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First 9 Months Earnings and Business Update

November 14, 2024

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Agenda

1 OVERVIEW

2 COMMERCIAL and R&D UPDATE

3 FINANCIAL UPDATE

4 Q&A

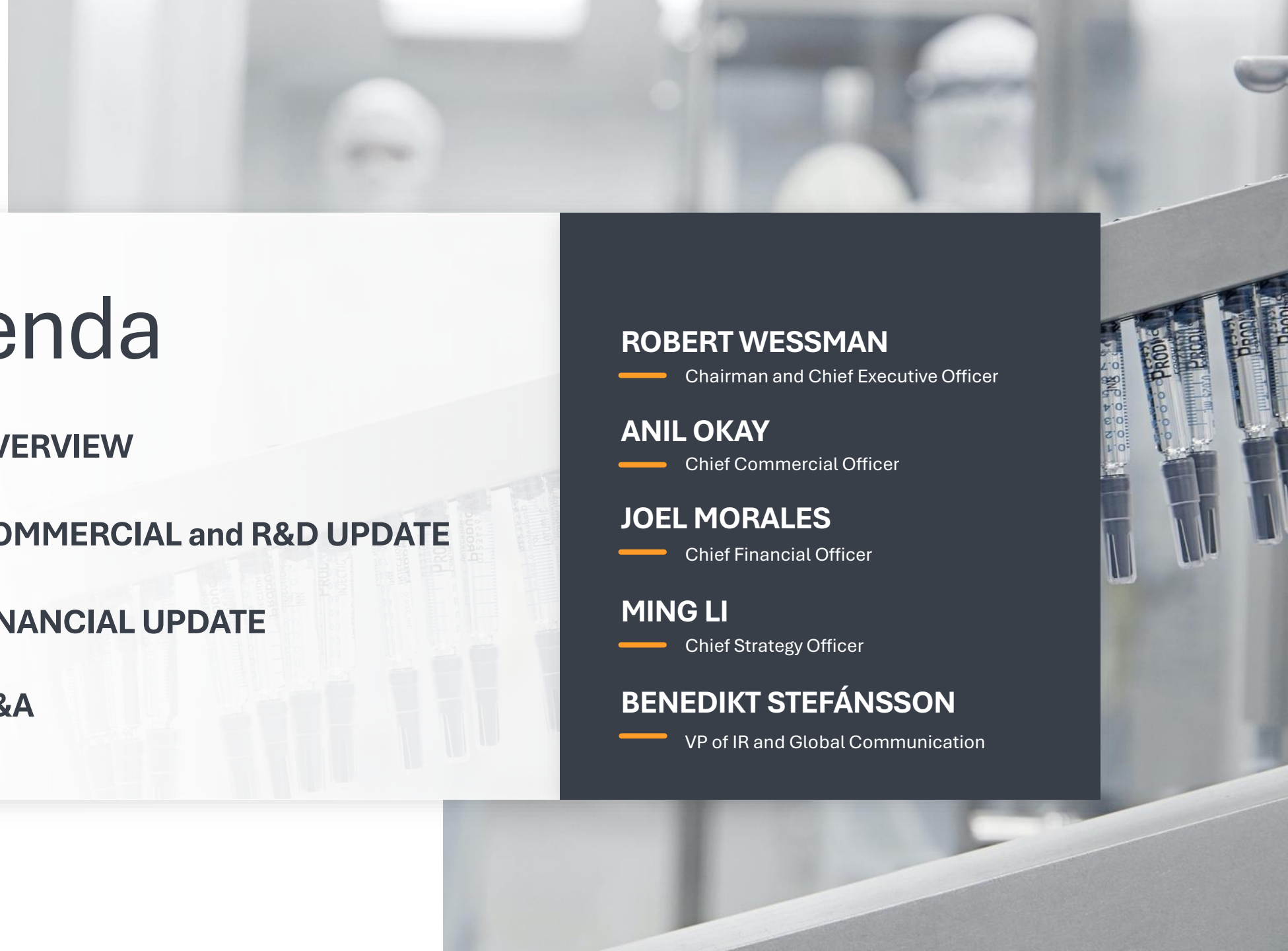
ROBERT WESSMAN
Chairman and Chief Executive Officer

ANIL OKAY
Chief Commercial Officer

JOEL MORALES
Chief Financial Officer

MING LI
Chief Strategy Officer

BENEDIKT STEFÁNSSON
VP of IR and Global Communication



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Robert Wessman

Chairman and
Chief Executive Officer

Continued Growth for 2024

Key Financial Highlights 9M-2024

Positive Adjusted EBITDA for the 2nd consecutive quarter, resulting in a total of $86.6mn for 9M-24

