Second-Quarter 2025 Earnings Conference Call Prepared Remarks
August 5, 2025

[Slide 4: Opening Remarks – Albert Bourla]

Albert Bourla – ***Pfizer Inc. – Chairman and Chief Executive Officer***

[Slide 5: Execution with Focus and Discipline on our Strategic Priorities]

Our business is performing well and I'm pleased with the progress we achieved in the second quarter. We advanced and strengthened our R&D pipeline, worked to maximize the value of our commercial portfolio and made further strides to expand our margins.

We continue to be actively engaged with policymakers as we navigate a complicated and rapidly evolving geopolitical environment while also remaining focused on advancing our business.

With our strong year-to-date performance, we are raising our adjusted diluted EPS guidance for full-year 2025 and remain committed to our dividend.

Our programs to expand margins through focus, technology and simplification are working very well. We are driving productivity gains by leveraging technology such as AI and automation. And, we are also realizing the benefit of continued streamlining across our company.

We believe Pfizer is well positioned to continue creating meaningful value for patients and our shareholders.

Our top strategic priority this year is improving R&D productivity. I'm proud of the outcomes we're driving and the meaningful milestones achieved during the quarter.

Looking ahead, we believe key programs in our R&D portfolio offer significant opportunities to help address substantial patient need and drive Pfizer's growth in the coming years. I'll mention some highlights:

[Slide 6: Elrexfio: Potential to Become a SOC BCMA Bispecific Antibody]

Elrexfio is a medicine that is performing well with rapid growth and encouraging progress in claiming leading class share in new markets such as Japan, the United Kingdom and Spain.

The clinical data in **Elrexfio**'s initial heavily treated, triple-class exposed multiple myeloma indication continue to be encouraging, with median overall survival of greater than two years, which is more than double historical median overall survival in this population. Moreover, the majority of responding patients are maintaining their response at 30 months. **Elrexfio** has the potential to be a leading standard of care with a differentiated clinical profile. It has a convenient, subcutaneous, fixed-dosing regimen that now includes a once-every four-week option for select patients.

New data presented at the American Society of Clinical Oncology Annual Meeting in newly diagnosed patients demonstrate **Elrexfio**'s potential to move to earlier multiple myeloma treatment settings. These data from Part 1 of the MagnetisMM-6 study show a confirmed response rate greater than 97%, and a manageable safety profile in combination with **daratumumab** and **lenalidomide**. The randomized portion of this Phase 3 study is now enrolling.

By executing on MagnetisMM-6 and **Elrexfio**'s other ongoing Phase 3 trials, we aim to achieve label expansions that, if approved, would collectively increase the addressable population approximately five-fold in the growing multiple myeloma market expected to reach approximately $44 billion by 2030.

[Slide 7: Sigvotatug Vedotin (SV): Potential First-in-Class ADC for NSCLC]

Sigvotatug vedotin, or **SV**, is our first-in-class integrin-beta 6 ADC that could be a driver of growth later this decade. We are executing a robust development program with this investigational compound in non-small cell lung cancer. This includes our fully enrolled Phase 3 study of **SV** monotherapy vs. **docetaxel** in previously treated non-squamous patients that we expect data from next year. In the second-line-plus population, we have observed a durable 31% confirmed response rate, which is favorable versus historical data with **docetaxel** monotherapy.

We are also enrolling a Phase 3 study of **SV** in combination with a PD-1 checkpoint inhibitor in first-line non-small cell lung cancer with high PD-L1 expression based on encouraging Phase 1 data for this combination recently presented at ASCO. These results showed a 57% response rate and greater than 90% disease control rate, including responses in all patients in the tumor proportion score (TPS) greater than 50% subgroup, which compares favorably to historical anti-PD-1 monotherapy. These results support our ambition to change standards of care to conventional chemotherapy-sparing regimens by leveraging the potential synergy between vedotin ADCs and PD-1 checkpoint inhibition.

With our ongoing and planned trials in non-small cell lung cancer, **SV** has the potential to impact large patient populations, with the non-small cell lung cancer market expected to reach over $60 billion by 2030. Our strategy is intended to deliver a first approval in previously treated patients before moving into the first-line setting, which in non-small cell lung cancer includes more than half a million global patients.

[Slide 8: Hympavzi: Latest Ph 3 Data Further Strengthen Differentiated Profile]

In hematology, we continue to promote the differentiated profile of **Hympavzi**. In the quarter we shared positive topline data from the Phase 3 BASIS study evaluating **Hympavzi** for adults and adolescents with hemophilia A or B. The study's cohort of patients with inhibitors met its primary endpoint, demonstrating a statistically significant and clinically meaningful 93% reduction in annualized bleeding rate compared to on-demand treatment in patients 12 years and older, which compares favorably to recently approved products for hemophilia A and B.

