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Q2 2024 Earnings

AUGUST 16, 2024

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Agenda

1 OVERVIEW

2 COMMERCIAL UPDATE

3 FINANCIAL UPDATE

4 Q&A

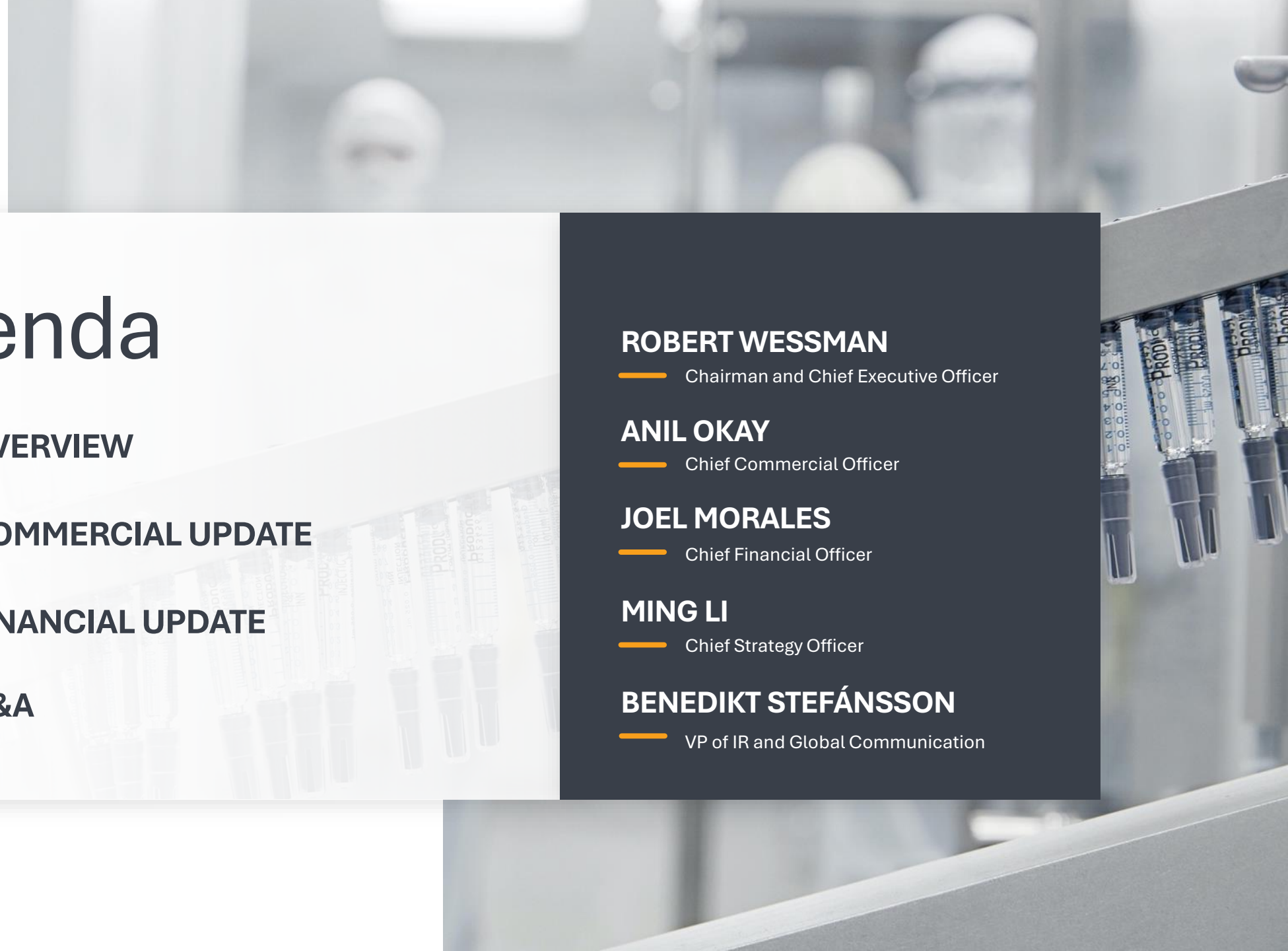
ROBERT WESSMAN
Chairman and Chief Executive Officer

