UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 20-F

(Mark One)

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR 12(g) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended 31 December 2025
OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☐ **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of event requiring this shell company report

Commission File Number: 001-41421

ALVOTECH

(Exact name of Registrant as specified in its charter)

Not applicable	**Grand Duchy of Luxembourg**
(Translation of Registrant's name into English)	**(Jurisdiction of incorporation or organization)**

9, Rue de Bitbourg,
L-1273 Luxembourg,
Grand Duchy of Luxembourg
(Address of principal executive offices)

Robert Wessman
Sæmundargata 15-19, 102
Reykjavík, Iceland
+354 422 4500
(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Ordinary Shares	**ALVO**	**Nasdaq Stock Market LLC**
Warrants	**ALVOW**	**Nasdaq Stock Market LLC**

Securities registered or to be registered pursuant to Section 12(g) of the Act: None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: None

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Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual company report: **312,021,375 Ordinary Shares** and **9,943,434 Warrants to purchase Ordinary Shares**.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. Yes ☐ No ☒

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 (§232.405 of this chapter) 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, or an emerging growth company. See definition of "large accelerated filer," "accelerated filer," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	☒	Accelerated filer	☐	Non-accelerated filer	☐
				Emerging growth company	☐

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected 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. ☐

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

US GAAP ☐	International Financial Reporting Standards as issued by the International Accounting Standards Board®	☒	Other ☐

If "Other" has been checked in response to the previous question indicate by check mark which financial statement item the registrant has elected to follow. Item17 ☐ Item18 ☐

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

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GENERAL INFORMATION

Unless context otherwise requires, all references in this Annual Report on Form 20-F ("Annual Report") to "Alvotech," the "Company," "we," "us" and "our" refer to Alvotech and, where appropriate, its consolidated subsidiaries.

This Annual Report includes trademarks, tradenames and service marks, certain of which belong to us and others that are the property of other organizations. Solely for convenience, trademarks, tradenames and service marks referred to in this Annual Report appear without the ®, ™ and SM symbols, but the absence of those symbols is not intended to indicate, in any way, that we will not assert our rights or that the applicable owner will not assert its rights to these trademarks, tradenames and service marks to the fullest extent under applicable law. We do not intend our use or display of other parties' trademarks, trade names or service marks to imply, and such use or display should not be construed to imply, a relationship with, or endorsement or sponsorship of us by, these other parties.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 20-F (including information incorporated by reference herein, the "Annual Report") contains or may contain forward-looking statements as defined in Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), that involve significant risks and uncertainties. All statements other than statements of historical facts are forward-looking statements. These forward-looking statements include information about our possible or assumed future results of operations or our performance. Words such as "may," "might," "will," "could," "would," "should," "expects," "intends," "plans," "believes," "anticipates," "estimates," "potential," "continue," "ongoing," "targets", "possible," "project," and "predict" and variations of such words and similar expressions are intended to identify the forward-looking statements. Unless otherwise stated or unless the context otherwise requires, references to "Alvotech" or the "Company" are to the registrant named "Alvotech", previously known as Alvotech Lux Holdings S.A.S. and its subsidiaries after the consummation of the business combination between Alvotech Holdings S.A., Oaktree Acquisition Corp. II and Alvotech (the "Business Combination"), whereas references to "Alvotech Holdings" are to Alvotech Holdings S.A. and its subsidiaries prior to the consummation of the Business Combination (the "Closing") on 15 June 2022 (the "Closing Date"). Forward-looking statements in this Annual Report may include, for example, statements about:

- Development and projections relating to our competitors and industry, including the estimated growth of the industry;
- The timing of, and our ability to obtain and maintain regulatory approval for our product candidates of the U.S. Food and Drug Administration (the "FDA"), the European Medicines Agency ("EMA"), the Medicines and Healthcare products Regulatory Agency ("MHRA"), European Commission and comparable national or regional authorities;
- The timing of the announcement of clinical study results, the commencement of patient studies, regulatory applications, approvals and market launches;
- Our expectations regarding regulatory review and interactions, including the timing and results of the facility inspection by the FDA or other foreign regulatory authorities;
- The timing of our ability to address the deficiencies identified in the Complete Response Letters ("CRLs") on our Biologics License Applications ("BLAs") for AVT03, AVT05, and AVT06 we received from the FDA;
- The commercialization of our products and product candidates, if approved for commercial use;
- Our financial performance;
- The implementation of our business model and changes in our strategy, future operations, financial position, estimated revenues and losses, projected costs, prospects and plans;
- Our strategic advantages and the impact those advantages will have on future financial and operational results;
- Our expansion plans and opportunities;
- Our ability to grow our business in a cost-effective manner;
- The implementation, market acceptance and success of our business model;
- Developments and projections relating to our competitors and industry, including the estimated growth of the industry;

- Our approach and goals with respect to technology;
- Our expectations regarding our ability to obtain and maintain intellectual property protection and not infringe on the rights of others;
- Changes in applicable laws or regulations;
- Our expectations with respect to ongoing and potential litigation and regulatory proceedings;
- Our ability to maintain the listing of our ordinary shares, with a nominal value of $0.01 per share, or warrants (the "Warrants") on The Nasdaq Stock Market LLC ("Nasdaq"), the Nasdaq Main Market in Iceland ("Nasdaq Iceland Main Market") and our Swedish Depositary Shares ("SDRs") on the Nasdaq Stockholm Market;
- Our ability to comply with all applicable laws and regulations;
- Our ability to successfully launch our products in certain markets after obtaining regulatory approval for such market;
- Our estimates of expenses and profitability;
- Our ability to raise additional adequate funds through equity or debt financing;
- Our ability to identify and successfully develop new product candidates;
- Our relationship with third party providers for clinical and non-clinical studies, supplies, and manufacturing of our products;
- Our ability to manage our manufacturing risks;
- The impact of worsening or unpredictable macroeconomic conditions, including rising inflation, interest rates and cost of energy, and general market conditions, global geopolitical tension, including regions affected by Russia's invasion of Ukraine and conflicts in the Middle East, or public health emergencies, on the business, financial position, strategy and anticipated milestones;
- Our relationship with third-party partners for the commercialization of our product candidates; and
- Our ability to attract and hire qualified personnel.

You should refer to the section titled "*Item 3.D Risk Factors*" for a discussion of important factors that may cause our actual results to differ materially from those expressed or implied by our forward-looking statements. As a result of these factors, we cannot assure you that the forward-looking statements in this Annual Report will prove to be accurate. Furthermore, if our forward-looking statements prove to be inaccurate, the inaccuracy may be material. In light of the significant uncertainties in these forward-looking statements, you should not regard these statements as a representation or warranty by us or any other person that we will achieve our objectives and plans in any specified time frame, or at all. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. You should, therefore, not rely on these forward-looking statements as representing our views as of any date subsequent to the date of this Annual Report.

You should read this Annual Report and the documents that we reference in this Annual Report and have filed as exhibits to this Annual Report completely and with the understanding that our actual future results may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements.

This Annual Report contains market data and industry forecasts that were obtained from industry publications. These data involve a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. We have not independently verified any third-party information. While we believe the market position, market opportunity and market size information included in this Annual Report is generally reliable, such information is inherently imprecise.

PART I

Item 1. Identity of Directors, Senior Management and Advisers.

Not applicable.

Item 2. Offer Statistics and Expected Timetable.

Not applicable.

Item 3. Key Information.

A. [Reserved]

B. Capitalization and indebtedness.

Not applicable.

C. Reasons for the offer and use of proceeds.

Not applicable.

