contact your local Human Resources Representative.

Finally, upon request of the Company, you agree to provide an executed data privacy consent form to the Company (or any other agreements or consents that may be requested by the Company) that the Company may deem necessary to obtain from you for the purpose of administering your participation in the Plan in compliance with the data privacy laws in your country, either now or in the future. You understand and agree that you will not be able to participate in the Plan if you fail to provide any such consent or agreement requested by the Company.

7. Electronic Delivery and Participation. The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

8. Language. You acknowledge that you are sufficiently proficient in the English language or have had an opportunity to consult with an advisor proficient in the English language, so as to enable you to understand the terms and conditions of the Agreement and other Plan-related materials. Furthermore, if you have received this Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

9. Insider Trading/Market Abuse Laws. You acknowledge that, depending on your country of residence, the broker's country, or the country in which Common Shares are listed, you may be subject to insider trading and/or market abuse laws which may affect your ability to accept, acquire, sell or otherwise dispose of Common Shares, rights to such Common Shares or rights linked to the value of Common Shares (e.g., PSUs) under the Plan during such times as you are considered to have "material nonpublic information" or "insider information" regarding the Company (as defined by the laws or regulations in the relevant jurisdiction). Any restrictions under these laws or regulations are separate from and in addition to any restrictions

that may be imposed under the Company's insider trading policy, and the requirements of applicable laws may or may not be consistent with the terms of the Company's insider trading policy. You acknowledge that it is your responsibility to comply with any applicable restrictions, and that you should speak to your personal advisor on this matter.

10. Foreign Asset/Account Reporting. You acknowledge that there may be certain foreign asset and/or account reporting requirements which may affect your ability to acquire or hold Common Shares acquired under the Plan or cash received from participating in the Plan (including from any dividends paid on Common Shares acquired under the Plan) in a bank or brokerage account outside your country. You may be required to report such accounts, assets or transactions to the tax or other authorities in your country. You also may be required to repatriate sale proceeds from the sale of Common Shares or other funds received as a result of participation in the Plan to your country through a designated bank or broker within a certain time after receipt. You acknowledge that it is your responsibility to be compliant with such regulations, and should consult your personal legal advisor for any details.

Bausch Health Companies Inc.
Form of Restricted Share Unit Award Agreement (Performance Vesting)
(Performance Restricted Share Units)
(2014 Omnibus Incentive Plan)

Appendix B

Country-Specific Terms

This Appendix B includes additional terms and conditions that govern the Award granted to you under the Plan if you reside in one of the countries listed below. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan and/or the Agreement to which this Appendix B is attached.

Canada

Termination of Service. The following provision supplements Section 2 of the Agreement:

For purposes of the PSUs, unless otherwise explicitly required by applicable legislation, your Termination of Service, and your right (if any) to earn, seek damages in lieu of, or otherwise be paid any portion of the PSUs pursuant to this Agreement after such Termination of Service (regardless of the reason for such termination and whether or not later found to be invalid or in breach of the employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any) will be measured, as of the date upon which your employment with the Company or any of its Subsidiaries is terminated (the “**Termination Date**”). The Termination Date shall exclude any period during which notice, pay in lieu of notice or related payments or damages are provided or required to be provided under local law including statute, contract, the common/civil law or otherwise. For greater certainty, you will not earn or be entitled to any pro-rated vesting for that portion of time before the Termination Date, nor will you be entitled to any compensation for lost vesting. Notwithstanding the foregoing, if applicable employment standards legislation explicitly requires continued vesting during a statutory notice period, your right to vest in the PSUs, if any, will terminate effective as of the last day of your minimum statutory notice period, but you will not earn or be entitled to pro-rated vesting if the vesting date falls after the end of your statutory notice period, nor will you be entitled to any compensation for lost vesting. “Vesting” for purposes of this paragraph refers to the period during which your PSUs become earned and payable.

The following provisions apply if you are a resident of Quebec:

French Language Documents. A French translation of the Agreement, the Plan and certain other documents related to the PSUs will be made available to you as soon as reasonably practicable. You understand that, from time to time, additional information related to the PSUs may be provided in English and such information may not be immediately available in French. However, upon request, the Company will provide a translation of such information into French as soon as reasonably practicable. Notwithstanding anything to the contrary in the Agreement, and unless you indicate otherwise, the French translation of the Agreement and

certain other documents related to the PSUs will govern the PSUs and your participation in the Plan.

Data Privacy. This provision supplements Section 6(b) of Appendix A:

You hereby authorize the Company and the Company's representatives to discuss with and obtain all relevant information from all personnel, professional or not, involved in the administration and operation of the Plan. You further authorize the Company, the Employer, any Subsidiary or any stock plan service provider selected by the Company to assist with the Plan to disclose and discuss the Plan with their respective advisors. You further authorize the Company and the Employer to record such information and to keep such information in your employee file. You acknowledge that your personal information, including sensitive personal information, may be transferred or disclosed outside of the province of Quebec, including to the United States. If applicable, you also acknowledge that the Company, the Employer, and other parties involved in the administration of the Plan may use technology for profiling purposes and to make automated decisions that may have an impact on you or the administration of the Plan.

France

Restricted Share Units Not French-Qualified. The PSUs granted under this Agreement are not intended to qualify for specific tax and social security treatment pursuant to Sections L. 225-197-1 to L. 225-197-6 of the French Commercial Code, as amended.

Language Consent. By accepting the PSUs, you confirm having read and understood the Plan and Agreement which were provided in the English language. You accept the terms of those documents accordingly.

Consentement à la Langue Utilisée. En acceptant le Unités Stock Restreintes, vous confirmez avoir lu et compris le Plan et la présente Convention, qui ont été fournis en langue anglaise. Vous acceptez les termes de ces documents en connaissance de cause.

Ireland

There are no country-specific provisions.

Mexico

Labor Law Policy and Acknowledgment. By accepting the PSUs, you expressly recognize that Bausch Health Companies Inc., with registered offices at 2150 St. Elzéar Blvd. West, Laval, Québec, Canada is solely responsible for the administration of the Plan and that your participation in the Plan and acquisition of Common Shares do not constitute an employment relationship between you and the Company since you are participating in the Plan on a wholly commercial basis and your sole Employer is a Mexican Subsidiary of the Company ("**Bausch Health Mexico**"). Based on the foregoing, you expressly recognize that the Plan and the benefits that you may derive from your participation in the Plan do not establish any rights between you and Bausch Health Mexico, and do not form part of the employment conditions and/or benefits provided by Bausch Health Mexico and any modification of the Plan or its termination shall not constitute a change or impairment of the terms and conditions of your employment.

You further understand that your participation in the Plan is a result of a unilateral and discretionary decision of the Company; therefore, the Company reserves the absolute right to amend and/or discontinue your participation at any time without any liability to you.

Finally, you hereby declare that you do not reserve to yourself any action or right to bring any claim against the Company for any compensation or damages regarding any provision of the Plan or the benefits derived under the Plan, and you therefore grant a full and broad release to the Company, its Subsidiaries, affiliates, branches, representation offices, its shareholders, officers, agents or legal representatives with respect to any claim that may arise.

Plan Document Acknowledgment. By accepting the PSUs, you acknowledge that you have received a copy of the Plan, have reviewed the Plan and the Agreement in their entirety and fully understand and accept all provisions of the Plan and the Agreement. In addition, by accepting the PSUs, you further acknowledge that you have read and specifically and expressly approve the terms and conditions in Appendix A (“Nature of the Grant.”), in which the following is clearly described and established: (i) participation in the Plan does not constitute an acquired right; (ii) the Plan and participation in the Plan is offered by the Company on a wholly discretionary basis; (iii) participation in the Plan is voluntary; and (iv) neither the Company, the Employer nor any Subsidiary is responsible for any decrease in the value of the Common Shares underlying the PSUs.

Política de la Ley Laboral y Reconocimiento. *Al aceptar las Unidades de Acciones Restringidas (“Unidades”), usted reconoce expresamente que Bausch Health Companies Inc., con domicilio social en 2150 St. Elzéar Blvd. West, Laval, Québec, Canada es el único responsable de la administración del Plan y que participación en el mismo y la adquisición de Acciones no constituye de ninguna manera una relación laboral entre usted y la Compañía, debido a que la participación de esa persona en el Plan deriva únicamente de una relación comercial y el único Patrón de usted es Subsidiaria Mexicana de la Compañía (“Bausch Health México”). Derivado de lo anterior, usted reconoce expresamente que el Plan y los beneficios que pudieran derivar para usted por su participación en el mismo, no establecen ningún derecho entre usted y Bausch Health México, y no forman parte de las condiciones laborales y/o prestaciones otorgadas por Bausch Health México, y cualquier modificación al Plan o la terminación del mismo de manera alguna podrá ser interpretada como una modificación de sus condiciones de trabajo.*

Asimismo, usted reconoce que su participación en el Plan es resultado de la decisión unilateral y discrecional de la Compañía, por lo tanto, la Compañía se reserva el derecho absoluto para modificar y/o terminar su participación en cualquier momento, sin ninguna responsabilidad hacia usted.

Finalmente usted manifiesta que no se reserva ninguna acción o derecho que ejercitar en contra de la Compañía, por cualquier compensación o daños o perjuicios en relación con cualquier disposición del Plan o de los beneficios derivados del mismo, y en consecuencia exime amplia y completamente a la Compañía, sus Subsidiarias, afiliadas, sucursales, oficinas de representación, sus accionistas, administradores, agentes y representantes legales con respecto a cualquier reclamo que pudiera surgir.