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

Strong Start to 2024

Key Highlights 1H-2024

1H **and** Q2 delivered positive adjusted EBITDA for the first time in company's history

→ 84% of total revenue in the period from 2nd quarter

Results driven by;

→ Global launches of AVT04, biosimilar to Stelara®

→ U.S. launch of AVT02, biosimilar to Humira®

→ Advancement of portfolio and pipeline

→ New commercial partnership arrangements

1H 2024 Performance

Total Revenues ↑

$235.6mn

vs. to $20.3mn in 1H-23

Product Revenues ↑

$65.9mn

vs. $22.7mn in 1H-23

Adjusted EBITDA ↑

$63.5mn

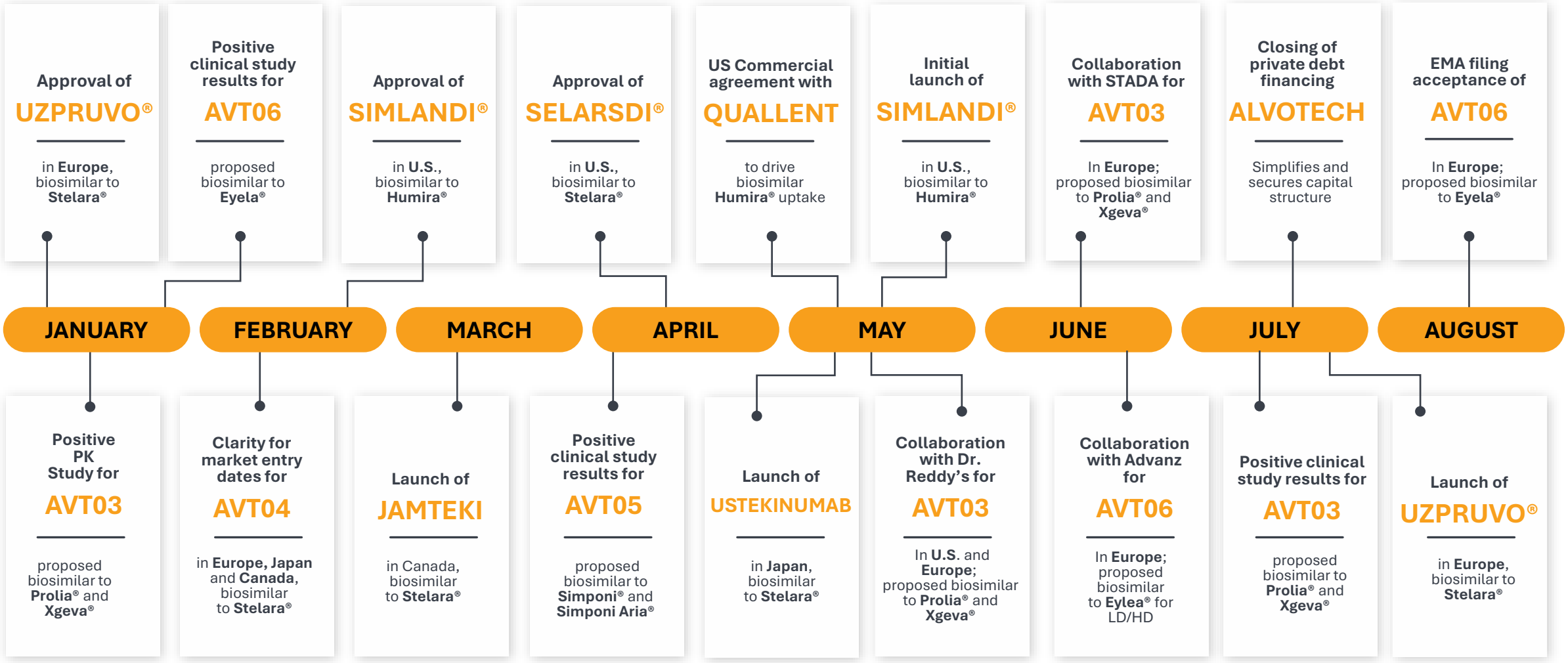
vs. ($146.7mn) loss in 1H-23

Milestone Revenues ↑

$169.7mn

vs. ($2.5mn) in 1H-23

Continued Progress and Execution (2024)