D. Risk factors.

An investment in our securities carries a significant degree of risk. In addition to the other information contained in this Annual Report on Form 20-F, including the matters addressed under the heading "Forward-Looking Statements," you should carefully consider the following risk factors in deciding whether to invest in our securities. The occurrence of one or more of the events or circumstances described in these risk factors, alone or in combination with other events or circumstances, may have a material adverse effect relating to our business, financial condition, and results of operations and future prospects, in which event the market price of our securities could decline, and you could lose part or all of your investment. Additional risks and uncertainties of which we are not presently aware or that we currently deem immaterial could also affect our business operations and financial condition.

Summary Risk Factors

Our business is subject to a number of risks and uncertainties. If any of the following risks are realized, our business, financial condition and results of operations could be materially and adversely affected. You should carefully review and consider the full discussion of our risk factors in this section titled "*Risk Factors*" in Part I, Item 3.D. of this Annual Report. Set forth below is a summary list of the principal risk factors as of the date of the filing of this Annual Report:

- We have incurred significant losses since inception and anticipate that we may continue to incur losses over the next several years and may never maintain profitability.
- We have substantial indebtedness and expect to continue to use leverage in executing our business strategy, which could have important consequences on our business and adversely affect the return on our assets.
- We may need to raise additional funding. This additional funding may cause dilution to our existing shareholders, restrict our operations or cause us to relinquish valuable rights, or may not be available on acceptable terms or at all. Failure to obtain such necessary capital when needed may force us to delay, limit or terminate our product development efforts or other operations.
- The regulatory review and approval processes of the FDA, the EMA, the MHRA, and European Commission and comparable national or regional authorities are lengthy, time consuming and have uncertain outcomes. If we and our collaboration partners are unable to obtain regulatory approval for our product candidates, our business will be substantially harmed. We cannot give any assurance that marketing authorization applications for any of our product candidates will receive regulatory approval, which is necessary before they can be commercialized.
- We received Complete Response Letters from the FDA on our BLAs for AVT03, AVT05, and AVT06, and if our resubmission of our BLAs for AVT03, AVT05, and AVT06 is not approved in accordance with our expected timeframe, our business could be materially and adversely affected.

- Our product candidates may cause unexpected side effects or have other properties that could delay or prevent their regulatory approval, limit the commercial profile of an approved label or result in significant negative consequences following regulatory approval, if granted.
- Our commercial products will remain subject to continuous subsequent regulatory obligations and scrutiny.
- We rely on third parties to conduct part of our nonclinical and clinical studies and perform other tasks. If these third parties do not successfully carry out their contractual duties, meet expected deadlines or comply with regulatory requirements, we may not be able to obtain regulatory approval for or commercialize our product candidates and our business could be substantially harmed.
- We are subject to a multitude of risks related to manufacturing. Any adverse developments affecting the manufacturing operations of our biosimilar products could substantially increase costs and limit supply.
- Our biosimilar product candidates, if approved, will face significant competition from the reference products, other biosimilars, and from other medicinal products approved for the same indication(s) as the reference products. Our failure to effectively compete may prevent us from achieving significant market penetration and expansion.
- We are dependent on our partners for the commercialization of our biosimilars and biosimilar candidates in certain major markets, and their failure to commercialize in those markets could have a material adverse effect on our revenue, business, and operating results.
- If we or one of our partners infringes or is alleged to infringe the intellectual property rights of third parties, our business could be harmed. Avoiding and defending against infringement claims could be expensive and time consuming, which may in turn prevent or delay our development and commercialization efforts.
- We have identified material weaknesses in our internal control over financial reporting. If we are unable to remediate these material weaknesses, or if we experience additional material weaknesses in the future or otherwise are unable to develop and maintain an effective system of internal controls in the future, we may not be able to produce timely and accurate financial statements or comply with applicable laws and regulations, which may adversely affect investor confidence in us and, as a result, the value of ordinary shares.
- Measures to contain healthcare costs, including the U.S. Inflation Reduction Act, may reduce the addressable market for our products, affect the prices that our commercial partners are able to obtain and have a material adverse effect on our business and results of operations.