Reconocimiento de Documentos del Plan. *Al aceptar las Unidades, usted reconoce que ha recibido una copia del Plan, que ha revisado el Plan y el Acuerdo de Concesión en su totalidad y entiende y acepta los términos del Plan y del Acuerdo de Concesión. Adicionalmente, al aceptar las Unidades, usted reconoce que ha leído y especifica y expresamente aprueba los términos y condiciones del Apéndice A (denominado “Naturaleza de la Concesión”), donde claramente se establece que (i) la participación en el Plan no constituye un derecho adquirido, (ii) el Plan y la participación en el Plan es ofrecido por la Compañía en forma totalmente discrecional; (iii) la participación en el Plan es voluntaria; y (iv) ni la Compañía ni el Patrón ni su Afiliada es responsable por el decremento en el valor de las acciones de las Unidades.*

Securities Law Information. The PSUs granted under the Plan and any Common Shares underlying the PSUs have not been registered with the National Register of Securities maintained by the Mexican National Banking and Securities Commission and cannot be offered or sold publicly in Mexico. In addition, the Plan, Agreement and any other document relating to the PSUs may not be publicly distributed in Mexico. These materials are addressed to you because of your existing relationship with the Company and these materials should not be reproduced or copied in any form. The offer contained in these materials does not constitute a public offering of securities, but rather a private placement of securities addressed specifically to certain service providers and is made in accordance with the provisions of the Mexican Securities Market Law. Any rights under such offering shall not be assigned or transferred.

Netherlands

There are no country-specific provisions.

Poland

There are no country-specific provisions.

Russia

THE PROVISIONS BELOW ARE CURRENT AS OF JANUARY 2025 AND MAY NOT ADDRESS THE CURRENT LEGAL AND TAX CONSIDERATIONS AND REQUIREMENTS ASSOCIATED WITH AWARDS IN RUSSIA. YOU SHOULD CONSULT WITH A LEGAL AND TAX ADVISOR TO ENSURE COMPLIANCE WITH APPLICABLE LAW AS IT RELATES TO YOUR PARTICIPATION IN THE PLAN.

Non-Russian Transaction. You understand that the Agreement shall be concluded outside Russia and becomes effective only when your acceptance of the Agreement is received by the Company in Canada.

Exchange Control Information. Russian currency residents are permitted to receive the following in their foreign brokerage accounts: (i) Common Shares issued upon vesting of PSUs, (ii) cash dividends, if declared by the Company, and (iii) proceeds from the sale of Common Shares, provided, however, that information about the foreign brokerage account is duly disclosed to the Russian tax authorities. Notwithstanding the foregoing, Russian currency residents must comply with applicable repatriation requirements.

Russian exchange rules and regulations change frequently and may impact your ability to acquire and/or trade in Common Shares and to hold such Common Shares or any cash acquired

therefrom in a foreign account. You should speak to your personal advisor about how Russian exchange controls may impact your participation in the Plan.

Securities Law Information. You acknowledge that the Agreement, the grant of the PSUs, the Plan and all other materials you may receive regarding participation in the Plan do not constitute advertising or an offering of securities in Russia. Absent any requirement under local law, the issuance of securities pursuant to the Plan has not and will not be registered in Russia and therefore, the securities described in any Plan-related documents may not be used for offering or public circulation in Russia.

Switzerland

Securities Law Information. Neither this document nor any other materials relating to the PSUs (i) constitutes a prospectus according to articles 35 et seq. of the Swiss Federal Act on Financial Services (“FinSA”) (ii) may be publicly distributed or otherwise made publicly available in Switzerland to any person other than a Participant or (iii) has been or will be filed with, approved or supervised by any Swiss reviewing body according to article 51 FinSA or any Swiss regulatory authority, including the Swiss Financial Market Supervisory Authority.

AGREEMENT

THIS AGREEMENT is made as of the 2nd day of March, 2026.

BETWEEN:

BAUSCH HEALTH COMPANIES INC., a corporation incorporated under the laws of British Columbia (the “**Company**”)

– and –

SEANA CARSON, an individual resident in the Province of Ontario (the “**Executive**”)

RECITALS:

- (A) The Company has established a 2014 Omnibus Incentive Plan, as amended and restated effective as of May 14, 2024 (the “**Plan**”), pursuant to which the Executive was granted a Share Unit Award in the form of performance share units (the “**PSUs**”) on March 2, 2023, as evidenced by a share unit grant agreement in respect of such award (the “**Grant Agreement**”).
- (B) In connection with such Share Unit Award, the Executive holds 137,922 PSUs which are expected to vest on March 3, 2026 in accordance with the terms of the Grant Agreement and the Plan (the “**Vested PSUs**”).
- (C) The Vested PSUs entitle the Executive to receive an equal number of common shares in the capital of the Company (the “**Subject Shares**”) upon settlement.
- (D) The Executive desires to dispose of the Vested PSUs to the Company, and the Company desires to acquire the Vested PSUs, in exchange for an aggregate cash payment equal to the value of the Subject Shares.
- (E) It is the intention of the parties that: (i) paragraph 7(1)(b) of the *Income Tax Act* (Canada) apply to the disposition by the Executive of the Vested PSUs to the Company; and (ii) the implementation of this Agreement does not constitute the granting of a new Share Unit Award or additional compensation for the Executive pursuant to the Plan or otherwise.

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Definitions and Interpretation

- 1.1 Unless otherwise defined herein, capitalized terms used in this Agreement shall have the meanings ascribed to them in the Plan.

2. Disposition of Vested PSUs

- 2.1 The Executive hereby irrevocably disposes of, transfers, assigns and surrenders to the Company all of the Executive’s right, title and interest in and to the Vested PSUs, free and clear of all encumbrances, liens and claims of any kind.
- 2.2 Upon receipt of the Cash Payment (as defined below), the Executive shall cease to be the holder of the Vested PSUs, the Vested PSUs shall terminate and the Executive shall have no further rights in respect of the Vested PSUs or any Subject Shares that would otherwise have been issuable thereunder.

3. Cash Payment

- 3.1 In consideration for the disposition of the Vested PSUs, the Company shall pay to the Executive a cash amount equal to the Market Price of the number of Subject Shares underlying the Vested PSUs, determined as of the Vesting Date (the "**Cash Payment**").
- 3.2 The Cash Payment shall be made by the Company to the Executive as soon as administratively practicable after the Vesting Date (the "**Settlement Date**"); provided that, notwithstanding anything in the Plan or the Grant Agreement to the contrary, any remaining right to a payment of the Award will be forfeited in the event of the Executive's Termination of Service by the Company for cause prior to the Settlement Date or if the Executive violates any post-employment obligation that the Executive may have to the Company or any of its Subsidiaries, including the restrictive covenants set forth in Sections 8 and 9 of the Grant Agreement.

4. Tax Withholdings

- 4.1 The Executive acknowledges that the Cash Payment is subject to withholding taxes and other source deductions required by law. The Company shall deduct and withhold from the Cash Payment all amounts required to be deducted or withheld under applicable federal, state, provincial or other tax laws and shall remit such amounts to the appropriate governmental authorities.

5. General Provisions

- 5.1 This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, between the parties with respect thereto.
- 5.2 This Agreement may not be amended or modified except by written instrument signed by both parties.
- 5.3 This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. The parties hereby irrevocably attorn to the exclusive jurisdiction of the courts of the Province of Ontario.
- 5.4 This Agreement shall enure to the benefit of and be binding upon the parties and their respective heirs, executors, administrators, legal personal representatives, successors and permitted assigns.
- 5.5 This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. Delivery of an executed counterpart by electronic transmission shall be equally effective as delivery of an original executed counterpart.

[signature page follows]

IN WITNESS WHEREOF the parties have executed this Agreement as of the date first written above.

BAUSCH HEALTH COMPANIES INC.

Per: /s/ KATHLEEN B. FITZPATRICK

Name: Kathleen B. Fitzpatrick

Title: Chief Human Resources & Communication Officer

 /s/ SEANA CARSON

Name: Seana Carson

Bausch Health Companies Inc.
Amended and Restated Form of Share Unit Grant Agreement (Performance Vesting)
(Performance Restricted Share Units)
(2014 Omnibus Incentive Plan, as amended and restated, effective as of May 14, 2024)

Bausch Health Companies Inc. (the “*Company*”), pursuant to Section 7(c) of the Company’s 2014 Omnibus Incentive Plan, as amended and restated, effective as of May 14, 2024 (the “*Plan*”), hereby awards to you a Share Unit Award in the form of performance restricted share units (“*PSUs*”) in the target amount set forth below that are convertible into Common Shares or otherwise payable in accordance with the terms set forth herein (the “*Award*”). This Award is subject to all of the terms and conditions as set forth herein (the “*Agreement*”) and in the Plan, which is incorporated herein in its entirety. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Plan. In the event of any conflict between the terms in the Agreement and the Plan, the terms of the Plan shall control. For the avoidance of doubt, any terms contained in the Agreement but are not in the Plan shall not constitute a conflict and such terms in the Agreement shall control.

Participant: <Participant Name>

Grant Date: <Grant Date>

Target Number of PSUs: <Number of Awards Granted>

The details of your Award are as follows.

1. Consideration. Consideration for this Award is satisfied by your services to the Company and its Subsidiaries and complying with the terms of this Agreement, including the restrictive covenants set forth in Sections 8 and 9.

2. Vesting; Termination of Service.

(a) In General. The target number of PSUs granted to you hereunder (as set forth above) (the “*Target PSUs*”) may be earned between 0% and 200% based on the level of attainment of the service-based vesting condition (set forth in Section 2(b) below) and the performance-based vesting condition (set forth in Section 2(c) below). The date on which both of the service-based vesting condition and the performance-based vesting condition applicable to your Award are satisfied shall be referred to as the “*Vesting Date*”.