Continued Evolution of Alvotech

PORTFOLIO GROWTH AND DIVERSIFICATION

47 Unique launches achieved across 2 biosimilars

Expect at least 70 unique launches before end of ’25 from AVT04 or AVT02

3 BLA submissions expected in ’24

Certain launches from new molecules expected before end of ’25

PLATFORM LEVERAGE

No increase in headcount ’24 vs. ’23 despite;

- >3x increase in manufacturing output
- Record level of pipeline activity

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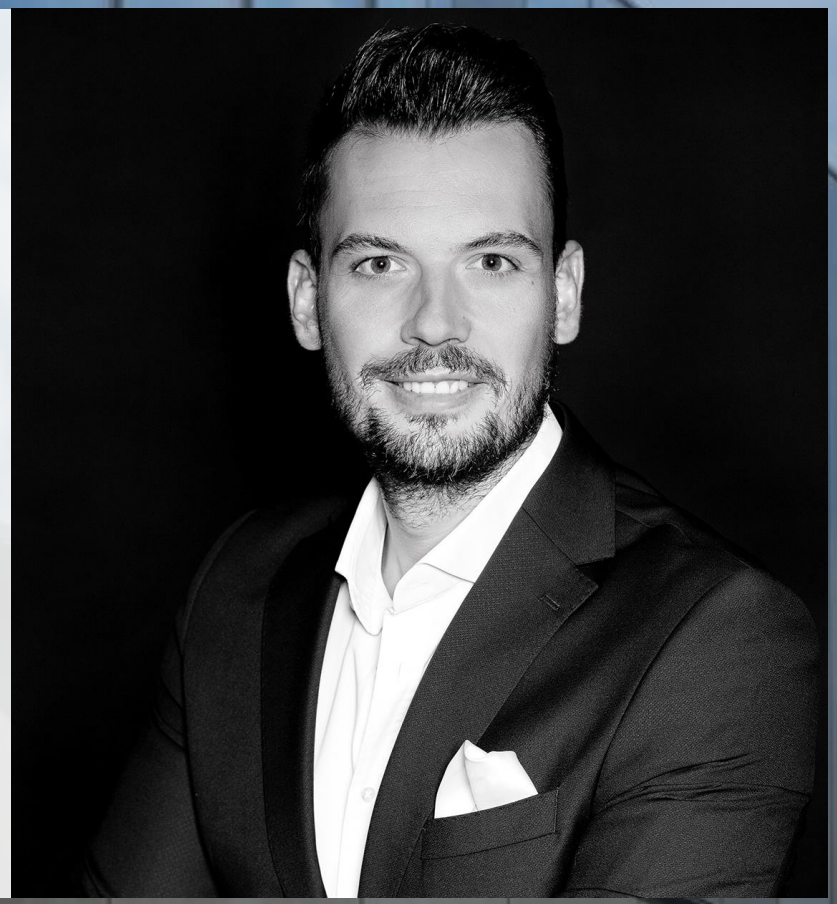
Anil Okay

Chief Commercial Officer



Commercialization of Humira Biosimilar in the U.S.