Risks Related to Our Financial Position and Need for Capital

We have incurred significant losses since inception and anticipate that we may continue to incur losses for the immediate future.

While we are a commercial-stage biotechnology company, we have incurred net losses in each year since our inception until the year ended 31 December 2025. Prior to 2025, we incurred recurring losses since our inception, including net loss of $231.9 million, and $551.7 million for the years ended 31 December 2024, and 2023, respectively. For the year ended 31 December 2025, we reported a net profit of $27.9 million, and we had an accumulated deficit of $2,409.8 million as of 31 December 2025.

We have devoted substantially all of our financial resources to identify and develop our product candidates, including conducting, among other things, analytical characterization, process development and manufacture, formulation and clinical studies and providing general and administrative support for these operations. To date, we have financed our operations primarily through the sale of equity securities, debt financing and the issuance of bond instruments (convertible and non-convertible), as well as through revenue from product sales and milestone payments received under certain license and development agreements. The amount of our future net losses will depend, in part, on the rate of our future expenditures, the amount of our product revenue, terms of current and potential debt financings or received milestone payments and strategic collaborations. Biopharmaceutical product development is a highly speculative undertaking and involves a substantial degree of risk.

We expect to continue to incur significant expenses, which could lead to increasing operating losses for the immediate future. We anticipate that our expenses will increase substantially if and as we:

- prepare for and support commercial launch of our products which have received approval;
- continue our analytical, nonclinical and clinical development of our product candidates;

- expand the scope of our current clinical studies for our product candidates;
- advance our programs into more expensive clinical studies;
- initiate additional analytical, nonclinical, clinical or other studies for our product candidates;
- change or add contract manufacturers, clinical research service providers, testing laboratories, device suppliers, legal service providers or other vendors or suppliers;
- establish a sales and marketing infrastructure;
- seek to identify, assess, acquire and/or develop other biosimilar product candidates or products that may be complementary to our products;
- make upfront, milestone, royalty or other payments under any license agreements;
- seek to create, maintain, protect, expand and enforce our intellectual property portfolio;
- engage legal counsel and technical experts to help evaluate and avoid infringing any valid and enforceable intellectual property rights of third parties;
- engage in litigation, including patent litigation with reference product companies or others that may hold patents allegedly infringed by us;
- seek to attract and retain skilled personnel;
- create additional infrastructure to support our operations; and
- experience any delays or encounters issues with any of the above, including but not limited to failed studies, conflicting results, safety issues, supply chain issues, and other delays, whether or not due to public health emergencies, litigation or regulatory challenges that may require longer follow-up of existing studies, additional major studies or additional supportive studies in order to obtain regulatory approval.

Further, our financial results may fluctuate significantly from quarter-to-quarter and year-to-year such that a period-to-period comparison of our results of operations may not be a good indication of our future performance quarter-to-quarter and year-to-year due to factors including the timing of clinical studies, any litigation that we may file or that may be filed against us, the execution of collaboration, licensing or other agreements, and the timing of any payments we make or receive thereunder.

We may never sustain profitability due to the significant risks and uncertainties inherent in developing, obtaining approval for, and commercializing our products and product candidates.

Because of the numerous risks and uncertainties associated with drug development, we are unable to accurately predict the timing or amount of revenue and expenses or when, or if, we will be able to achieve sustainable profitability. There can be no guarantee that we will receive regulatory approval for our product candidates in any country.

Our ability to continue to generate revenue and achieve sustainable profitability will continue to depend on our ability and that of our strategic collaboration partners, to successfully commercialize our first approved biosimilars, AVT02 and AVT04 in the United States, European Economic Area ("EEA"), Canada, UK and Japan (AVT04 only), and our newly approved biosimilars AVT03, AVT05, and AVT06 in the EEA, UK and Japan, to complete the research and development of our other product candidates, and obtain the regulatory approvals necessary to commercialize such biosimilar candidates.