These results further strengthen **Hympavzi's** differentiated profile as the first once-weekly, fixed-dose, subcutaneous treatment for hemophilia A or B administered in a convenient prefilled autoinjector pen. They also support the potential to expand its label to patients with hemophilia who develop inhibitors to factor replacement as we continue to execute on its launch in the previously approved non-inhibitor population.

We have seen considerable quarter-over-quarter growth, particularly in the hemophilia B market where subcutaneous treatments are only recently available. And following **Hympavzi's** EU and Japan approvals at the end of last year, we're seeking reimbursement or pursuing early access pathways in other international markets as we grow our presence in the hemophilia market projected to reach nearly $10 billion by 2030.

[Slide 9: C. difficile: Potential to Deliver First Approved Vaccine]

Moving to our vaccine portfolio, we are enthusiastic about our potential to deliver the first approved vaccine for C. difficile infection. Our second-generation investigational vaccine candidate builds upon encouraging results from the prior Phase 3 CLOVER trial of our first-generation candidate, which demonstrated 100% efficacy against medically attended C. diff infection despite not achieving the study's primary endpoint.

With our second-generation C. diff vaccine formulation, we have the potential to simplify the dosing schedule from three to two doses. This candidate, now in Phase 2, increased the strength of the immune response four-fold compared to the first-generation vaccine.

Based on these newly announced Phase 2 data, we are preparing for a Phase 3 start before the end of the year. We will incorporate learnings from the CLOVER study to develop new primary endpoints focused on the prevention of severe disease outcomes, rather than primary infection. If approved, this vaccine could significantly reduce the healthcare burden of the nearly 500,000 annual C. difficile infections and approximately 30,000 annual deaths in the U.S.

In another one of our Phase 3 programs, we finished dosing the last patient in our study of a vaccine candidate for Lyme disease. If successful, we expect to submit for approval next year.

[Slide 10: 3SBio's '707: Seamless Strategic Fit]

We also continue to strengthen our portfolio by harnessing external innovation through strategic business development. The recent closing of our global, ex-China, in-licensing agreement with 3SBio grants us exclusive rights to develop, manufacture and commercialize **SSGJ-707**, a bispecific antibody. Targeting PD-1 and VEGF has the potential to deliver breakthroughs for patients as the next wave in PD-1 immunotherapy, which is an established $55 billion market.

With compelling monotherapy data in advanced non-small cell lung cancer presented recently at ASCO, we view this promising cancer immunotherapy candidate as a seamless fit within Pfizer's Oncology strategy, given our deep experience in the development of antibody therapeutics and our differentiated, industry-leading portfolio of ADCs. We intend to share details later this year for our plans for a Phase 3 program. With Pfizer's established presence and global reach, we believe **'707** has the potential to become a backbone therapy for multiple solid tumor types where the PD-1/VEGF mechanism could have significant impact.

Across our R&D pipeline, we continue to sharpen our focus on programs where the strength of our capabilities gives us the greatest opportunities to address substantial patient need. We look forward to sharing future updates about our progress.

[Slide 11: Achieve Commercial Excellence in our Key Categories – Established Brands]

Our commercial strategy is unlocking higher productivity and performance across both our U.S. and International divisions.

With several of our established brands, we're pleased with our continued market leadership and growth.

We delivered another solid quarter for our **Vyndaqel** family with 21% year-over-year operational growth. These products are the foundation of care for patients with the serious heart condition of ATTR-CM and we continue to see strong progress in diagnosing patients and providing broad access.

While we continue to closely monitor the competitive impact of new entrants, we believe the **Vyndaqel** family is differentiated with a strong clinical profile contributing to continued volume growth.

With **Eliquis** we are the clear leader with robust demand in a growing anticoagulant market. Our International commercial teams are driving higher growth versus the market in our key countries with effective engagement with healthcare professionals to reinforce the favorable profile of this medicine.

In the U.S., the BMS-Pfizer Alliance recently announced a new direct-to-patient option for purchasing **Eliquis** via the Alliance's patient resource, Eliquis 360 Support. This option offers uninsured, underinsured or self-pay patients an opportunity to significantly lower out-of-pocket costs for **Eliquis**.