PRIVATE LABEL

- Commercialization agreement with Quallent, part of the Cigna network
- adalimumab-ryvk is interchangeable to the reference product
- Product is available at $0 out of pocket cost through Accredo specialty pharmacy
- ~20% of CIGNA Humira book converted to biosimilars in ~5 weeks[1]
- Economics change to a profit share between Teva and Alvotech

SIMLANDI FORMULARY

Simlandi (adalimumab-ryvk) Injection

- SIMLANDI® is interchangeable to the reference product
- Soft launch in May targeted GPO/Hospital business
- As of July, SIMLANDI® is now listed as preferred on Express Scripts (part of CIGNA), CarelonRx, Navitus, Blue Cross Blue Shield of Mass. and La.
- Expect gradual ramp in prescriptions in 2024 with acceleration into 2025
- Economics remain the same as a 40/60 revenue share (Alvotech/Teva)

- **~1.3 million units of binding purchase orders for 2024 across both channels(US ONLY)**
- **>80% of orders expected to be delivered in 2H, more weighted to Q4**

(1)Source; Cigna Group 2nd quarter earnings call held August 01, 2024

AVT04 in the first wave in key markets

	CANADA	JAPAN	Europe	U.S.
Launch	Jamteki™ ustekinumab injection **Launched March 2024**	ウステキヌマブBS皮下注シリンジ「F」 **Launched May 2024**	Uzpruvo® solution for injection ustekinumab **Launched July 2024**	Selarsdi™ (ustekinumab-aekn) **Expected February 2025**
Partner	JAMP PHARMA GROUP	Fuji Pharma Co., Ltd.	STADA	teva
Addressable Market	**$0.7Bn[1]**	**$0.4Bn[1]**	**$3.1Bn[1]**	**$7Bn[2]**
Current Marketing Companies[3]	**Alvotech, Amgen**	**Alvotech**	**Alvotech, Sandoz**	**NA**
Volume Trends[1] CAGR% ('19-'23)	**21%**	**21%**	**34%**	**19%**

(1) IQVIA
(2)JnJ financial reports (MAT)
(3)Based on public information

Pipeline Update

AVT06

EYLEA® (aflibercept) Injection 2 mg

- Biosimilar candidate to Eylea®
- $10 Bn[1] leading biologic for retinal diseases
- Developing for both vial and pre-filled syringe
- Expect to seek interchangeability designation
- Partnership with Advanz Pharma for EU finalized in June ‘24
- Marketing application accepted by EMA with decision expected Q3, 2025
- Further announcements expected for other markets in ‘24

AVT29

EYLEA® HD (aflibercept) Injection 8 mg

- Biosimilar candidate to Eylea® HD
- Partnership with Advanz Pharma for EU finalized in June ’24
- Other partners include Teva (US)
- Formulation and process have been developed and program currently in scale-up phase

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
- Alvotech is the only known company to have biosimilars for Humira®, Stelara® and an advanced program for Simponi® in major markets
- Expect filing in 2024

(1) Regeneron financial reports (2023)

Pipeline Update (continued)

AVT03

- Biosimilar candidate to Prolia® and Xgeva®
- High potential in women health
- Both a Medical benefit and pharmacy benefit product in the U.S.
- Partnership with Dr. Reddy's Laboratories finalized in May '24 for the U.S. and European market[1]
- Partnership with STADA in Europe finalized in June '24[1]
- Expect filing in 2024

AVT23

- Biosimilar candidate to Xolair®
- Licensed from Kashiv BioSciences
- Growing market and limited competition
- Partnered with Advanz; agreement covers 27 countries of the European union, the UK, Australia, Canada and New Zealand
- Successful Phase 1 study
- Completion of enrollment for Phase III Clinical trial announced in July 2025

AVT16

- Biosimilar candidate to Entyvio®
- Steadily growing biologic leading in IBD
- $5.6 Bn1 global market and expected limited competition
- Clinical phase initiated; pilot safety study complete
- 1st dosing in patient trial expected in September 2024

AVT33

- Biosimilar candidate to Keytruda®
- Rapidly growing $27 Bn[1] oncology biologic
- At-scale production planed for 2025; initiating tech transfer
- Concurrently, finalizing clinical design
- First subject dosing in clinical trial expected in late 2025
- Partnership for AVT33 remains in active discussion with multiple parties