We cannot predict if and when we will begin generating substantial product revenue from jurisdictions where our biosimilar is approved or from one or more additional biosimilar candidates, as this depends heavily on our success in many areas, including but not limited to:

- launching and commercializing product candidates for which we obtain regulatory approval, either directly or with collaboration partners or distributors;
- obtaining adequate third-party payor coverage and reimbursements for our approved products;
- obtaining market acceptance of biosimilar pharmaceuticals as viable treatment options;
- addressing any competing technological and market developments, including the development of new formulations of the originator biologic or new biologics which can be used to treat the indications for approved biosimilars or biosimilar candidates;
- completing analytical, nonclinical and clinical development of our product candidates;

- developing and testing of our product formulations;
- successfully executing our strategy regarding intellectual property claims made by reference product companies, or reaching adequate settlements with the reference product companies related for market entry;
- obtaining and retaining regulatory approvals for product candidates for which we complete clinical studies;
- developing a sustainable and scalable manufacturing process for any approved product candidates that is compliant with regulatory manufacturing requirements;
- maintain approvals from regulators to manufacture and produce our existing products or product candidates;
- establishing and maintaining supply and manufacturing relationships with third parties that can conduct the process and provide adequate (in amount and quality) products to support clinical development and the market demand for our product candidates, if approved;
- identifying, assessing and developing (or acquiring/in-licensing) new product candidates;
- negotiating favorable or commercially reasonable terms in any collaboration, licensing or other arrangements into which we may enter;
- maintaining, protecting and expanding our portfolio of intellectual property rights, including patents, trade secrets and know-how;
- attracting, hiring and retaining qualified personnel; and
- the result of potential litigation including patent litigation with reference product companies or others that may allege infringement by us.

We have received marketing authorization for AVT02 and AVT04 in over 30 countries. As of 31 December 2025, we have also received marketing authorization for AVT03, AVT05, and AVT06 in Japan, the UK and EEA.

Our annual operating expenses may increase over the next several years as we incur additional commercialization expenses and continue our research and development expenses. Although we receive revenue from commercial product sales, we may incur substantial operating losses for the foreseeable future as we execute our operating plan.

In addition, our revenue includes provision for a variety of sales deductions such as prompt pay discounts, shelf stock adjustments and applicable sales deductions attributable to various commercial arrangements, managed healthcare organizations, government programs, and co-pay arrangement. Provisions for sales deductions attributed to commercial arrangements are recognized when the related sales take place and measured using the expected value method. Provisions for unsettled sales deductions and product returns are estimated on the basis of a percentage of sales as defined by individual agreements and contracts, and for government rebates by individual state- and plan agreements. Further inputs to the calculations are based on payer channel mix, current contract prices under eligible programs and current inventory levels in the distribution channels. Inputs to the calculations are subject to estimation and assumptions and are based on historical experience and other factors that are relevant, and which are available at the reporting date. These estimates and assumptions are subject to material uncertainties and could result in outcomes that require a material adjustment in future periods.

Even if product candidates that we develop are approved for commercial sale, we may incur significant costs in order to manufacture and commercialize any such product. Our expenses could increase beyond our expectations if we are required by the FDA, the MHRA, the European Commission, the European Medicines Agency (the "EMA"), other comparable foreign regulatory authorities, or by any unfavorable outcomes in intellectual property litigation filed against us, to change our manufacturing processes or assays or to perform clinical, nonclinical, analytical or other types of studies in addition to those that we currently anticipate. In cases where we are successful in obtaining regulatory approvals to market one or more of our product candidates (such as the approvals we have obtained for AVT02 and AVT04), our revenue will be dependent, in part, upon the size of the markets in the territories for which regulatory approval is granted, the accepted price for the product, the availability of competing products, the ability to get reimbursement for our products at any price and the extent of our royalty rights for that territory. If the number of patients suitable for our products or product candidates is not as significant as we estimate, the indication approved by regulatory authorities is narrower than we expect or the reasonably accepted population for treatment is narrowed by competition, physician choice, treatment guidelines or third-party payor restrictions, we may not generate significant revenue from the sale of such products or product candidates, even if approved. Limitations on our ability to generate revenue from commercial product sales or pursuant to up-front or milestone payments and royalties from collaboration partners would likely depress our market value and could impair our ability to raise capital, expand our business, discover or develop other products and product candidates or continue our operations.