(b) Service-Based Vesting Condition. Subject to the provisions of the Plan and the acceleration provisions contained herein, the Earned PSUs (as defined below) (if any) will vest (as to service) on the third anniversary of the Grant Date (the “*Service Vesting Date*”); *provided* that (i) you must not have experienced a Termination of Service prior to the Service Vesting Date (unless otherwise vested upon your Termination of Service pursuant to Sections 2(d) through (f) and subject to Section 3) and (ii) you continue to comply with the restrictive covenants set forth in Sections 8 and 9. Any PSUs that did not become vested prior to your Termination of Service or that do not become vested according to the provisions in this Section 2

shall be forfeited immediately following the date of your Termination of Service, without any consideration thereto. Settlement of vested Awards shall be pursuant to Section 3 below.

(c) Performance-Based Vesting Condition.

(i) General. The number of PSUs that are earned and become eligible to vest pursuant to this Award (the “**Earned PSUs**”) will be equal to (A) the number of Target PSUs, *multiplied by* (B) the Performance Goal Payout Percentage *multiplied by* (C) the rTSR Modifier Percentage. Any PSUs that do not become Earned PSUs in accordance with this Agreement as of the end of the Performance Period shall be immediately forfeited and cancelled, without the payment of any consideration therefor. Notwithstanding anything to the contrary herein, in no event will the Earned PSUs exceed 200% of the Target PSUs.

(ii) Adjusted Unlevered Free Cash Flow Performance Goal. The Committee shall establish the Adjusted Unlevered Free Cash Flow Performance Goal (including a schedule setting forth the threshold, target and maximum performance levels and corresponding goal achievement percentages (each, a “**Performance Payout Matrix**”)) for each Annual Measurement Period during the Performance Period. The specific Adjusted Unlevered Free Cash Flow Performance Goal and Performance Payout Matrix for each Annual Measurement Period during the Performance Period will be provided to you in a separate notification. Following the end of each Annual Measurement Period in the Performance Period, the Committee will determine the level of achievement of the Adjusted Unlevered Free Cash Flow Performance Goal for such Annual Measurement Period and the corresponding achievement percentage of the Award for such Annual Measurement Period in accordance with the Performance Payout Matrix established for such Annual Measurement Period (with interpolation, on a mathematical straight-line basis, to reflect attained performance between defined ends of the applicable spectrum) (the “**Adjusted Unlevered Free Cash Flow Performance Goal Achievement Percentage**”). At the end of the Performance Period, the Adjusted Unlevered Free Cash Flow Performance Goal Achievement Percentage for each Annual Measurement Period in the Performance Period will be averaged (such average, the “**Average Adjusted Unlevered Free Cash Flow Performance Goal Achievement Percentage**”), which will be used to calculate the “**Performance Goal Payout Percentage**” in accordance with the table below (*provided* that there shall be interpolation, on a mathematical straight-line basis, to derive any Average Adjusted Unlevered Free Cash Flow Performance Goal Achievement Percentage not expressly forth in the table below including, for the avoidance of doubt, for achievement of Average Adjusted Unlevered Free Cash Flow Performance Goal Achievement Percentage below 80%):

Average Adjusted Unlevered Free Cash Flow Performance Goal Achievement Percentage (%)	Performance Goal Payout Percentage (%)

In the event that, with respect to any Annual Measurement Period, the Adjusted Unlevered Free Cash Flow Performance Goal Achievement Percentage falls at a level below the applicable performance threshold level for such Annual Measurement Period, the Adjusted Unlevered Free Cash Flow Performance Goal Achievement Percentage for such Annual Measurement Period shall be 0%; *provided* that, (i) if the Adjusted Unlevered Free Cash Flow Performance Goal Achievement Percentage for any other Annual Measurement Period during the Performance Period is achieved at or above the threshold performance level for such Annual Measurement Period, the Performance Goal Payout Percentage will be determined in accordance with the table set forth above and (ii) if the Adjusted Unlevered Free Cash Flow Performance Goal Achievement Percentage falls at a level below the threshold performance level for all three Annual Measurement Periods, the Performance Goal Payout Percentage will be 0% (and the Award be forfeited in its entirety), regardless of the level of achievement of the rTSR Modifier Percentage. For the avoidance of doubt, (i) in no event will the calculation of a positive Adjusted Unlevered Free Cash Flow Performance Goal Achievement Percentage for any Annual Measurement Period be construed to guarantee that any Common Shares will be distributed to you on the Settlement Date (as defined below) and (ii) the achievement percentages for each Annual Measurement Period are determined solely for purposes of determining the Average Adjusted Unlevered Free Cash Flow Performance Goal Achievement Percentage for the Performance Period.

(iii) rTSR Modifier. The “*rTSR Modifier Percentage*” shall be determined as follows (*provided* that there shall be interpolation, on a mathematical straight-line basis, to derive any rTSR Modifier Percentage not expressly forth in the below):

(A) If the Company TSR Percentile Ranking is at or below the 25th percentile, then the rTSR Modifier Percentage will be 75%;

(B) If the Company TSR Percentile Ranking is at the 50th percentile, then the rTSR Modifier Percentage will be 100%; and

(C) If the Company TSR Percentile Ranking is at or above the 75th percentile, then the rTSR Modifier Percentage will be 125%.

(iv) Definitions. For purposes of this Agreement, the following terms shall have the following meanings:

(A) “*Adjusted Unlevered Free Cash Flow*” means, for any Annual Measurement Period, (i) the amount of net cash provided by operating activities for such Annual Measurement Period, as determined in accordance with U.S. GAAP, adjusted, if at all, as a result of events or circumstances (ii) less capital expenditures for such Annual Measurement Period, (iii) plus cash interest payments for such Annual Measurement Period.

(B) “**Adjusted Unlevered Free Cash Flow Performance Goal**” means the level of performance that must be attained with respect to the Company’s Adjusted Unlevered Free Cash Flow for an Annual Measurement Period. The Committee shall provide how the Adjusted Unlevered Free Cash Flow Performance Goal will be adjusted, if at all, as a result of events or circumstances, as determined by the Committee.

(C) “**Annual Measurement Periods**” means each of the three calendar years during the Performance Period. The first Annual Measurement period begins on January 1, 2026 and ends on December 31, 2026. The second Annual Measurement Period begins on January 1, 2027 and ends on December 31, 2027. The third Annual Measurement period begins on January 1, 2028 and ends on December 31, 2028.

(D) “**Company TSR Percentile Ranking**” means the percentile ranking of the Company’s TSR relative to the TSR of the Comparator Companies, rounded to the whole nearest percentile, as determined by the Committee. In determining the Company TSR Percentile Ranking, in the event that the Company’s TSR is equal to the TSR of one or more Comparator Companies, the Company TSR Percentile Ranking will be determined by ranking the Company’s TSR as being greater than such applicable Comparator Company.

(E) “**Comparator Companies**” means, collectively, (i) all of the companies which comprise the Russell 1000 Pharmaceutical and Biotechnology Index as of the first day of the Performance Period and (ii) all of the companies which comprise the NYSE Arca Pharmaceutical Index (^DRG) as of the first day of the Performance Period, in each case other than (x) the Company and (y) any companies that cease to exist as of the end of the Performance Period by virtue of having been acquired, merged into another company or subject to a similar fundamental transaction.

(F) “**Performance Period**” means the period beginning on January 1, 2026 and ending on December 31, 2028.

(G) “**TSR**” means, with respect to the Company or any Comparator Company, as applicable, the change in the fair market value per share of common stock of the Company or such Comparator Company, as applicable, including the pre-tax value of any dividends or other distributions per share for any dividend record dates that occur during the Performance Period (with the value of such dividends or distributions determined by treating them as reinvested in additional shares of common stock at the closing market price on the applicable ex-dividend date), calculated as the percentage difference (whether positive or negative) between the average of the closing price per share of the common stock of

the Company or such Comparator Company, as applicable, for (i) the last 20 consecutive trading days immediately preceding the first day of the Performance Period and (ii) the last 20 consecutive trading days ending on the last trading day of the Performance Period (*plus* the pre-tax value of any dividends or other distributions per share for any dividend record dates that occur during the Performance Period, assuming reinvestment thereof in common stock as described above); *provided that*, for the avoidance of doubt, with respect to the Company, the value of any common shares of Bausch + Lomb Corporation (“**B+L**”) that are distributed to shareholders of the Company in connection with the Company’s spinoff distribution of B+L shall be deemed reinvested in additional Common Shares, to the extent such spin-off distribution occurs during the Performance Period.

(d) Vesting Acceleration Upon Termination of Service due to Death or Disability, due to Retirement or a Termination of Service without Cause [or for Good Reason]. Notwithstanding the foregoing and any other provisions of the Plan to the contrary, in the event that you experience a Termination of Service due to your death or Disability or Retirement, by the Company without Cause, [or by you for Good Reason,] the Target PSUs will remain outstanding and will be eligible to be earned and vest based on actual achievement of the applicable performance-based vesting conditions determined as of the end of the Performance Period in accordance Section 2(c) of this Agreement; *provided* that the number of your Earned PSUs (if any) that may become vested will be prorated based on a fraction, the numerator of which is the number of days from the first day of the Performance Period through the date of your Termination of Service, and the denominator of which is 1,096; and *provided further* that (i) in the event of your Termination of Service due to Retirement, or by the Company without Cause [or by you for Good Reason], you have been employed by the Company or one of its Subsidiaries for at least twelve (12) months following the Grant Date, (ii) in the event of your Termination of Service by the Company without Cause [or by you for Good Reason], you deliver to the Company, and fail to revoke, a signed release of claims acceptable to the Company within fifty-five (55) days following the date of your Termination of Service and (iii) you comply with the restrictive covenants set forth in Sections 8 and 9. Notwithstanding the foregoing, in the event your Termination of Service occurs as a result of the entity for which you are employed ceasing to qualify as a Subsidiary prior to the twelve (12)-month anniversary of the Grant Date, the requirement to be employed by the Company or one of its Subsidiaries for at least twelve (12) months as set forth in clause (i) above shall not apply and one-third (1/3) of the Target PSUs will remain outstanding and will be eligible to be earned and vest based on actual achievement of the applicable performance-based vesting conditions determined as of the end of the Performance Period in accordance with Section 2(c) of this Agreement (and, for the avoidance of doubt, the remaining two-thirds (2/3rds) of the Target PSUs shall be immediately forfeited and cancelled as of the date of your Termination of Service) (the “**Divestiture Treatment**”). Unless otherwise defined in your employment agreement, “**Retirement**” means your Termination of Service on or after the date on which you attain age 55 and your age plus your years of service with the Company and its Subsidiaries total at least 65, and your Termination of Service was not

for Cause (and your Retirement has not occurred at a time when grounds for a Termination of Service for Cause exists).