[Slide 12: Achieve Commercial Excellence in our Key Categories – Recently Launched and Acquired Products]

Among some of our recently launched and acquired brands, we're seeing strong underlying demand in competitive classes as we work to build expanded access and greater awareness and loyalty among healthcare professionals.

With **Nurtec** we continue driving strong commercial execution. We're pleased with the performance of new consumer campaigns and greater precision and effectiveness in sharing compelling clinical data with healthcare professionals.

In the U.S., we achieved strong growth in total prescriptions and, with 47% market share, maintained leadership in the oral CGRP class, offset by pressures on net revenues from the impact of the IRA Medicare Part D redesign and the 340B program. Internationally, we are achieving strong performance in several key markets where we already have access and are encouraged by the potential to unlock additional opportunities by continuing to expand access.

Padcev, a key product in our Oncology portfolio, is demonstrating strong performance and we see multiple avenues for future growth.

Our ADC for the treatment of adult patients with locally advanced/metastatic urothelial cancer (la/m UC), **Padcev** achieved year-over-year operational growth of 38% in the quarter with growing demand and the one-time favorable impact from a transition to a wholesaler distribution model for Seagen products. **Padcev**, in combination with **pembrolizumab**, has secured market share greater than 50% in first-line la/mUC, and is the standard-of-care first-line treatment.

Additionally, we continue to anticipate Phase 3 readouts for **Padcev** in muscle-invasive bladder cancer in two ongoing studies. If successful and approved, we expect a significantly expanded opportunity to treat patients with bladder cancer, focused on the approximately 28,000 people in the U.S. with MIBC, approximately 80% of whom undergo cystectomy.

Cibinqo had strong 46% year-over-year operational growth in the quarter, driven by higher demand in the U.S., and growth in key international markets where we have decided to focus. We believe there is additional market opportunity for **Cibinqo** in responding to the need among patients with atopic dermatitis.

[Slide 13: Achieve Commercial Excellence in our Key Categories – Positive Data Contributing to Growth]

We are seeing the clear impact of recent positive data released for several of our Oncology products. It is contributing to strong growth and helping to establish these products as standards of care.

Lorbrena achieved 48% year-over-year operational growth in the quarter and we expect continued strength through 2025. It has a compelling efficacy profile supported by the CROWN study where the median progression-free survival was not reached after five years of follow-up. **Lorbrena** is emerging as a standard of care for patients with first-line ALK+ metastatic non-small cell lung cancer.

We saw continued momentum with **Braftovi + Mektovi**, with 23% year-over-year operational growth in the second quarter.

Results from the Phase 3 BREAKWATER trial showed a **Braftovi** combination regimen doubled median overall survival versus standard of care for treatment-naive patients with metastatic colorectal cancer with a BRAF V600E mutation.

This represents a significant advancement for the approximately 4,000 patients diagnosed annually in the U.S. with metastatic colorectal cancer with this mutation. They face a more than twofold greater mortality risk compared to patients with no known BRAF mutation.

Xtandi contributed strong 14% operational growth during the quarter. Demand is growing for patients with castration-sensitive prostate cancer and it is the top-prescribed branded androgen receptor pathway inhibitor.

With the presentation at ASCO of long-term overall survival data from the ARCHES trial, **Xtandi** is now the first and only androgen receptor pathway inhibitor to demonstrate an overall survival benefit at five years in men with metastatic hormone-sensitive prostate cancer. We also recently shared positive topline results from the Phase 3 EMBARK study making **Xtandi** the first and only androgen receptor inhibitor-based regimen to demonstrate overall survival benefit in non-metastatic hormone-sensitive prostate cancer with high-risk biochemical recurrence.

This contributed to demand growth for **Xtandi** and we achieved 27% share in new-to-brand prescriptions.

These positive readouts indicate how we are continuing to invest and focus in areas where we have leadership and expertise, contributing to ongoing progress with our Oncology portfolio.

The strong performance of our U.S. and International divisions shows why we remain confident in the commercial strategy we refined more than a year ago. In the quarter, for example, the key market and brand combinations that we prioritized in our International division are outperforming with strong mid- to high-single-digit growth across all regions. We'll continue to advance this commercial strategy and expect to drive further progress through precision targeted engagement with patients and healthcare professionals.

With that, I'll turn it over to Dave, who will walk through our additional strategic priorities and progress with expanding margins and optimizing capital allocation.

[Slide 14: Financial Review – David Denton]

David Denton – ***Pfizer Inc. – Chief Financial Officer, Executive Vice President***

Thank you, Albert, and good morning.