(1)semi-exclusive in EU markets

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Joel Morales

Chief Financial Officer

Closing of Private Financing Leads to More Simplified Capital Structure

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- $965m Gross Debt
- SOFR based facility vs. previous fixed rate debt
- Removes short dated maturities
- Favorable call features
- All convertible bonds converted/redeemed
- Provides substantial cash to the balance sheet
- Remaining debt includes new term loan facility, mortgage, and equipment financing

1H 2024 Financial Highlights

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OPERATING PERFORMANCE

- Total revenue of $236 million, over 10x increase versus prior year.
- $170 million of milestone revenue, primarily due to advancement of the pipeline and new product launches.
- $66 million of product revenues driven by Humira biosimilar launch in US and Stelara biosimilar launch in ex-US markets.
- Adjusted EBITDA of $64 million, versus negative ($147) million in prior year.

CASH AND LIQUIDITY

- Finalized financing facilities providing net proceeds of $142 million.
- $11 million of cash on hand as of June 30.
- Giving effect to the financing, $178 million of proforma cash on hand as of June 30, including $25 million of restricted cash.
- Sufficient cash runway to free cash flow positive.

SHARES OUTSTANDING

- 279.4 million shares outstanding as of June 30.
- Includes 39.6 million of earnout shares, of which 19.2 million not currently vested.
- Giving effect to the conversion of Convertible Bonds on July 1st, 301.5 million proforma shares outstanding as of June 30.
- Excludes shares to be issued for certain programs and arrangements that are not yet settled as of June 30.

Key Drivers of 2024 Outlook

REVENUES | **$400-500m**

ADJUSTED EBITDA | **$100-150m**

SIMLANDI® and adalimumab-rykv

First interchangeable, high concentration biosimilar to Humira in the U.S.

Simlandi (adalimumab-ryvk) Injection

PIPELINE ADVANCEMENT

Major market filings for at least 3 additional biosimilar candidates driving additional milestone revenue and further advancement of longer-term pipeline

JAMTEKI®

First biosimilar to Stelara®, available in the Canadian Market

Jamteki™ ustekinumab injection

SELARSDI® SUPPLY INITIATION

Launch expected February ’25 in the U.S. with potential supply in Q4 2024

Selarsdi (ustekinumab-aekn)

AVT04 in Japan (USTEKINUMAB)

First biosimilar to Stelara®, available in the Japanese Market

ウステキヌマブBS皮下注シリンジ[F]