- ~9x increase in revenues vs. prior year
- Step up product gross margin in Q3 (37%) vs. Q2 (17%)[1]
- Pipeline progression and new deals resulted in increased milestone revenue recognition

9M - 2024 Performance

Total Revenues 

$338.6mn

vs. $38.1mn in 9M-23

Product Revenues 

$128.0mn

vs. $29.8mn in 9M-23

Adjusted EBITDA 

$86.6mn

vs. ($225.3mn) loss in 9M-23

Milestone Revenues 

$210.5mn

vs. 8.2mn in 9M-23

[1] *Excludes margin contribution from milestone revenues*

Key Recent Highlights

U.S. FDA concluded a successful general GMP inspection in September of Alvotech's Reykjavik manufacturing site

- 2 FDA 483 observations were noted; company has provided robust responses

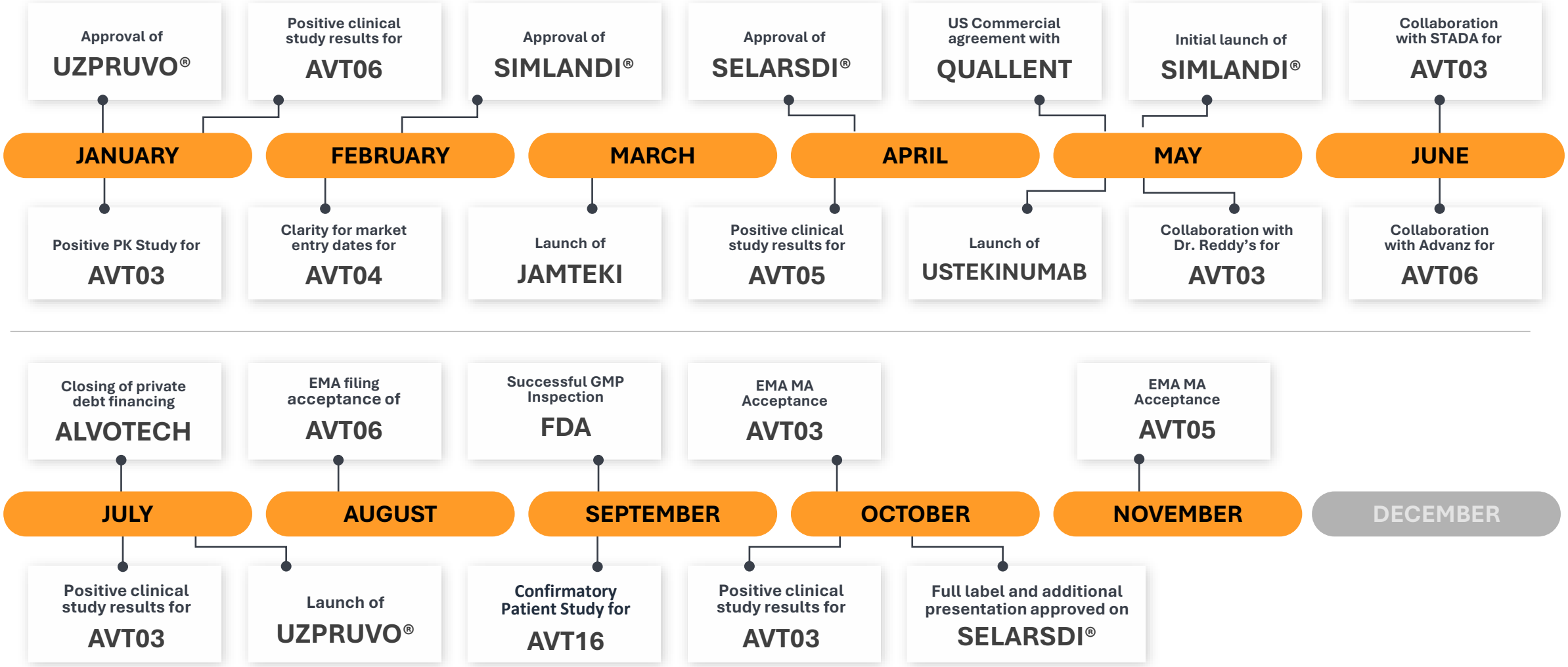
EMA acceptance of marketing application for AVT03, biosimilar to Prolia® and Xgeva®