(e) **Treatment of Award in Event of Change of Control.** Notwithstanding the foregoing and any other provisions of the Plan to the contrary, in the event of a Change of Control:

(i) the performance-based vesting conditions set forth in Section 2(c) shall be deemed achieved at the target performance levels (for the avoidance of doubt, the Performance Goal Payout Percentage and the rTSR Modifier Percentage shall each be deemed equal to 100%);

(ii) if this Award of PSUs is assumed or substituted (as described in Section 11(a)(iii) of the Plan) in connection with such Change of Control, then (A) the number of PSUs will be adjusted in accordance with Section 6(f) of the Plan, and (B) in the event you experience a Termination of Service by the Company (or the acquiring entity or its affiliates) without Cause [or by you for Good Reason], in each case within the twelve (12) month period immediately following such Change of Control (or during the six month period prior to a Change of Control if such Termination of Service was in contemplation of, and directly related to, the Change of Control), then a pro rata portion of the Target PSUs will vest as of the date of such Termination of Service based on a fraction, the numerator of which is the number of days from the first day of the Performance Period through the date of your Termination of Service, and the denominator of which is 1,096; *provided* that you deliver to the Company, and fail to revoke, a signed release of claims acceptable to the Company within fifty-five (55) days following the date of your Termination of Service; and

(iii) if this Award of PSUs is not assumed or substituted (as described in Section 11(a)(iii) of the Plan) in connection with such Change of Control, then a pro rata portion of the Target PSUs will vest as of immediately prior to such Change of Control based on a fraction, the numerator of which is the number of days from the first day of the Performance Period through the date of such Change of Control, and the denominator of which is 1,096.

3. Settlement of PSUs. The Company will deliver to you a number of Common Shares vested in accordance with the provisions of Section 2 of this Agreement or, if elected by the Company in its sole discretion, an amount of cash equal to the Market Price of the number of Common Shares vested in accordance with the provisions of Section 2 of this Agreement determined as of the Vesting Date (plus any Common Shares resulting from dividend equivalents credited with respect to this Award in accordance with Section 6 of this Agreement), in either case, as soon as administratively practicable after the Vesting Date, but in no event later than March 15 of the calendar year following the year in which such Common Shares become vested (the “**Settlement Date**”); *provided* that, notwithstanding anything in the Plan or this Agreement to the contrary, any remaining right to a distribution of the Common Shares or payment of your Award will be forfeited in the event of your Termination of Service by the Company for Cause prior to the Settlement Date or if you violate any post-employment obligation that you may have to the Company or any of its Subsidiaries, including the restrictive covenants set forth in Sections 8 and 9.

4. Number of Shares Underlying Award. The number of Common Shares underlying your Award may be adjusted from time to time in accordance with Section 6(f) of the Plan. The Company will establish a bookkeeping account to reflect the number of PSUs standing to your credit from time to time. However, you will not be deemed to be the holder of, or to have any of the rights of a shareholder with respect to, any Common Shares subject to your Award (including but not limited to shareholder voting rights) unless and until the shares (if any) have been delivered to you in accordance with Section 3 of this Agreement and, for the avoidance of doubt, in the event your Award is settled in cash in accordance with Section 3 of the Agreement, as of the Settlement Date, the Common Shares underlying your Award will be deemed canceled and your Award will terminate and expire without a distribution of Common Shares to you.

5. Common Share Ownership Requirements. You agree to comply with any Common Share ownership requirements adopted by the Company applicable to you, which shall be on the same terms as similarly situated executives of the Company.

6. Dividend Equivalents. The bookkeeping account maintained for the Award granted pursuant to this Agreement shall, until the Vesting Date or the termination and cancellation or forfeiture of the Award pursuant to the terms of the Plan, be allocated additional PSUs on the payment date of dividends on the Company's Common Shares. Such dividends will be converted into a number of additional Common Shares covered by the PSUs equal to the quotient of (i) the aggregate amount or value of the dividends paid with respect to that number of Common Shares equal to the number of shares covered by the PSUs divided by (ii) the Market Price per Common Share on the payment date for such dividend. Any such additional PSUs shall vest in accordance with, and subject to, the same terms as the PSUs granted under this Agreement (including the performance-based vesting conditions set forth in Section 2(c)).

7. Disclosure and Ownership of Intellectual Property.

(a) Company Intellectual Property. You acknowledge and agree that any intellectual property, including, without limitation, works, materials, inventions, invention disclosures, invention registrations, patent rights, trademarks, service marks, trade names, trade dress, logos, domain names, copyrights, design rights, mask works, software, apparatus, technology, data, trade secrets, know-how and all other intellectual property and proprietary rights recognized by any applicable law of any jurisdiction, that you create, discover, conceive, reduce to practice, develop or acquire during the course of your employment or service, either alone or jointly with others, (i) using any equipment, supplies, facilities, trade secrets, know-how or other Confidential Information of the Company or any of its affiliates, (ii) that results from any work performed for the Company or any of its affiliates and/or (iii) that otherwise relates to the Company's or any of its affiliates' business or actual or demonstrably anticipated research or development (collectively, "**Company Intellectual Property**") is and shall remain the exclusive property of the Company or the affiliate of the Company, as applicable, that is your employer (the "**Employer**") whether registered or otherwise exploited or not. In furtherance of the foregoing, you hereby assign, transfer, convey and deliver to the Employer your entire right, title and interest in and to any and all such Company Intellectual Property.

(b) **Work Made for Hire.** You acknowledge and agree that, with respect to any Company Intellectual Property that may qualify as a Work Made For Hire as defined in 17 U.S.C. § 101 or other applicable law, such Company Intellectual Property is and will be deemed a Work Made for Hire and the Employer will have the sole and exclusive right to the copyright (or, in the event that any such Company Intellectual Property does not qualify as a Work Made for Hire, the copyright and all other rights thereto are hereby automatically assigned to the Employer as above).

(c) **Disclosure.** You agree to record all activities undertaken in the course of your employment and to disclose promptly in writing to the Employer any and all Company Intellectual Property. You agree that you will give the Company or any of its affiliates all reasonable assistance and execute all documents necessary to assist with enabling the Company or any of its affiliates to prosecute, perfect, register, record, enforce and defend any and all of their rights in and to any Company Intellectual Property and Confidential Information.

(d) **Non-Assignable Inventions.** If your principal work location is in California, Illinois, Kansas, Minnesota or Washington State, the provisions regarding your assignment of Company Intellectual Property to the Employer in Sections 7(a) and (b) of this Agreement may not apply to certain inventions (“*Non-Assignable Inventions*”) as specified in the statutory code of the applicable state. You acknowledge having received notification regarding such Non-Assignable Inventions pursuant to such states’ codes.

(e) **Prior Intellectual Property.** If, in the course of your employment with the Employer, you use any intellectual property that is solely or jointly owned by you or licensed to you, with the right to sub-license (collectively, “*Prior Intellectual Property*”), you hereby grant to the Company and its affiliates a worldwide, non-exclusive, irrevocable, perpetual, fully paid-up and royalty-free license (with rights to sublicense through multiple tiers of sublicensees) to use, reproduce, modify, make derivative works of, publicly perform, publicly display, make, have made, sell, offer for sale, import and otherwise exploit such Prior Intellectual Property for any purpose.

(f) **Waiver of Moral Rights.** To the extent you may do so under applicable law, you hereby waive and agree never to assert any Moral Rights that you may have in or with respect to any Company Intellectual Property, even after termination of any work on behalf of the Company or its affiliates. As used in this Agreement, “*Moral Rights*” means any rights to claim authorship of a work, to object to or prevent the modification or destruction of a work, or to withdraw from circulation or control the publication or distribution of a work, and any similar right, existing under any applicable law of any jurisdiction, regardless of whether or not such right is denominated or generally referred to as a “moral right.”

(g) This Section 7 shall survive your Termination of Service.

8. Records and Confidential Data. In consideration of the PSUs issued to you pursuant to this Agreement, subject to Sections 8(e) and 8(f), you agree to be bound by the covenant of confidentiality set forth in this Section 8 with respect to any and all Confidential

Information (as defined below) disclosed or made available to you or of which you have otherwise become aware, whether before, on or after the date hereof.

(a) Ownership; Recognition of Company's Rights. You acknowledge that in connection with the performance of your duties, the Company will make available to you, or you will have access to, certain Confidential Information of the Company and its affiliates. You acknowledge and agree that any and all Confidential Information you learned or obtained during the course of your employment or service by the Company or any of its affiliates or otherwise, whether developed by you alone or in conjunction with others or otherwise, shall be and is the sole and exclusive property of the Employer. No license or other right to any Confidential Information is granted to you under this Agreement. To the extent that you acquire any right, title or interest in or to any Confidential Information, you hereby assign, transfer, convey and deliver to the Employer all such right, title and interest in and to such Confidential Information.