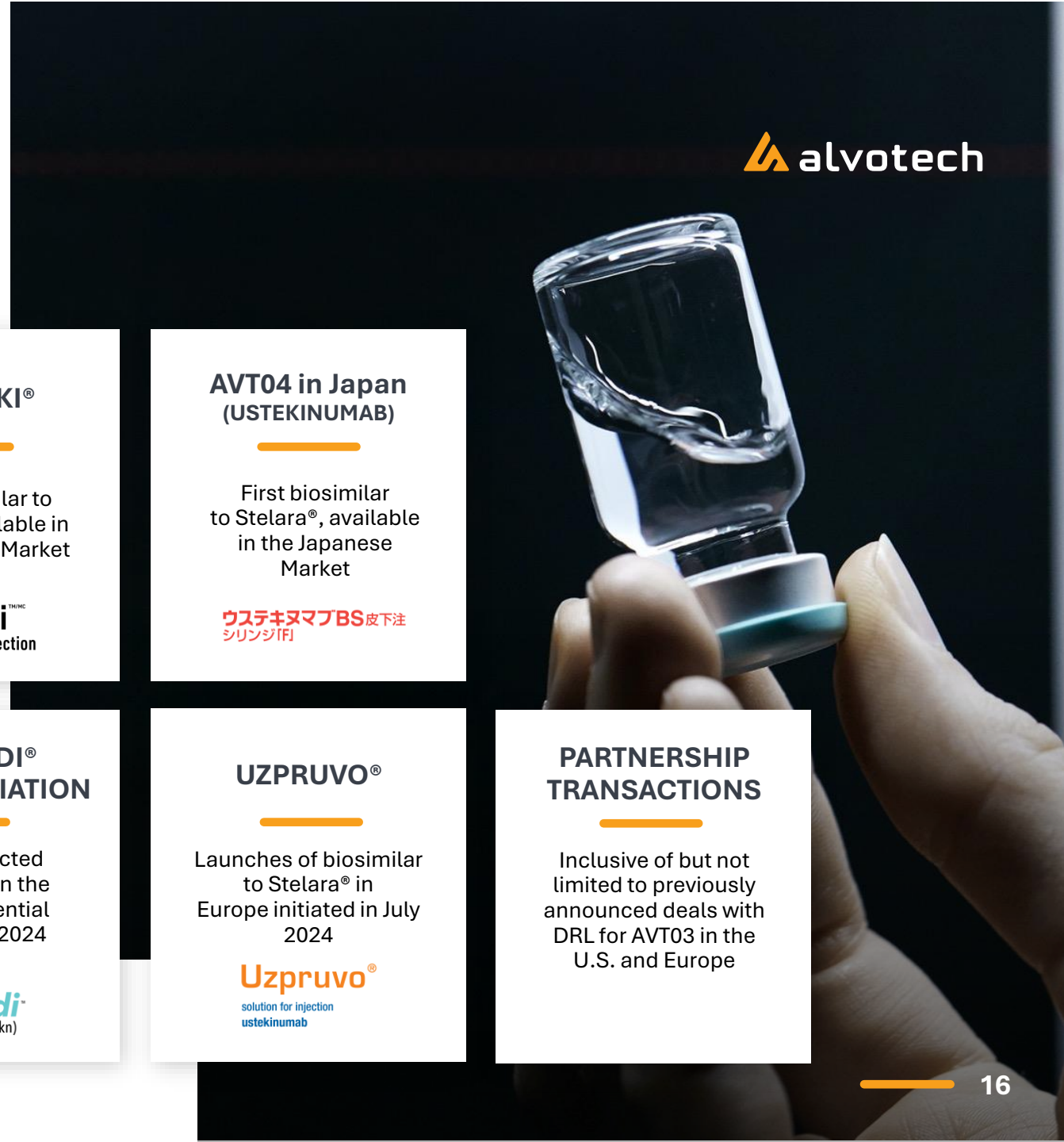
UZPRUVO®

Launches of biosimilar to Stelara® in Europe initiated in July 2024

Uzpruvo® solution for injection ustekinumab

PARTNERSHIP TRANSACTIONS

Inclusive of but not limited to previously announced deals with DRL for AVT03 in the U.S. and Europe



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Appendix

Reported to Adjusted Reconciliation

$ millions	H1 2024 Reported	H1 2024 Adjustment Entries	H1 2024 Adjusted	H1 2023 Reported	H1 2023 Adjustment Entries	H1 2023 Adjusted
Product Revenue	65.9	-	65.9	22.7	-	22.7
License and Other Revenue	169.7	0.1	169.7	(2.5)	0.0	(2.4)
Other Income	0.1	(0.1)	-	0.0	(0.0)	-
Cost of Product Revenue	(65.2)	0.5	(64.7)	(67.9)	2.1	(65.8)
R&D	(97.5)	0.9	(96.6)	(99.6)	19.8	(79.8)
G&A	(29.6)	3.9	(25.6)	(41.9)	9.7	(32.2)
Operating Profit (Loss)	**43.4**	**5.3**	**48.7**	**(189.1)**	**31.7**	**(157.4)**
Share of Net Loss of JV	-	-	-	(2.7)	-	(2.7)
Impairment loss on inv. in JV	(1.8)	1.8	-	-	-	-
Finance Income	80.8	(79.1)	1.7	122.5	(119.5)	3.0
Finance Costs	(277.4)	193.5	(83.9)	(64.3)	5.9	(58.4)
Exchange Rate Diffrences	7.7	(7.7)	-	(3.1)	3.1	-
Loss Before Taxes	**(147.2)**	**113.8**	**(33.4)**	**(136.7)**	**(78.9)**	**(215.6)**
Income Tax Benefit	(5.1)	0.5	(4.6)	49.9	(4.5)	45.3
Loss For The Period	**(152.4)**	**114.3**	**(38.1)**	**(86.9)**	**(83.4)**	**(170.3)**
Loss Per Share (in $)	**(0.60)**		**(0.15)**	**(0.39)**		**(0.76)**
EBITDA:						
Operating Profit (Loss)	**43.4**	**5.3**	**48.7**	**(189.1)**	**31.7**	**(157.4)**
D&A	14.7	-	14.7	10.9	-	10.9
EBITDA	**58.2**	**5.3**	**63.5**	**(178.2)**	**31.7**	**(146.5)**