To begin this morning, let me emphasize that our solid financial results are a clear reflection of our disciplined execution and strategic priorities. We remain focused on improving patient outcomes and meeting our financial goals while managing the complexities of the external environment. Our cost improvement initiatives have contributed to greater organizational efficiency, as demonstrated by our robust operating margin achieved this quarter.

Going forward, we expect to improve our cash flow, reduce our debt leverage over time and increase flexibility across our three capital allocation pillars. Our focus remains on creating long-term shareholder value. We will continue to invest in our business for the long term while prudently returning capital to our shareholders. Now, let me start with our second-quarter results, touch on our capital allocation priorities, and then our cost improvement initiatives. I'll finish with a few comments on the macro environment, and our 2025 guidance.

[Slide 15: Q2 2025 Revenues and Adjusted Diluted EPS]

For the second quarter 2025, we recorded revenues of $14.7 billion, an increase of 10% operationally. The increase was largely due to overall growth both in the U.S. and internationally. Partially offsetting the increase was the ~$825 million year-over-year unfavorable impact of higher manufacturer discounts resulting from the IRA Medicare Part D Redesign, which took effect in the first quarter of 2025 and overall, largely in line with our expectations.

On the bottom line, second quarter 2025 Reported diluted EPS was 51 cents and Adjusted diluted EPS was 78 cents, ahead of our expectations, primarily due to our strong top-line and cost management performance.

[Slide 16: Quarterly Revenue and Non-GAAP Financial Highlights]

Our results demonstrate the effectiveness of our refined commercial strategy. We remain committed to prioritizing key products and markets, optimizing the global allocation of our commercial field resources, and concentrating our marketing efforts on high-priority areas. We saw strong contributions across our product portfolio primarily driven by the Vyndaqel family, Comirnaty, Paxlovid, Padcev and Eliquis, partially offset by declines in Ibrance.

[Slide 17: Strong Revenue Growth from Recent Launches and Acquired Products]

Also, I would like to highlight a significant trend within our portfolio that we expect to fuel the company's top-line for the next few years. Year-to-date, Pfizer's recently launched and acquired products delivered $4.7 billion in revenues while growing approximately 15% operationally vs. last year. We plan to continue to invest behind these two product groups to drive their future performance and help enable the company to largely offset our LOE's over the next several years.

[Slide 16: Quarterly Revenue and Non-GAAP Financial Highlights]

Adjusted gross margin for the second quarter was approximately 76%, primarily reflecting the product mix in the quarter. Looking at our adjusted gross margin performance over the last two years, we have largely achieved percentages in the mid to upper 70's, when adjusting for Comirnaty, which, as you know, has a 50/50 gross profit split with our partner BioNTech. In addition, we believe the expected $1.5 billion savings from Phase 1 of our manufacturing optimization program by the end of 2027 will help bolster gross margin as we transition through the LOE period. Maintaining a strong emphasis on cost management throughout our manufacturing network will continue to be a key priority.

Total Adjusted operating expenses were $5.8 billion for the second quarter of 2025, an 8% decline operationally vs. last year. Looking at the components,

- Adjusted SI&A Expenses decreased 8% operationally primarily reflecting a decrease in marketing and promotional spend for various products as a result of our focused investments and ongoing productivity improvements.
- Adjusted R&D Expenses decreased 9% operationally, driven primarily by a decline in spending due to pipeline optimization expected to be reinvested later this year and into next year.

We continue to be disciplined with our operational expense management.

Q2 Reported diluted earnings per share was 51 cents and our Adjusted diluted EPS was 78 cents which benefited from our efficient operating structure, in addition to our effective tax rate, primarily driven by a favorable change in the jurisdictional mix of earnings.

[Slide 18: YTD Q2 2025: Allocating Capital to Enhance Shareholder Value]

Now let me quickly touch upon our capital allocation strategy, which is designed to enhance long term shareholder value. Our strategy consists of:

- maintaining and growing our dividend over time;
- reinvesting in our business at an appropriate level of financial return; and
- making value enhancing share repurchases.

In the first half of 2025, we:

- returned $4.9 billion to shareholders via our quarterly dividend;
- invested $4.7 billion in internal R&D; and
- completed business development activity was minimal.

As previously mentioned, maintaining our gross leverage at an appropriate level is a key priority towards improving our capacity for business development. Our gross leverage at the end of the second quarter was approximately 2.7x which we are setting as our new target, down from 3.25x.

During Q2, we announced the licensing agreement with 3SBio, which closed in July of 2025. Our business development capacity is approximately $13 billion, following the 3SBio deal. Lastly, first half 2025 operating cash flow, at approximately $1.8 billion, was tempered primarily by larger expected payments in the second quarter, including an approximately $2.1 billion TCJA repatriation tax payment and our payment to BioNTech for our gross profit split. We expect to see improved cash flow in the back half of the year.