(b) Restrictions. Subject to Sections 8(e) and 8(f), you (i) will keep all Confidential Information strictly confidential, (ii) will not use Confidential Information in any manner which is detrimental to the Company or its affiliates, (iii) will not use Confidential Information other than in connection with the discharge of your duties to the Company and its affiliates, (iv) will safeguard any and all Confidential Information from unauthorized disclosure, and (v) will not disclose, publish, use, transfer or otherwise disseminate any Confidential Information to any person or entity without the Employer's express prior written consent, except as may be necessary to perform your duties as an employee of the Company or its affiliates for the benefit of the Company or its affiliates. You may, however, disclose Confidential Information to the extent it is in response to a valid order of a court or other governmental authority or to otherwise comply with applicable law; *provided* that, subject to your protections under Sections 8(e) and 8(f) below, you shall first give notice to the Employer and reasonably cooperate with the Employer to obtain a protective order or other measures preserving the confidential treatment of such Confidential Information and requiring that the information or documents so disclosed be used only for the purposes for which the order was issued or is otherwise required by applicable law. For the avoidance of doubt, nothing in this Section 8(b) shall prevent you from exercising any legally protected whistleblower rights (including under Rule 21F under the Exchange Act), and you shall not be required to first give notice to the Employer when you are exercising your legally protected whistleblower rights.

(c) Disposition of Confidential Information. Following your Termination of Service or upon the Company's request, you will return to the Company all copies of any and all Confidential Information in your custody, possession or control (including all copies of any analyses, compilations, studies or other documents prepared by you or for your use containing or reflecting any Confidential Information). Alternatively, with the Company's prior written consent, you may destroy such Confidential Information. Within five (5) business days of your Termination of Service or such request by the Company, you shall deliver to the Company a document certifying that such written Confidential Information has been returned or destroyed in accordance with this Section 8(c).

(d) Confidential Information. For the purposes of this Agreement, “*Confidential Information*” shall mean any and all non-public, proprietary or other confidential information of the Company or its affiliates disclosed to you, to which you have access, or of which you otherwise become aware, in each case whether in oral, written, graphic or machine readable form, including, without limitation, (i) know-how, trade secrets, inventions, discoveries, concepts, information, works, materials, processes, methods, data, software, programs, apparatus, designs and the like, and any other intellectual property the value of which is contingent upon maintaining the confidentiality thereof, (ii) information regarding the business of the Company or its affiliates, including its products, services, budgets, contracts, reports, investigations, experiments, research, work in progress, drawings, designs, plans, proposals, codes, marketing and sales programs, client lists, client mailing lists, supplier lists, financial projections, cost summaries, pricing formulae, marketing studies relating to prospective business opportunities, and all other concepts, ideas, materials, or information prepared or performed for or by the Company or its affiliates, (iii) information regarding the skills and compensation of the employees, contractors, and any other service providers of the Company or its affiliates, (iv) the existence of any business discussions, negotiations, or agreements between the Company or its affiliates and any third party, (v) all documents and other work product generated by you which contain, comment upon, or relate in any way to any information disclosed by the Company or its affiliates, (vi) all third-party information held in confidence by the Company or its affiliates, and (vii) the terms and conditions of this Agreement. For purposes of this Agreement, the Confidential Information shall not include and your obligation shall not extend to (i) information which is generally available to the public and (ii) information obtained by you other than pursuant to or in connection with your employment.

(e) Defend Trade Secrets Act. Pursuant to Section 7 of the Defend Trade Secrets Act of 2016 (which added 18 U.S.C. § 1833(b)), you and the Company acknowledge and agree that you shall not have criminal or civil liability under any federal or state trade secret law for the disclosure of a trade secret that (A) is made (i) in confidence to a federal, State, or local government official, either directly or indirectly, or to an attorney and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In addition and without limiting the preceding sentence, if you file a lawsuit for retaliation by the Company for reporting a suspected violation of law, you may disclose the trade secret to your attorney and may use the trade secret information in the court proceeding, if you (x) file any document containing the trade secret under seal and (y) do not disclose the trade secret, except pursuant to court order. Nothing in this Agreement is intended to conflict with 18 U.S.C. §1833(b) or create liability for disclosures of trade secrets that are expressly allowed by such Section.

(f) Whistleblower Protections. Notwithstanding the foregoing, nothing in this Agreement precludes or otherwise limits your ability to communicate directly with and provide information, including documents, not otherwise protected from disclosure by any applicable law or privilege to the Securities and Exchange Commission (the “SEC”), or any other federal, state or local governmental agency or commission or self-regulatory organization (each such agency, commission or organization, a “Government Agency”) organization regarding possible legal violations, without disclosure to the Company. You do not need the

prior authorization of the Company to make any such reports or disclosures, and you shall not be required to notify the Company that such reports or disclosures have been made. The Company may not retaliate against you for any of these activities, and nothing in this Agreement requires you to waive any monetary award or other relief that you might become entitled to from the SEC or any other Government Agency.

(g) This Section 8 shall survive your Termination of Service.

9. Covenant Not to Solicit, Not to Compete and Not to Disparage. In consideration of the PSUs issued to you pursuant to this Agreement, you agree to be bound by the covenants of non-solicitation, non-competition and non-disparagement as set forth in this Section 9.

(a) **Covenant Not to Solicit.** To protect the Confidential Information and other trade secrets of the Company and its affiliates, you agree, during the period of your employment with or service to the Company and for a period of twelve (12) months thereafter (or, if greater, the period set forth in your employment or service agreement) (the “*Restricted Period*”), not to solicit, hire or participate in or assist in any way in the solicitation or hire of any employees of the Company or any of its Subsidiaries (or any person who was an employee of the Company or any of its Subsidiaries during the 6-month period preceding such action). For purposes of this covenant, “*solicit*” or “*solicitation*” means directly or indirectly influencing or attempting to influence employees of the Company to become employed with any other person, partnership, firm, corporation or other entity. You agree that the covenants contained in this Section 9(a) are reasonable and desirable to protect the Confidential Information of the Company and its affiliates, *provided* that solicitation through general advertising or the provision of references shall not constitute a breach of such obligations.

(b) **Covenant Not to Compete.** The non-compete provision contained in this Section 9(b) does not apply to any Participant who resides in or whose principal place of employment is in the State of California. To protect the Confidential Information and other trade secrets of the Company and its affiliates, you agree, during the Restricted Period, not to engage in Prohibited Activities (as defined below) in any country in which the Company or its affiliates conduct business, or plan to conduct business, during the period of your employment or service. For the purposes of this Agreement, the term “*Prohibited Activities*” means directly or indirectly engaging as an owner, employee, consultant or agent of any entity that derives more than 10% of its consolidated revenue from the research, development, production, manufacturing, marketing, promotion, sale and/or distribution (directly or indirectly) of branded or generic prescription or non-prescription pharmaceuticals or medical products or devices that, in each case, is the same or similar to, or competitive with, a pharmaceutical, device, product or business the Company was engaged in (or was actively planning to engage in) during your employment; *provided* that Prohibited Activities shall not mean (i) your investment in securities of a publicly-traded company equal to less than five (5%) percent of such company’s outstanding voting securities or (ii) serving as a member of a board of directors of a company provided that, for the avoidance of doubt, you comply with the obligations set forth in Sections 8 and 9(a) of this Agreement. You agree that the covenants contained in this Section 9(b) are reasonable and desirable to protect the

Confidential Information of the Company and its affiliates. Notwithstanding anything set forth in this Section 9(b), if you reside in or your principal place of employment is in the State of California, then the noncompete restrictions set forth in this Section 9(b) that are void under the laws of the State of California shall not apply to you and will not be enforced by the Company. Nothing herein alters any other terms and conditions or any other post-employment contractual obligations set forth in this Agreement that remain enforceable under the laws of the State of California, including without limitation, any obligations related to confidential and/or proprietary information or invention assignments, which shall remain in full force and effect. By accepting this Award, you hereby agree and acknowledge that the covenant not to compete set forth in this Section 9(b) of this Agreement shall supersede and replace in its entirety covenants not to compete set forth in any prior award agreements granted to you under the Plan or any employment or similar agreement between you and the Company.

(c) Non-Disparagement Covenant. Except in connection with your exercise of your legally protected rights described in Sections 8(e) and 8(f) above, you agree not to make written or oral statements about the Company or its affiliates or their directors, executive officers or non-executive officer employees that are negative or disparaging. Notwithstanding the foregoing, nothing in this Agreement shall preclude you from communicating or testifying truthfully to the extent required by law to any federal, state, provincial or local governmental agency or in response to a subpoena to testify issued by a court of competent jurisdiction.

(d) Your obligations under this Section 9 shall survive your Termination of Service.

10. Severability of Restrictive Covenants. It is the intent and desire of you and the Company that the restrictive provisions of this Agreement be enforced to the fullest extent permissible under the laws and public policies as applied in each jurisdiction in which enforcement is sought. If any particular provision of Sections 8 or 9 shall be determined to be invalid or unenforceable, such provision shall be amended, without any action on the part of either party hereto, to delete therefrom the portion so determined to be invalid or unenforceable, such deletion to apply only with respect to the operation of such covenant in the particular jurisdiction in which such adjudication is made. Any provision of Sections 8 or 9 (or part of such a Section) so declared to be unlawful or invalid will, if possible, be construed in a manner that will give effect to the terms of such Section or part of such Section to the fullest extent possible while remaining lawful and valid.