Patient Study for AVT16, proposed biosimilar to Entyvio®, has been initiated

SELARSDI® full label and additional presentation approved

EMA acceptance of marketing application for AVT05, biosimilar to Simponi®

Continued Progress and Execution (2024)



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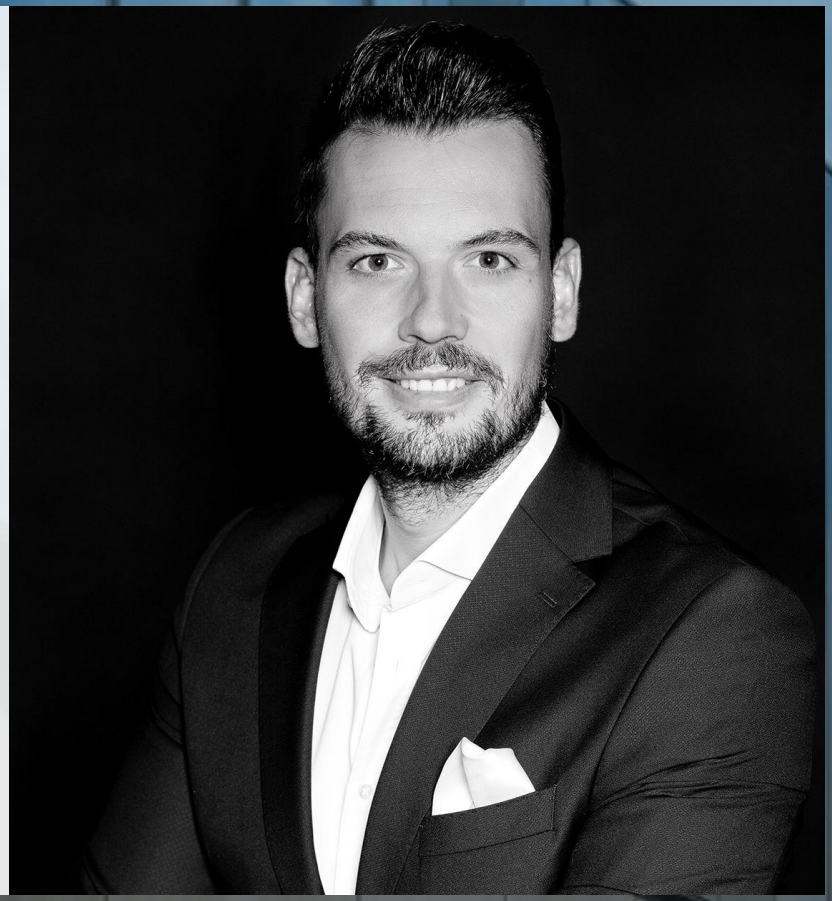
Anil Okay

Chief Commercial Officer



U.S. Commercialization Update

Biosimilar to Humira®

Simlandi (adalimumab-ryvk) Injection

- SIMLANDI® and unbranded form are interchangeable to the reference product
- SIMLANDI® is listed as preferred on Express Scripts (part of CIGNA), CarelonRx, Navitus, Blue Cross Blue Shield of MA and LA; expect expansion in 2025
- Commercialization agreement with Quallent; part of the Cigna network
- ~1.3 million units of binding purchase orders for 2024 across both channels (US only)
- >40% of orders delivered through Q3

Biosimilar to Stelara®

Selarsdi™ (ustekinumab-aekn)

- SELARSDI® approved in the U.S. for all associated indications
- Product launch expected to be February 21, 2025
- February 19th, 2025, BSUFA date to determine interchangeability
- Provisional approval is expected with final approval given upon exclusivity expiry on April 30, 2025
- Ongoing discussions for formulary access through commercial partner Teva
- Ongoing discussions for private label business

Ex-US Commercialization Update

- AVT02, biosimilar to Humira®, has been launched in 26 markets outside the U.S.
  - Inclusive of Canada (SIMLANDI®) and many markets across Europe (HUKYNDRA®)
- AVT04, biosimilar to Stelara, has been launched in 23 markets
  - Inclusive of Canada (JAMTEKI™), Japan, and across Europe (UZPRUVO®)
- UZPRUVO® launched in ~20 markets across Europe with further expansion expected in the coming months
  - Strong partner sales in EU4 plus UK
- Up to 1/3 of product revenue in 2024[1] expected to come from ex-US markets
- Growth in product revenue expected in 2025 from ex-US markets from both new and existing launches

[1] *Inclusive of both AVT02 and AVT04*

Near Term Pipeline Update

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EYLEA® (aflibercept) Injection 2 mg