Overall, we are focused on maintaining leverage below our new target to support a balanced allocation of capital between reinvestment and direct return to shareholders.

[Slide 19: Delivering Operating Margin Expansion through Productivity Gains]

We continue to be disciplined with our operational expense management, progressing multiple cost improvement programs as we remain focused on driving operating margin expansion over the coming years.

We expect to begin realizing initial savings from Phase 1 of the Manufacturing Optimization Program in the latter part of this year.

As part of our goal to return to pre-pandemic operating margins, we remain on track to deliver on our goal of at least $4.5 billion in cumulative net cost savings from our ongoing cost realignment program by the end of this year.

As a reminder, in total, we expect approximately $7.7 billion in savings by the end of 2027 to drive operating efficiency, strengthening our business with the potential of contributing significantly to our bottom line over the period. Of these savings, approximately $500 million identified in R&D will be re-invested in the pipeline, which we expect by the end of 2026. Now, let me turn to our full year 2025 guidance.

[Slide 20: 2025 Financial Guidance: Reaffirms 2025 Revenue Range and Raises Adjusted Diluted EPS Range]

The pharmaceutical industry continues to navigate a complex global landscape influenced by rapidly changing proposed trade and tariff policies. Strategies to help mitigate the potential impacts on our

business in the short-term have been implemented. We are continuing to evaluate opportunities and developing plans which may help mitigate the potential long-term impact of tariffs on our business and operations. That said, the company's guidance absorbs the impact of the currently imposed tariffs from China, Canada and Mexico, as well as potential price changes this year based on the letter received on July 31st from President Trump.

Our non-COVID revenues continue to perform very well operationally and ahead of plan. In addition, our guidance assumes favorability to revenue on foreign exchange rates. As a reminder, our plan assumes that the large majority of our COVID revenues are in Q3 and Q4. Given this fact, we believe it is prudent to maintain our full-year revenue outlook as we enter the second half of the year. We continue to expect full-year 2025 revenues to be in the range of $61.0 to $64.0 billion.

In addition, we now expect Adjusted SI&A to be in the range of $13.1 billion to $14.1 billion, Adjusted R&D to be in the range of $10.4 billion to $11.4 billion, and Adjusted Effective Tax Rate of approximately 13%.

Now, given our strong performance to date and outlook, including a favorable impact from foreign exchange, our more efficient cost structure as well as improvement in our adjusted effective tax rate, we are raising our full-year 2025 Adjusted Diluted EPS guidance expectation by 10 cents. This includes absorbing a 20 cent charge for acquired in-process R&D associated with the upfront payment for the 3SBio transaction. Just to clarify, without the 3SBio deal, we would have raised our Adjusted diluted EPS guidance by 30 cents. Of this amount, approximately two-thirds is attributed to our strong operational performance and outlook. I will also point out that while we are raising our Adjusted diluted EPS guidance, we are partially de-risking the expected COVID performance in the second half of the year. As a result, our revised full-year 2025 Adjusted Diluted EPS range is $2.90 to $3.10.

[Slide 21: Key Takeaways and Expectations]

In closing, we will continue to focus on maximizing our product portfolio's value and driving innovation to strengthen our pipeline. With a stronger balance sheet, we plan to deploy capital more effectively. We will focus on increasing our R&D productivity by deploying AI and digital capabilities, re-invest appropriately to accelerate high-value R&D programs and pursue new growth opportunities through business development. Additionally, our cost improvement initiatives are beginning to expand operating margins through productivity gains and streamlined processes. We also remain attentive to potential further impacts from changing trade and tariff policies, as well as other administrative proposals.

I will now turn the call back over to Albert to start the Q&A session.

Disclosure Notice: *This material represents prepared remarks for Pfizer Inc.'s earnings conference call and is not an official transcript. Except where otherwise noted, the information contained in these prepared*

remarks is as of August 5, 2025. We assume no obligation to update any forward-looking statements contained in these prepared remarks as a result of new information or future events or developments.