11. Remedies for Breach of Obligations Under Sections 8 and 9. You acknowledge that the Company will suffer irreparable injury, not readily susceptible to valuation in monetary damages, if you breach any obligation under Sections 8 or 9. Accordingly, you agree that the Company will be entitled, in addition to any other available remedies, to obtain preliminary and permanent injunctive relief against any breach or prospective breach by you of your obligations under Sections 8 or 9. Without limiting other forms of relief available to the Company, in the event of your breach of any of your obligations under Sections 8 or 9, your Award will be forfeited for no consideration and, if payment in respect of your Award has been made, you will be obligated to return the proceeds to the Company. You agree that process in

any or all of those actions or proceedings may be served by registered mail, addressed to the last address provided by you to the Company, or in any other manner authorized by law.

12. Clawback. This Agreement is subject to Section 12 of the Plan, any policy the Company has adopted or will adopt regarding the recovery of incentive compensation and any additional clawback provisions as required by law or applicable listing rules. By accepting this Award and the benefits provided to you hereunder, you hereby agree and acknowledge that you shall be subject to the Bausch Health Companies Inc. Compensation Recoupment Policy and the Bausch Health Companies Inc. Clawback Policy, in each case subject to the terms and conditions thereof as in effect from time to time and, accordingly, this Award and other incentive-based compensation provided to you (as set forth in the applicable policy), which may include incentive-based compensation provided to you prior to the date of this Agreement (including, without limitation, other equity awards under the Plan prior to the date hereof), may be subject to forfeiture and/or recoupment in accordance with the terms of such applicable policy.

13. Compliance with Section 409A of the Internal Revenue Code. The Award is intended to comply with Section 409A of the Code to the extent subject thereto or to otherwise be exempt from Section 409A of the Code, and shall be interpreted in accordance with this intent and Section 409A of the Code and treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the Grant Date. Notwithstanding any provision in the Plan to the contrary, no payment or distribution under this Plan that constitutes an item of deferred compensation under Section 409A of the Code and becomes payable by reason of your Termination of Service with the Company shall be made to you until your Termination of Service constitutes a separation from service within the meaning of Section 409A of the Code. For purposes of this Award, each amount to be paid or benefit to be provided shall be construed as a separate identified payment for purposes of Section 409A of the Code. Notwithstanding any provision in the Plan to the contrary, if you are a specified employee within the meaning of Section 409A of the Code, then to the extent necessary to avoid the imposition of taxes under Section 409A of the Code, you shall not be entitled to any payments upon your Termination of Service until the earlier of: (i) the expiration of the six (6)-month period measured from the date of your separation from service or (ii) the date of your death. Upon the expiration of the applicable waiting period set forth in the preceding sentence, all payments and benefits deferred pursuant to this Section 13 (whether they would have otherwise been payable in a single lump sum or in installments in the absence of such deferral) shall be paid to you in a lump sum as soon as practicable, but in no event later than sixty (60) calendar days, following such expired period, and any remaining payments due under this Award will be paid in accordance with the normal payment dates specified for them herein. Notwithstanding any provision of the Plan to the contrary, in no event shall the Company or any affiliate be liable to you on account of an Award's failure to (i) qualify for favorable U.S. or foreign tax treatment or (ii) avoid adverse tax treatment under U.S. or foreign law, including, without limitation, Section 409A of the Code.

14. Securities Law Compliance. You may not be issued any Common Shares under your Award unless the Common Shares are either (i) then registered under the Securities Act of 1933, as amended (the "*Securities Act*"), or (ii) the Company has determined that such issuance

would be exempt from the registration requirements of the Securities Act. Your Award must also comply with other applicable laws and regulations governing the Award, and you shall not receive such shares if the Company determines that such receipt would not be in material compliance with such laws and regulations.

15. Restrictive Legends. Any Common Shares issued under your Award shall be endorsed with appropriate legends, if any, determined by the Company.

16. Transferability. Except as otherwise permitted by the Committee in accordance with the terms of the Plan, your Award is not transferable, except by will or by the laws of descent and distribution. Notwithstanding the foregoing, by delivering written notice to the Company, in the form prescribed by the Company, you may designate a third party who, in the event of your death, will thereafter be entitled to receive any distribution of Common Shares or payment pursuant to Section 3 of this Agreement.

17. Award Not a Service Contract. Your Award is not an employment or service contract, and nothing in your Award will be deemed to create in any way whatsoever any obligation on your part to continue in the service of the Company or an affiliate, or on the part of the Company or an affiliate to continue such service. In addition, nothing in your Award will obligate the Company or an affiliate, their respective shareholders, boards of directors or employees to continue any relationship that you might have as an employee of the Company or an affiliate.

18. Unsecured Obligation. Your Award is unfunded, and as a holder of PSUs, you will be considered an unsecured creditor of the Company with respect to the Company's obligation, if any, to settle the PSUs pursuant to this Agreement. You will not have voting or any other rights as a shareholder of the Company with respect to the Common Shares subject to your Award until such Common Shares are issued to you pursuant to Section 3 of this Agreement (if at all). Upon such issuance, you will obtain full voting and other rights as a shareholder of the Company. Nothing contained in this Agreement, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between you and the Company or any other person.

19. Withholding Obligations. On or before the time you receive a distribution of Common Shares or payment pursuant to your Award, or at any time thereafter as requested by the Company, you hereby authorize any required withholding from your Award, payroll and any other amounts payable or issuable to you and/or otherwise agree to make adequate provision in cash for any sums that can be withheld to satisfy the federal, state, local and foreign tax withholding obligations of the Company or any affiliate which arise in connection with your Award (the "**Withholding Taxes**"). In this regard, you hereby authorize the Company and/or its affiliates, at their discretion, to satisfy any applicable Withholding Taxes in respect of this Award by one or a combination of the following: (i) withholding, from Common Shares or payment otherwise issuable or due upon settlement of the Award, a portion of the Common Shares with an aggregate Market Price (measured as of the date Common Shares are delivered pursuant to Section 3) equal to the amount of the applicable Withholding Taxes (or, if settled in cash, a portion of the payment equal to the amount of the applicable Withholding Taxes) (*provided,*

however, that the amount so withheld shall not exceed the maximum amount that can be withheld to satisfy the Company's required tax withholding obligations) (the "**Net Settlement Method**"); (ii) causing you to tender a cash payment sufficient to satisfy the Withholding Taxes; or (iii) instructing a registered broker chosen by the Company (the "**Broker**"), to sell on or as soon as administratively practicable following the applicable date on which such Withholding Taxes arise, such number of Common Shares (rounded up to the next whole number) as the Company deems necessary to satisfy (A) the applicable Withholding Taxes and (B) all applicable fees and commissions due to, or required to be collected by, the Broker (the "**Broker Fees**"), and the Broker shall subsequently (x) be required to directly remit to the Company the portion of the cash proceeds from such sale necessary in order for the Company to satisfy the Withholding Taxes and (y) retain the portion of the cash proceeds from such sale required to cover the Broker Fees relating directly to such sale (the "**Sell-to-Cover Method**").

In the event that the Company elects to use the Sell-to-Cover Method, (i) any excess Withholding Taxes and Broker Fees not satisfied by the Sell-to-Cover Method as a result of insufficient proceeds from the sales pursuant thereto shall be automatically satisfied by the Company withholding such additional amounts through payroll necessary to satisfy such remaining tax withholding obligations and Broker Fees and (ii) to the extent the proceeds of such sales pursuant to the Sell-to-Cover Method exceed the Withholding Taxes and the associated Broker Fees, the Company shall remit, or cause the Broker to remit, to you such excess cash (without interest) as soon as administratively practicable thereafter. You hereby agree and acknowledge that the Company and the Broker are under no obligation to arrange for the sale of Common Shares at any particular price under the Sell-to-Cover Method and that the Broker may affect sales as provided hereunder in one or more sales and that the average price for executions resulting from bunched orders may be assigned to your account. You further agree and acknowledge that you will be responsible for all brokerage fees and other costs of sale associated with the Sell-to-Cover Method, and you agree to indemnify and hold the Company and the Broker harmless from any losses, costs, damages, or expenses relating to any such sale. In connection with the Sell-to-Cover Method, you shall execute any such documents requested by the Broker or the Company in order to effectuate the Sell-to-Cover Method and payment of the Withholding Taxes and you agree and acknowledge that the Sell-to-Cover Method shall be subject to additional terms, conditions and documentation determined to be necessary or appropriate by the Company or the applicable Broker in furtherance of this Section 19. You acknowledge that the Sell-to-Cover Method contemplated by this Section 19 is intended to comply with Section 10b5-1(c) under the Exchange Act and shall be interpreted to comply with the requirements of Rule 10b5-1(c) under the Exchange Act.

20. Notices. Any notices provided for in your Award or the Plan shall be given in writing and shall be deemed effectively given upon receipt or, in the case of notices delivered by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company.

21. Headings. The headings of the Sections in this Agreement are inserted for convenience only and will not be deemed to constitute a part of this Agreement or to affect the meaning of this Agreement.

22. Amendment. Nothing in this Agreement shall restrict the Committee's (or its applicable delegate's) ability to exercise its discretionary authority pursuant to Section 4 of the Plan; *provided, however*, that no such action may, without your consent, materially adversely affect your rights under your Award and this Agreement. Without limiting the foregoing, the Board (or appropriate committee thereof) reserves the right to change, by written notice to you, the provisions of this Agreement in any way it may deem necessary or advisable to carry out the purpose of the grant as a result of any change in applicable laws or regulations or any future law, regulation, ruling, or judicial decision; *provided* that any such change will be applicable only to rights relating to that portion of the Award which is then subject to restrictions as provided herein.

23. Miscellaneous.

(a) The rights and obligations of the Company under your Award will be transferable by the Company to any one or more persons or entities, and all covenants and agreements hereunder will inure to the benefit of, and be enforceable by the Company's successors and assigns.

(b) You agree upon request to execute any further documents or instruments necessary or desirable in the sole determination of the Company to carry out the purposes or intent of your Award.