AVT06

- Biosimilar candidate to Eylea®
- Developing for both vial and pre-filled syringe
- Seeking interchangeability designation
- Partnerships include Teva (US), Advanz (EU)
- Marketing application accepted by EMA
- IP strategy integrated with product development

EYLEA® HD (aflibercept) Injection 8 mg

AVT29

- Biosimilar candidate to Eylea® HD
- Commercial partnerships consistent with low-dose
- Formulation and process have been developed and program currently in scale-up phase
- IP strategy integrated with product development

Near Term Pipeline Update

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AVT05

Simponi® golimumab

Simponi ARIA® golimumab for infusion

- Targeting both Simponi® (pharmacy benefit) and Simponi Aria® (medical benefit)
- Established anti-TNF with SP2/0 technology barrier
- Only one other company has completed a clinical trial utilizing a biosimilar candidate
- Marketing application accepted by EMA; the first and currently only filing[1]
- US filing expected in 2024[2] via 2 separate submissions

AVT03

prolia® (denosumab) injection

XGEVA® (denosumab)

- Biosimilar candidate to Prolia® and Xgeva®
- Both a Medical benefit and pharmacy benefit product in the U.S.
- US Partnership with Dr. Reddy's Laboratories Semi-exclusive partnership in EU with Dr. Reddy's and STADA
- Marketing application accepted by EMA
- US filing expected in 2024[1]

[1] *EMA Oct 2024 list of medicines under evaluation*
[2] *Announcements are made upon filing acceptance*

Portfolio

BIOSIMILAR CANDIDATE		REFERENCE BIOLOGIC	THERAPEUTIC AREA	EARLY PHASE	PRE-CLINICAL	CLINICAL TRIAL(S)		FILING[2]	APPROVAL	LAUNCH
						PK STUDY	PATIENT TRIAL			
AVT02	adalimumab	HUMIRA®	Immunology					73 Markets	58 Markets	27 Markets
AVT04	ustekinumab	STELARA®	Immunology					52 Markets	42 Markets	23 Markets
AVT05	golimumab	SIMPONI®/ SIMPONI ARIA®	Ophthalmology			Positive Results				
AVT03	denosumab	PROLIA®/ XGEVA®	Bone Disease			Positive Results				
AVT06[1]	aflibercept	EYLEA®	Immunology			Positive Results				
AVT29	aflibercept	EYLEA® HD	Ophthalmology							
AVT23[3]	omalizumab	XOLAIR®	Respiratory			Positive Results	Ongoing			
AVT16	vedolizumab	ENTYVIO®	Immunology				Ongoing			
AVT33	pembrolizumab	KEYTRUDA®	Oncology							
AVT28	Not disclosed	Not disclosed	Immunology							
AVT41	Not disclosed	Not disclosed	Immunology							
AVT19	Not disclosed	Not disclosed	Immunology							

[1]*Separate PK studies are not required for proposed biosimilars to Eylea®*
[2]*Filing status reflects filing acceptance in at least one major market*
[3]*AVT23 rights are licensed from Kashiv BioSciences and refer specifically to European Union member states, the UK, Australia, Canada, and New Zealand.*

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Joel Morales

Chief Financial Officer

Q3 2024 YTD Financial Highlights

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OPERATING PERFORMANCE

- Total revenue of $339 million, ~ 9x increase versus prior year.
- $128 million of product revenues primarily driven by Humira biosimilar launch in US and Stelara biosimilar launch in ex-US markets.
- $211 million of milestone revenue, primarily due to advancement of the pipeline and new product launches.
- Adjusted EBITDA of $87 million, versus negative ($225) million in prior year.

CASH AND LIQUIDITY

- Finalized financing facilities in Q3, simplifying overall capital structure – as of 30 September, ~$1B of outstanding borrowings.
- $118 million of cash on hand as of 30 September.
- Based on current operating plans, the Company believes it has sufficient cash runway to free cash flow positive.

SHARES OUTSTANDING

- 301.7 million shares outstanding as of 30 September.
- Includes 39.6 million of earnout shares, of which 19.2 million not currently vested.
- Excludes shares to be issued for certain programs and arrangements that are not yet settled as of 30 September.