These prepared remarks contain forward-looking statements about, among other topics, our anticipated operating and financial performance, including financial guidance and projections; reorganizations; business plans, strategy, goals and prospects; expectations for our product pipeline, in-line products and product candidates, including anticipated regulatory submissions, data read-outs, study starts, approvals, launches, discontinuations, clinical trial results and other developing data, revenue contribution and projections, potential pricing and reimbursement, potential market dynamics, including demand, market size and utilization rates and growth, performance, timing of exclusivity and potential benefits; potential impact of tariffs and pricing dynamics; strategic reviews; leverage and capital allocation objectives; an enterprise-wide cost realignment program (including anticipated costs, savings and potential benefits); a Manufacturing Optimization Program to reduce our cost of goods sold (including anticipated costs, savings and potential benefits); dividends and share repurchases; plans for and prospects of our acquisitions, dispositions and other business development activities, including our acquisition of Seagen and our licensing agreement with 3SBio, and our ability to successfully capitalize on growth opportunities and prospects; manufacturing and product supply; our ongoing efforts to respond to COVID-19; our expectations regarding the impact of COVID-19 on our business, operations and financial results; and the expected seasonality of demand for certain of our products. Given their forward-looking nature, these statements involve substantial risks, uncertainties and potentially inaccurate assumptions and we cannot assure you that any outcome expressed in these forward-looking statements will be realized in whole or in part. You can identify these statements by the fact that they use future dates or use words such as "will," "may," "could," "likely," "ongoing," "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," "assume," "target," "forecast," "guidance," "goal," "objective," "aim," "seek," "potential," "hope" and other words and terms of similar meaning. Pfizer's financial guidance is based on estimates and assumptions that are subject to significant uncertainties.

Among the factors that could cause actual results to differ materially from past results and future plans and projected future results are the following:

<u>Risks Related to Our Business, Industry and Operations, and Business Development:</u>

- *the outcome of research and development (R&D) activities, including the ability to meet anticipated pre-clinical or clinical endpoints, commencement and/or completion dates for our pre-clinical or clinical trials, regulatory submission dates, and/or regulatory approval and/or launch dates; the possibility of unfavorable pre-clinical and clinical trial results, including the possibility of unfavorable new pre-clinical or clinical data and further analyses of existing pre-clinical or clinical data; risks associated with preliminary, early stage or interim data; the risk that pre-clinical and clinical trial*

data are subject to differing interpretations and assessments, including during the peer review/publication process, in the scientific community generally, and by regulatory authorities; whether and when additional data from our pipeline programs will be published in scientific journal publications, and if so, when and with what modifications and interpretations; and uncertainties regarding the future development of our product candidates, including whether or when our product candidates will advance to future studies or phases of development or whether or when regulatory applications may be filed for any of our product candidates;

- *our ability to successfully address comments received from regulatory authorities such as the FDA or the EMA, or obtain approval for new products and indications from regulators on a timely basis or at all;*
- *regulatory decisions impacting labeling, approval or authorization, including the scope of indicated patient populations, product dosage, manufacturing processes, safety and/or other matters, including decisions relating to emerging developments regarding potential product impurities; uncertainties regarding the ability to obtain or maintain, and the scope of, recommendations by technical or advisory committees, and the timing of, and ability to obtain, pricing approvals and product launches, all of which could impact the availability or commercial potential of our products and product candidates;*
- *claims and concerns that may arise regarding the safety or efficacy of in-line products and product candidates, including claims and concerns that may arise from the conduct or outcome of post-approval clinical trials, pharmacovigilance or Risk Evaluation and Mitigation Strategies, which could impact marketing approval, product labeling, and/or availability or commercial potential;*
- *the success and impact of external business development activities, including the ability to identify and execute on potential business development opportunities; the ability to satisfy the conditions to closing of announced transactions in the anticipated time frame or at all; the ability to realize the anticipated benefits of any such transactions in the anticipated time frame or at all; the potential need for and impact of additional equity or debt financing to pursue these opportunities, which has in the past and could in the future result in increased leverage and/or a downgrade of our credit ratings and could limit our ability to obtain future financing; challenges integrating the businesses and operations; disruption to business or operations relationships; risks related to growing revenues for certain acquired or partnered products; significant transaction costs; and unknown liabilities;*
- *competition, including from new product entrants, in-line branded products, generic products, private label products, biosimilars and product candidates that treat or prevent diseases and conditions similar to those treated or intended to be prevented by our in-line products and product candidates;*
- *the ability to successfully market both new and existing products, including biosimilars;*