(c) You acknowledge and agree that you have reviewed your Award in its entirety, have had an opportunity to obtain the advice of counsel prior to executing and accepting your Award and fully understand all provisions of your Award. This Agreement and the Plan contain the entire agreement and understanding among the parties as to the subject matter hereof, and supersede any other agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof (including, without limitation, the provisions in your employment letter with respect thereto).

(d) This Agreement will be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

(e) All obligations of the Company under the Plan and this Agreement will be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise, of all or substantially all of the business and/or assets of the Company.

24. Governing Plan Document. Your Award is subject to all the provisions of the Plan, the provisions of which are hereby made a part of your Award, and is further subject to all interpretations, amendments, rules and regulations which may from time to time be promulgated and adopted pursuant to the Plan. In the event of any conflict between the provisions of your Award and those of the Plan, the provisions of the Plan will control; *provided, however*, for avoidance of doubt, terms contained in the Agreement but not in the Plan shall not constitute a conflict and such terms in the Agreement shall control. The Committee will have the power to

interpret the Plan and this Agreement and to adopt such rules for the administration, interpretation, and application of the Plan as are consistent therewith and to interpret or revoke any such rules. All actions taken and all interpretations and determinations made by the Committee will be final and binding upon you, the Company, and all other interested persons. No member of the Board or the Committee will be personally liable for any action, determination, or interpretation made in good faith with respect to the Plan or this Agreement.

25. Effect on Other Employee Benefit Plans. The value of the Award subject to this Agreement will not be included as compensation, earnings, salaries, or other similar terms used when calculating the employee's benefits under any employee benefit plan sponsored by the Company or any affiliate except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any of the Company's or any affiliate's employee benefit plans.

26. Choice of Law. The interpretation, performance and enforcement of this Agreement will be governed by the laws of the Province of Ontario and the laws of Canada. Each of the parties submits to the exclusive jurisdiction of the state courts within the State of New Jersey. In any issue, claim, demand, action, cause of action, suit or proceeding arising out of, or relating to, this Agreement, each of the parties agrees that all claims in respect of the action or proceeding may be heard and determined in any such court, and agrees not to bring any action or proceeding arising out of, relating to, based on or in connection with this Agreement in any other court. Each of the parties waives any defense of inconvenient forum to the maintenance of any action or proceeding so brought and waives any bond, surety or other security that might be required of any other party with respect thereto.

27. Severability. If all or any part of this Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity will not invalidate any portion of this Agreement or the Plan not declared to be unlawful or invalid. Any Section of this Agreement (or part of such a Section) so declared to be unlawful or invalid will, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

28. Appendices. Notwithstanding any provisions in this Agreement, the PSUs shall be subject to any special terms and conditions for employees outside the United States set forth in Appendix A and Appendix B attached hereto (the "**Appendices**"). Further, if you relocate to one of the countries included in Appendix B, the special terms and conditions for such country will apply to you to the extent that the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Appendices constitutes part of this Agreement.

29. ACKNOWLEDGEMENTS. By accepting this Award, you hereby consent to receive such documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third-party designated by the Company.

Bausch Health Companies Inc.
Form of Restricted Share Unit Award Agreement (Performance Vesting)
(Performance Restricted Share Units)
(2014 Omnibus Incentive Plan)

Appendix A

Additional Terms and Conditions For Employees Outside the United States

This Appendix A includes additional terms and conditions that govern the Award granted to you under the Plan if you are a Participant and reside and/or work in a country outside the United States of America (or later relocate to such a country). Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan and/or the Agreement to which this Appendix A is attached. Appendix A constitutes part of the Agreement.

1. Withholding Obligations. The following provisions supplement Section 19 of the Agreement:

You acknowledge that, regardless of any action taken by the Company or, if different, your employer (the “**Employer**”), the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to your participation in the Plan and legally applicable or deemed applicable to you (“**Tax-Related Items**”) is and remains your responsibility and may exceed the amount, if any, actually withheld by the Company or the Employer. You further acknowledge that the Company and the Employer (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Award or the underlying Common Shares, and (b) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Award to reduce or eliminate your liability for Tax-Related Items or achieve any particular tax result. Further, if you are subject to Tax-Related Items in more than one jurisdiction, you acknowledge that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any applicable taxable or tax withholding event, you authorize the Company and/or the Employer, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by any of the methods referred to in Section 19 of the Agreement. In addition, you authorize withholding from proceeds of the sale of Common Shares acquired upon vesting of the PSUs (if any) either through a voluntary sale, or through a mandatory sale arranged by the Company (on your behalf pursuant to this authorization without further consent by you).

The Company may withhold or account for Tax-Related Items by considering statutory or other withholding rates, including minimum or maximum withholding rates applicable in your jurisdiction. In the event of over-withholding, you may receive a refund of any over-withheld amount in cash (with no entitlement to the Common Share equivalent), or if not refunded, you may seek a refund from the local tax authorities. In the event of under-

withholding, you may be required to pay any additional Tax-Related Items directly to the applicable tax authority or to the Company and/or the Employer. If the obligation for Tax-Related Items is satisfied by withholding in Common Shares, for tax purposes, you will be deemed to have been issued the full number of Common Shares subject to the vested Award, notwithstanding that a number of the Shares is held back solely for the purpose of paying the Tax-Related Items.

Finally, if requested by the Company, you agree to pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of your participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the Common Shares or the proceeds of the sale of Common Shares or otherwise settle your Award in cash, if you fail to comply with your obligations in connection with the Tax-Related Items.

2. Accelerated Vesting upon a Termination of Employment due to Retirement. The following provision supplements Section 2(d) of the Agreement:

Notwithstanding anything to the contrary in the Plan or the Agreement, if the Company receives a legal opinion that there has been a legal judgment and/or legal development in your jurisdiction that likely would result in the favorable treatment that applies to the PSUs as a result of your Retirement or you reaching a certain age being deemed unlawful and/or discriminatory, the favorable treatment shall not apply and you shall be treated in accordance with the remaining provisions of Section 2 of the Agreement.

3. Disclosure and Ownership of Inventions and Intellectual Property. The following provision supplements Section 7 of the Agreement:

Notwithstanding anything to the contrary in the Plan or the Agreement, this Section 7 shall not apply if you work and/or reside in France or Germany. Moreover, this Section 7 shall not apply if you work and/or reside in any other jurisdiction in which the Company determines that the provisions of this Section 7 would be deemed unlawful or invalid.

4. Transferability. The following provision replaces in its entirety Section 16 of the Agreement:

Your Award and any interest therein shall not be sold, assigned, transferred, pledged, hypothecated, or otherwise disposed of, other than by will or by the applicable laws of descent and distribution.

5. Nature of Grant. In accepting the grant of the PSUs, you acknowledge, understand and agree that:

(a) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;

(b) the grant of the PSUs is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants of restricted share units, or benefits in lieu of restricted share units, even if restricted share units have been granted in the past;

(c) all decisions with respect to future restricted share unit or other grants, if any, will be at the sole discretion of the Company;

(d) you are voluntarily participating in the Plan;

(e) the PSUs and any Common Shares acquired or cash payment made under the Plan, and the income from and value of same, are not intended to replace any pension rights or compensation;

(f) the PSUs and any Common Shares acquired or cash payment made under the Plan, and the income from and value of same, are not part of normal or expected compensation or salary for any purpose, including, but limited to, calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, holiday pay, long-term service awards, pension or retirement or welfare benefits or similar payments;

(g) the future value of the Common Shares underlying the PSUs is unknown, indeterminable, and cannot be predicted with certainty;

(h) unless otherwise agreed with the Company in writing, the PSUs and any Common Shares acquired or cash payment made under the Plan, and the income from and value of same, are not granted as consideration for, or in connection with, any service you may provide as a director of a Subsidiary;

(i) neither the Company, the Employer, nor any other Subsidiary will be liable for any foreign exchange rate fluctuation between any local currency and the U.S. dollar that may affect the value of the PSUs or any amounts due to you pursuant to the vesting or settlement of the PSUs or the subsequent sale of any Common Shares acquired upon vesting;

(j) no claim or entitlement to compensation or damages shall arise from (i) forfeiture of the PSUs resulting from the termination of your employment with the Employer (for any reason whatsoever, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where you are employed or the terms of your employment or service agreement, if any) and/or (ii) the forfeiture or cancellation of the PSUs and/or recoupment of any Common Shares, cash, or other benefits acquired under the Plan resulting from the application of the Company's recoupment policies contemplated under Section 12 of this Agreement. In consideration of the PSUs, you agree not to institute any claim against the Company or the Employer;

(k) the Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding your participation in the Plan, your acquisition or sale of the underlying Common Shares or any payment under your Award; and

(l) you should consult with your own personal tax, legal and financial advisors regarding your participation in the Plan before taking any action related to the Plan.

6. Data Privacy.

(a) The following provisions applies to Eligible Recipients in the European Union (“EU”)/European Economic Area (“EEA”), in Switzerland, and in the United Kingdom (“U.K.”):

You understand that the Company and the Employer may hold certain personal information about you, including, but not limited to, your name, home address, email address and telephone number, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, any Common Shares or directorships held in the Company, details of all PSUs or any other entitlement to Common Shares awarded, canceled, exercised, vested, unvested or outstanding in your favor (“Data”), for the purpose of implementing, administering and managing the Plan.

You understand that this Data will be processed in accordance with the Company’s Global Policy on the Protection of Personal Information.

Data may be transferred to any third parties assisting the Company with the implementation, administration and management of the Plan. You understand that these recipients of Data may be located in other countries, such as the United States, which may afford a lower level of data protection and judicial redress than your country. This is necessary to perform this Agreement and to implement the Plan. You understand that you may request a list with the names and addresses of any potential recipients of Data by contacting your local Human Resources Representative. You understand that the Company and the recipients assisting the Company (presently or in the future) receive, possess, use, retain and transfer Data, in electronic or other form, for the purpose of implementing, administering and managing your participation in the Plan. You understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan. You understand that you may, at any time, view Data, request information about the storage and processing of Data, require any necessary amendments to Data, in any case without cost, by contacting in writing your local Human Resources Representative.