If the market for our product candidates (or its share of that market) is not as significant as we expect, the regulatory approval is narrower in scope than we expect (e.g., for a narrow indication or set of indications) or the reasonably accepted population for treatment is narrowed by competition, physician´s choice or treatment guidelines, we may not generate significant revenue from sales of such products, even if approved. If we are unable to successfully complete development and obtain regulatory approval for our product candidates in significant markets, or if our market entry is delayed, for example because of issues related to facility inspections of our own facilities or those of our subcontractors, our business may suffer. Additionally, if we are not able to generate substantial revenue from the sale of any approved products or the costs necessary to generate revenues increase significantly, we may never become profitable.

Possible future losses would have an adverse effect on our shareholders' equity. Further, the net losses or net income we incur may fluctuate significantly from quarter to quarter and year to year, such that a period-to-period comparison of our results of operations may not be a reliable indication of our future performance.

We may need to raise additional funding. This additional funding may cause dilution to our existing shareholders, restrict our operations or cause us to relinquish valuable rights, or may not be available on acceptable terms or at all. Failure to obtain such necessary capital when needed may force us to delay, limit or terminate our product development efforts or other operations.

Since our inception, most of our resources have been dedicated to our research and development and commercialization activities. Developing our product candidates is expensive, and we expect our research and development expenses to increase substantially in connection with our ongoing activities, particularly as we advance our product candidates through clinical studies.

With cash and cash equivalents of $172.4 million as of 31 December 2025 and based on our current operating plan, management has determined that although there is an uncertainty, this uncertainty does not represent a material uncertainty and does not give rise to significant doubt over our ability to continue as a going concern. The audited consolidated financial statements appearing elsewhere in this Annual Report have been prepared on a going concern basis without adjustments that might result from the outcome of this uncertainty and the report of our independent registered public accounting firm thereon includes an explanatory paragraph to that effect.

We may require additional funding to obtain regulatory approval for, and to successfully commercialize, our product candidates. In addition, our operating plans may change as a result of many factors that are currently unknown to us, and we may need to seek additional funding sooner than planned. Our future funding requirements will depend on many factors, including but not limited to:

- the scope, rate of progress, results and cost of our analytical studies, clinical studies, nonclinical testing and other related activities;
- the cost of manufacturing clinical supplies and establishing commercial supplies, of our product candidates and any products that we may develop;
- the number and characteristics of product candidates that we pursue;
- the cost, timing and outcomes of regulatory approvals;
- the cost and timing of establishing sales, marketing and distribution capabilities and launching our products that have received regulatory approval;
- the terms and timing of any collaborative, licensing and other arrangements that we may establish, including any milestone and royalty payments thereunder;
- the cost, timing and outcomes of any litigation that we may file or that may be filed against us by third parties; and
- the product revenue, if any, derived from our sales of approved products.

Any additional fundraising efforts may divert our management from their day-to-day activities, which may adversely affect our ability to develop and commercialize our product candidates. In addition, we cannot guarantee that future financing will be available in sufficient amounts or on terms acceptable to us, if at all. Moreover, the terms of any financing may adversely affect the holdings or the rights of our shareholders, and the issuance of additional securities, whether equity or debt, by us or the possibility of such issuance may cause the market price of our shares to decline. The sale of additional equity or convertible securities would dilute the share ownership of our existing shareholders. The incurrence of indebtedness could result in increased fixed payment obligations, and we may be required to agree to certain restrictive covenants, such as limitations on our ability to incur additional debt, limitations on our ability to acquire, sell or