- *difficulties or delays in manufacturing, sales or marketing; supply disruptions, shortages or stock-outs at our facilities or third-party facilities that we rely on; and legal or regulatory actions;*
- *the impact of public health outbreaks, epidemics or pandemics (such as COVID-19) on our business, operations and financial condition and results, including impacts on our employees, manufacturing, supply chain, sales and marketing, R&D and clinical trials;*
- *risks and uncertainties related to Comirnaty and Paxlovid or any potential future COVID-19 vaccines, treatments or combinations, including, among others, the risk that as the market for COVID-19 products remains endemic and seasonal and/or COVID-19 infection rates do not follow prior patterns, demand for our COVID-19 products has and may continue to be reduced or not meet expectations, which has in the past and may continue to lead to reduced revenues, excess inventory or other unanticipated charges; risks related to our ability to develop and commercialize variant adapted vaccines, combinations and/or treatments; uncertainties related to recommendations and coverage for, and the public's adherence to, vaccines, boosters, treatments or combinations, including uncertainties related to the potential impact of narrowing recommended patient populations; whether or when our EUAs or biologics licenses will expire, terminate or be revoked; and potential third-party royalties or other claims related to Comirnaty and Paxlovid;*
- *trends toward managed care and healthcare cost containment, and our ability to obtain or maintain timely or adequate pricing or favorable formulary placement for our products;*
- *interest rate and foreign currency exchange rate fluctuations, including the impact of global trade tensions, as well as currency devaluations and monetary policy actions in countries experiencing high inflation or deflation rates;*
- *any significant issues involving our largest wholesale distributors or government customers, which account for a substantial portion of our revenues;*
- *the impact of the increased presence of counterfeit medicines, vaccines or other products in the pharmaceutical supply chain;*
- *any significant issues related to the outsourcing of certain operational and staff functions to third parties;*
- *any significant issues related to our JVs and other third-party business arrangements, including modifications or disputes related to supply agreements or other contracts with customers including governments or other payors;*
- *uncertainties related to general economic, political, business, industry, regulatory and market conditions including, without limitation, uncertainties related to the impact on us, our customers, suppliers and lenders and counterparties to our foreign-exchange and interest-rate agreements of challenging global economic conditions, such as inflation or interest rate fluctuations, and recent and possible future changes in global financial markets;*

- *the exposure of our operations globally to possible capital and exchange controls, economic conditions, expropriation, sanctions, tariffs and/or other restrictive government actions, changes in intellectual property legal protections and remedies, unstable governments and legal systems and inter-governmental disputes;*
- *risks and uncertainties related to issued or future executive orders or other new, or changes in, laws, regulations or policy regarding tariffs or other trade policy;*
- *the risk and impact of tariffs on our business, which is subject to a number of factors including, but not limited to, restrictions on trade, the effective date and duration of such tariffs, countries included in the scope of tariffs, changes to amounts of tariffs, and potential retaliatory tariffs or other retaliatory actions imposed by other countries;*
- *the impact of disruptions related to climate change and natural disasters;*
- *any changes in business, political and economic conditions due to actual or threatened terrorist activity, geopolitical instability, political or civil unrest or military action, including the ongoing conflicts between Russia and Ukraine and in the Middle East and the resulting economic or other consequences;*
- *the impact of product recalls, withdrawals and other unusual items, including uncertainties related to regulator-directed risk evaluations and assessments, such as our ongoing evaluation of our product portfolio for the potential presence or formation of nitrosamines, and our voluntary withdrawal of all lots of Oxbryta in all markets where it is approved and any regulatory or other impact on Oxbryta and other sickle cell disease assets;*
- *trade buying patterns;*
- *the risk of an impairment charge related to our intangible assets, goodwill or equity-method investments;*
- *the impact of, and risks and uncertainties related to, restructurings and internal reorganizations, as well as any other corporate strategic initiatives and growth strategies, and cost-reduction and productivity initiatives, including any potential future phases, each of which requires upfront costs but may fail to yield anticipated benefits and may result in unexpected costs, organizational disruption, adverse effects on employee morale, retention issues or other unintended consequences;*
- *the ability to successfully achieve our climate-related goals and progress our environmental sustainability and other priorities;*

Risks Related to Government Regulation and Legal Proceedings:

- *the impact of any U.S. healthcare reform or legislation, including executive orders or other change in laws, regulations or policy, or any significant spending reduction or cost control efforts affecting Medicare, Medicaid, the 340B Drug Pricing Program or other publicly funded or subsidized health*

programs, including the Inflation Reduction Act of 2022 (IRA) and the IRA Medicare Part D Redesign, or changes in the tax treatment of employer-sponsored health insurance that may be implemented;