(b) The following provisions applies to Eligible Recipients outside the EU/EEA, outside Switzerland, and outside the U.K.:

By accepting the Award, you hereby explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of your personal data as described in this Agreement and any other grant materials by and among, as applicable, the Company, your Employer and any other Subsidiary for the exclusive purpose of implementing, administering and managing your participation in the Plan.

You understand that the Company and the Employer may hold certain personal information about you, including, but not limited to, your name, home address, email address and

telephone number, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, any Common Shares or directorships held in the Company, details of all PSUs or any other entitlement to Common Shares awarded, canceled, exercised, vested, unvested or outstanding in your favor (“Data”), for the exclusive purpose of implementing, administering and managing the Plan.

You understand that Data may be transferred to any third parties assisting the Company with the implementation, administration and management of the Plan. You understand that these recipients of Data may be located in the United States or elsewhere, and that the recipients’ country (e.g., the United States) may have different data privacy laws and protections than your country. You understand that you may request a list with the names and addresses of any potential recipients of Data by contacting your local Human Resources Representative. You authorize the Company and the recipients assisting the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer Data, in electronic or other form, for the sole purpose of implementing, administering and managing your participation in the Plan. You understand that Data will be held only as long as is necessary to implement, administer and manage your participation in the Plan. You understand that you may, at any time, view Data, request information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing your local Human Resources Representative. Further, you understand that you are providing the consents herein on a purely voluntary basis. If you do not consent, or if you later seek to revoke the consents, your employment or service with the Employer will not be affected; the only consequence of refusing or withdrawing the consents is that the Company would not be able to grant PSUs or other equity awards to you or administer or maintain such awards. Therefore, you understand that refusing or withdrawing your consent may affect your ability to participate in the Plan. For more information on the consequences of your refusal to consent or withdrawal of consent, you understand that you may contact your local Human Resources Representative.

Finally, upon request of the Company, you agree to provide an executed data privacy consent form to the Company (or any other agreements or consents that may be requested by the Company) that the Company may deem necessary to obtain from you for the purpose of administering your participation in the Plan in compliance with the data privacy laws in your country, either now or in the future. You understand and agree that you will not be able to participate in the Plan if you fail to provide any such consent or agreement requested by the Company.

7. Electronic Delivery and Participation. The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

8. Language. You acknowledge that you are sufficiently proficient in the English language or have had an opportunity to consult with an advisor proficient in the English language, so as to enable you to understand the terms and conditions of the Agreement and other Plan-related materials. Furthermore, if you have received this Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

9. Insider Trading/Market Abuse Laws. You acknowledge that, depending on your country of residence, the broker's country, or the country in which Common Shares are listed, you may be subject to insider trading and/or market abuse laws which may affect your ability to accept, acquire, sell or otherwise dispose of Common Shares, rights to such Common Shares or rights linked to the value of Common Shares (e.g., PSUs) under the Plan during such times as you are considered to have "material nonpublic information" or "insider information" regarding the Company (as defined by the laws or regulations in the relevant jurisdiction). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under the Company's insider trading policy, and the requirements of applicable laws may or may not be consistent with the terms of the Company's insider trading policy. You acknowledge that it is your responsibility to comply with any applicable restrictions, and that you should speak to your personal advisor on this matter.

10. Foreign Asset/Account Reporting. You acknowledge that there may be certain foreign asset and/or account reporting requirements which may affect your ability to acquire or hold Common Shares acquired under the Plan or cash received from participating in the Plan (including from any dividends paid on Common Shares acquired under the Plan) in a bank or brokerage account outside your country. You may be required to report such accounts, assets or transactions to the tax or other authorities in your country. You also may be required to repatriate sale proceeds from the sale of Common Shares or other funds received as a result of participation in the Plan to your country through a designated bank or broker within a certain time after receipt. You acknowledge that it is your responsibility to be compliant with such regulations, and should consult your personal legal advisor for any details.

Bausch Health Companies Inc.
Form of Restricted Share Unit Award Agreement (Performance Vesting)
(Performance Restricted Share Units)
(2014 Omnibus Incentive Plan)

Appendix B

Country-Specific Terms

This Appendix B includes additional terms and conditions that govern the Award granted to you under the Plan if you reside in one of the countries listed below. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan and/or the Agreement to which this Appendix B is attached.

Canada

Distribution of Common Shares. The following provision supplements Section 3 of the Agreement:

Termination of Service. The following provision supplements Section 2 of the Agreement:

For purposes of the PSUs, unless otherwise explicitly required by applicable legislation, your Termination of Service, and your right (if any) to earn, seek damages in lieu of, or otherwise be paid any portion of the PSUs pursuant to this Agreement after such Termination of Service (regardless of the reason for such termination and whether or not later found to be invalid or in breach of the employment laws in the jurisdiction where you are employed or the terms of your employment agreement, if any) will be measured, as of the date upon which your employment with the Company or any of its Subsidiaries is terminated (the “**Termination Date**”). The Termination Date shall exclude any period during which notice, pay in lieu of notice or related payments or damages are provided or required to be provided under local law including statute, contract, the common/civil law or otherwise. For greater certainty, you will not earn or be entitled to any pro-rated vesting for that portion of time before the Termination Date, nor will you be entitled to any compensation for lost vesting. Notwithstanding the foregoing, if applicable employment standards legislation explicitly requires continued vesting during a statutory notice period, your right to vest in the PSUs, if any, will terminate effective as of the last day of your minimum statutory notice period, but you will not earn or be entitled to pro-rated vesting if the vesting date falls after the end of your statutory notice period, nor will you be entitled to any compensation for lost vesting. “Vesting” for purposes of this paragraph refers to the period during which your PSUs become earned and payable.

Nature of Grant. The provisions of Section 5 of Appendix A “Nature of Grant” apply, except to the extent explicitly and minimally required under applicable legislation.

The following provisions apply if you are a resident of Quebec:

French Language Documents. A French translation of the Agreement, the Plan and certain other documents related to the PSUs will be made available to you as soon as reasonably practicable. You understand that, from time to time, additional information related to the PSUs may be provided in English and such information may not be immediately available in French. However, upon request, the Company will provide a translation of such information into French as soon as reasonably practicable. Notwithstanding anything to the contrary in the Agreement, and unless you indicate otherwise, the French translation of the Agreement and certain other documents related to the PSUs will govern the PSUs and your participation in the Plan.

Data Privacy. This provision supplements Section 6(b) of Appendix A:

You hereby authorize the Company and the Company's representatives to discuss with and obtain all relevant information from all personnel, professional or not, involved in the administration and operation of the Plan. You further authorize the Company, the Employer, any Subsidiary or any stock plan service provider selected by the Company to assist with the Plan to disclose and discuss the Plan with their respective advisors. You further authorize the Company and the Employer to record such information and to keep such information in your employee file. You acknowledge that your personal information, including sensitive personal information, may be transferred or disclosed outside of the province of Quebec, including to the United States. If applicable, you also acknowledge that the Company, the Employer, and other parties involved in the administration of the Plan may use technology for profiling purposes and to make automated decisions that may have an impact on you or the administration of the Plan.

**CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13a-14(a)
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Thomas J. Appio, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Bausch Health Companies Inc. (the “Company”);
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 Company as of, and for, the periods presented in this report;
4. The Company's other certifying officer 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 Company 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 Company, 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 Company’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 Company’s internal control over financial reporting that occurred during the Company's most recent fiscal quarter (the Company's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and
5. The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company’s auditors and the audit committee of the Company’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 Company’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 Company's internal control over financial reporting.

Date: April 29, 2026

/s/ THOMAS J. APPIO

Thomas J. Appio
Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION OF THE CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13a-14(a)
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Jean-Jacques Charhon, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Bausch Health Companies Inc. (the “Company”);
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 Company as of, and for, the periods presented in this report;
4. The Company’s other certifying officer 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 Company 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 Company, 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 Company’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 Company’s internal control over financial reporting that occurred during the Company’s most recent fiscal quarter (the Company’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Company’s internal control over financial reporting; and
5. The Company’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company’s auditors and the audit committee of the Company’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 Company’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 Company’s internal control over financial reporting.

Date: April 29, 2026

/s/ JEAN-JACQUES CHARHON

Jean-Jacques Charhon

Executive Vice President, Chief Financial Officer
(Principal Financial Officer)

**CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. § 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Thomas J. Appio, Chief Executive Officer of Bausch Health Companies Inc. (the “Company”), certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. The Quarterly Report on Form 10-Q of the Company for the quarter ended March 31, 2026 (the “Report”) fully complies with the requirements of Section 13(a) or Section 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.

Date: April 29, 2026

/s/ THOMAS J. APPIO

Thomas J. Appio
Chief Executive Officer
(Principal Executive Officer)

This certification accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by such Act, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the Company specifically incorporates it by reference.

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

**CERTIFICATION OF THE CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. § 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Jean-Jacques Charhon, Executive Vice President, Chief Financial Officer of Bausch Health Companies Inc. (the “Company”), certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. The Quarterly Report on Form 10-Q of the Company for the quarter ended March 31, 2026 (the “Report”) fully complies with the requirements of Section 13(a) or Section 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.

Date: April 29, 2026

/s/ JEAN-JACQUES CHARHON

Jean-Jacques Charhon

Executive Vice President, Chief Financial Officer
(Principal Financial Officer)

This certification accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by such Act, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the Company specifically incorporates it by reference.

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