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Appendix

Reported to Adjusted Reconciliation

$ millions	9M 2024 Reported	9M 2024 Adjustment Entries	9M 2024 Adjusted	9M 2023 Reported	9M 2023 Adjustment Entries	9M 2023 Adjusted
Product Revenue	128.0	-	128.0	29.8	-	29.8
License and Other Revenue	210.5	0.2	210.6	8.2	0.1	8.3
Other Income	0.2	(0.2)	-	0.1	(0.1)	-
Cost of Product Revenue	(105.0)	1.2	(103.8)	(104.4)	2.7	(101.8)
R&D	(131.1)	(0.5)	(131.6)	(152.8)	20.2	(132.7)
G&A	(46.4)	6.6	(39.9)	(58.6)	12.1	(46.4)
Operating Profit (Loss)	**56.2**	**7.3**	**63.5**	**(277.7)**	**34.9**	**(242.8)**
Share of Net Loss of JV	-	-	-	(4.0)	-	(4.0)
Impairment loss on inv. in JV	(3.0)	3.0	-	-	-	-
Finance Income	79.1	(75.5)	3.6	46.4	(42.5)	3.9
Finance Costs	(237.7)	117.5	(120.2)	(107.8)	14.1	(93.7)
Exchange Rate Diffrences	1.7	(1.7)	-	0.9	(0.9)	-
(Loss) Gain on exting. of fin. liab.	(69.4)	69.4	-	-	-	-
Loss Before Taxes	**(173.1)**	**119.9**	**(53.2)**	**(342.3)**	**5.7**	**(336.6)**
Income Tax Benefit	8.2	(1.0)	7.2	67.1	(3.7)	63.3
Loss For The Period	**(164.9)**	**118.9**	**(46.0)**	**(275.2)**	**2.0**	**(273.2)**
Loss Per Share (in $)	**(0.63)**		**(0.18)**	**(1.21)**		**(1.21)**
EBITDA:						
Operating Profit (Loss)	**56.2**	**7.3**	**63.5**	**(277.7)**	**34.9**	**(242.8)**
D&A	23.1	-	23.1	17.5	-	17.5
EBITDA	**79.3**	**7.3**	**86.6**	**(260.2)**	**34.9**	**(225.3)**

9M 2024 Adjustment Entries

Cost of Product Revenue	–	$1.2m charge related to long-term incentive plan
R&D	–	$1.9m charge related to long-term incentive plan (non-cash)
	–	($1.3m) IP litigation costs attributable to programs - reclassified from G&A
	–	($1.1m) partial reversal of one-time AR reserve pertaining to the termination of AVT23 licensing agreement with Biosana (non-cash)
G&A	–	$4.8m charge related to long-term incentive plan (non-cash)
	–	$1.3m IP litigation costs attributable to programs - reclassified to R&D
	–	$0.5m one-time transaction cost
Impairment loss on inv. in JV	–	$3.0m from sales of China JV
Finance Income	–	($75.5m) fair value adjustment on derivatives (non-cash)
Finance Costs	–	$117.5m fair value adjustment on derivatives (non-cash)
(Loss) Gain on exting. of fin. liab.	–	$69.4m loss on extinguishment of bonds and borrowings (non-cash)
Exchange Rate Differences	–	($1.7m) impact of exchange rate fluctuations (non-cash)
Income Tax	–	($0.8m) tax impact of discrete adj. in jurisdictions where tax benefits are available

9M 2023 Adjustment Entries

Cost of Product Revenue	–	$2.3m charge related to long-term incentive plan
	–	$0.3m loss on disposal of PPE (non-cash)
R&D	–	$18.5m of one-time, Biosana accounts receivables reserve pertaining to the termination of AVT-23 (non-cash)
	–	$3.5m charge related to long-term incentive plan (non-cash)
	–	($1.9m) IP litigation costs attributable to programs - reclassified from G&A
G&A	–	$0.9m of one-time costs in connection with the Iceland main board listing
	–	$9.4m charge related to long-term incentive plan (non-cash)
	–	$1.9m IP litigation costs attributable to programs – reclassified to R&D
Finance Income	–	($42.5m) fair value adjustment on derivatives (non-cash)
Finance Cost	–	$14.1m fair value adjustment on derivatives (non-cash)
Exchange Rate Differences	–	($0.9m) impact of exchange rate fluctuations (non-cash)
Income Tax	–	($3.7m) tax impact of discrete adj. in jurisdictions where tax benefits are available

Capital Structure as of September 30, 2024

Common Shares Outstanding as of 30 September 2024 (in millions)	**301.7**
Potential future dilution:	
OACB Private Warrants [1]	-
OACB Public Warrants	*5.3*
RSUs	*2.6*
TOTAL POTENTIAL FUTURE DILUTION	**7.9**

[1] Using the Company's average stock price of $11.07 and calculated in accordance with the Warrant Agreement dated September 21, 2020.

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Additional information

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