- *U.S. federal or state legislation or regulatory action and/or policy efforts affecting, among other things, pharmaceutical product pricing, including the potential for international reference pricing, including Most- Favored-Nation drug pricing, intellectual property, reimbursement or access to or recommendations for our medicines and vaccines, taxes or other restrictions on U.S. direct-to-consumer advertising; limitations on interactions with healthcare professionals and other industry stakeholders; as well as pricing pressures for our products as a result of highly competitive biopharmaceutical markets;*
- *risks and uncertainties related to changes to vaccine or other healthcare policy in the U.S.;*
- *legislation or regulatory action in markets outside of the U.S., such as China or Europe, including, without limitation, laws related to pharmaceutical product pricing, intellectual property, medical regulation, environmental protections, data protection and cybersecurity, reimbursement or access, including, in particular, continued government-mandated reductions in prices and access restrictions for certain products to control costs in those markets;*
- *legal defense costs, insurance expenses, settlement costs and contingencies, including without limitation, those related to legal proceedings and actual or alleged environmental contamination;*
- *the risk and impact of an adverse decision or settlement and risk related to the adequacy of reserves related to legal proceedings;*
- *the risk and impact of tax related litigation and investigations;*
- *governmental laws, regulations and policies affecting our operations, including, without limitation, the IRA, as well as changes in such laws, regulations or policies or their interpretation, including, among others, new or changes in tariffs, tax laws and regulations internationally and in the U.S., including the One Big Beautiful Bill Act, which was enacted on July 4, 2025, and is still subject to further guidance; the adoption of global minimum taxation requirements outside the U.S. generally effective in most jurisdictions since January 1, 2024, government cost-cutting measures and related impacts on, among other matters, government staffing, resources and ability to timely review and process regulatory or other submissions; restrictions related to certain data transfers and transactions involving certain countries; and potential changes to existing tax laws, tariffs, or changes to other laws, regulations or policies in the U.S., including by the U.S. Presidential administration and Congress, as well as in other countries;*

<u>Risks Related to Intellectual Property, Technology and Cybersecurity:</u>

- *the risk that our currently pending or future patent applications may not be granted on a timely basis or at all, or any patent-term extensions that we seek may not be granted on a timely basis, if at all;*

- *risks to our products, patents and other intellectual property, such as: (i) claims of invalidity that could result in loss of patent coverage; (ii) claims of patent infringement, including asserted and/or unasserted intellectual property claims; (iii) claims we may assert against intellectual property rights held by third parties; (iv) challenges faced by our collaboration or licensing partners to the validity of their patent rights; or (v) any pressure from, or legal or regulatory action by, various stakeholders or governments that could potentially result in us not seeking intellectual property protection or agreeing not to enforce or being restricted from enforcing intellectual property rights related to our products;*
- *any significant breakdown or interruption of our information technology systems and infrastructure (including cloud services);*
- *any business disruption, theft of confidential or proprietary information, security threats on facilities or infrastructure, extortion or integrity compromise resulting from a cyber-attack, which may include those using adversarial artificial intelligence techniques, or other malfeasance by, but not limited to, nation states, employees, business partners or others; and*
- *risks and challenges related to the use of software and services that include artificial intelligence-based functionality and other emerging technologies.*

We cannot guarantee that any forward-looking statement will be realized. Should known or unknown risks or uncertainties materialize or should underlying assumptions prove inaccurate, actual results could vary materially from past results and those anticipated, estimated or projected. Investors are cautioned not to put undue reliance on forward-looking statements. A further list and description of risks, uncertainties and other matters can be found in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023 and in our subsequent reports on Form 10-Q, in each case including in the sections thereof captioned "Forward-Looking Information and Factors That May Affect Future Results" and "Item 1A. Risk Factors," and in our subsequent reports on Form 8-K.

These prepared remarks will include discussion of certain financial measures that were not prepared in accordance with generally accepted accounting principles (GAAP). Reconciliations of those non-GAAP financial measures to the most directly comparable GAAP financial measures can be found in the Company's Current Report on Form 8-K dated August 5, 2025 available at www.pfizer.com.

These prepared remarks may include discussion of certain clinical studies relating to various in-line products and/or product candidates. These studies typically are part of a larger body of clinical data relating to such products or product candidates, and the discussion herein should be considered in the context of the larger body of data. In addition, clinical trial data are subject to differing interpretations, and, even when we view data as sufficient to support the safety and/or effectiveness of a product candidate or a new indication for an in-line product, regulatory authorities may not share our views and may require additional data or may deny approval altogether.

Certain of the products and product candidates discussed in these prepared remarks are being co-researched, co-developed and/or co-promoted in collaboration with other companies for which Pfizer's rights vary by market or are the subject of agreements pursuant to which Pfizer has commercialization rights in certain markets.

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