H1 2024 Adjustment Entries

Cost of Product Revenue	– $0.5m charge related to long-term incentive plan
R&D	– $1.4m charge related to long-term incentive plan (non-cash) – ($0.6m) IP litigation costs attributable to programs - reclassified from G&A
G&A	– $3.3m charge related to long-term incentive plan (non-cash) – $0.6m IP litigation costs attributable to programs - reclassified to R&D
Impairment loss on inv. in JV	– $1.8m from sales of China JV
Finance Income	– ($79.1m) fair value adjustment on derivatives (non-cash)
Finance Costs	– $130.4m fair value adjustment on derivatives (non-cash) – $63.1m loss on remeasurement of bonds (non-cash)
Exchange Rate Differences	– ($7.7m) impact of exchange rate fluctuations (non-cash)
Income Tax	– $0.5m tax impact of discrete adj. in jurisdictions where tax benefits are available

H1 2023 Adjustment Entries

Cost of Product Revenue	– $1.8m charge related to long-term incentive plan (non-cash) – $0.3m impairment and loss on sale of fixed asset
R&D	– $18.5m of one-time, Biosana accounts receivables reserve pertaining to the termination of AVT-23 (non-cash) – $2.6m charge related to long-term incentive plan (non-cash) – ($1.3m) 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 – $1.3m IP litigation costs attributable to programs - reclassified to R&D – $7.5m charge related to long-term incentive plan (non-cash)
Finance Income	– ($119.5m) fair value adjustment on derivatives (non-cash)
Finance Cost	– $5.9m fair value adjustment on derivatives (non-cash)
Exchange Rate Differences	– $3.1m impact of exchange rate fluctuations (non-cash)
Income Tax	– ($4.5m) tax impact of discrete adjustments in jurisdictions where tax benefits are available

Capital Structure as of June 30, 2024

Common Shares Outstanding as of 30 June 2024 (in millions)	**279.4**
Issued shares (from convertible bonds)[1]	22.1
Pro Forma Common Shares Outstanding as of 1 July 2024 (in millions)	**301.5**
Potential future dilution:	
OACB Private Warrants [2]	*0.7*
OACB Public Warrants	*5.3*
RSUs	*2.7*
Senior Bond Warrants	*0.2*
TOTAL POTENTIAL FUTURE DILUTION	*8.9*

[1] On 26 June 2024, the Company announced that all holders of the Tranche A and some holders of the Tranche B of the 2022 Convertible Bonds exercised their right to conversion into ordinary shares at the fixed conversion price of $10.00 per share on the last scheduled conversion date prior to maturity, which is 1 July 2024. Based on the current exchange rate, a total of approximately 22.1 million new shares were issued on 1 July 2024, corresponding to approximately $221.1 million of aggregate value of these bonds with accrued interest.

[2] Using the Company's average stock price of $13.52 and calculated in accordance with the Warrant Agreement dated September 21, 2020.

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Thank you

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Additional information

investors.alvotech.com

alvotech.com

alvotech.is

alvotech.ir@alvotech.com