license intellectual property rights and other operating restrictions that could adversely impact our ability to conduct our business. We could also be required to seek funds through arrangements with collaborative partners or otherwise at an earlier stage than otherwise would be desirable and to relinquish rights to some of our technologies or product candidates or otherwise agree to terms unfavorable to us, any of which may have a material adverse effect on our business, operating results and prospects. Even if we believe we have sufficient funds for our current or future operating plans, we may seek additional capital if market conditions are favorable or for specific strategic considerations. If we seek additional financing to fund our business activities in the future and there remains doubt about our ability to continue as a going concern, investors or other financing sources may be unwilling to provide additional funding to us on commercially reasonable terms or at all. In addition, the perception that we may not be able to continue as a going concern may cause others to choose not to deal with us due to concerns about our ability to meet our contractual obligations.

If we are unable to obtain sufficient funding on a timely basis and on acceptable terms and continue as a going concern, we may be required to significantly curtail, delay or discontinue one or more of our research or development programs or the commercialization of any product candidates or to otherwise reduce or discontinue our operations. In general, we may be unable to expand our operations or otherwise capitalize on business opportunities, and defend against and prosecute litigation necessary to commercialize our product candidates as desired, which could materially affect our business, financial condition and results of operations. If we are ultimately unable to continue as a going concern, we may have to seek the protection of bankruptcy laws or liquidate our assets and may receive less than the value at which those assets are carried on our audited financial statements, and it is likely that our security holders will lose all or a part of their investment.

We may be unable to generate sufficient cash flow to satisfy our significant debt service obligations, which would adversely affect our financial condition and results of operations.

Our ability to make principal and interest payments on and to refinance our indebtedness will depend on our ability to generate cash in the future. This, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that may be beyond our control. If our business does not generate sufficient cash flow, if currently anticipated costs and revenues are not realized on schedule, in the amounts projected or at all, or if future borrowings are not available to us in amounts sufficient to enable us to pay our indebtedness or to fund our other liquidity needs, our financial condition and results of operations may be adversely affected. Furthermore, our debt obligations are secured by substantially all of our intellectual property. For example, in June 2024, we entered into a secured term loan credit agreement (the “Secured Loan Facility”), as amended, for term loan commitments in an aggregate principal amount of $965.0 million, bearing an interest rate of Secured Overnight Financing Rate ("SOFR") plus 6.0% per annum. In December 2025, we amended the Secured Loan Facility and entered into an additional $100 million senior secured term loan facility (the "Senior Term Loan Facility") bearing a fixed cash interest rate of 12.50% per annum and requiring a full bullet repayment at maturity on 31 December 2027. Such borrowing accelerates our near-term refinancing needs. Because the facility is interest-only and must be repaid in a single lump sum, our ability to satisfy these obligations will depend on our liquidity and capital markets access within a compressed timeframe. Also in December 2025, we issued $108 million of senior unsecured convertible bonds (the "2025 Convertible Bonds") due 2030 at a 6.875% fixed coupon. These bonds contain an embedded conversion derivative that is remeasured at fair value through profit or loss, which may create earnings volatility, and include bondholder puts upon certain “Relevant Events” (e.g., change of control, specified free-float or listing triggers) that could require cash redemption at par plus accrued interest.

If our operating cash flows, proceeds from collaborations, or financing activities are insufficient, we may be forced to refinance our indebtedness in adverse market conditions, seek additional capital on unfavorable terms, or pursue asset sale. If we cannot service our debt payments, the lenders may take possession, sell, exchange, license or otherwise dispose of our intellectual property, which we have pledged as collateral for the loan. If we cannot generate sufficient cash flow to make scheduled principal and interest payments on our debt obligations in the future, we may need to refinance all or a portion of our indebtedness on or before maturity, sell assets, delay capital expenditures or seek additional equity. If we are unable to refinance any of our indebtedness on commercially reasonable terms or at all or to effect any other action relating to our indebtedness on satisfactory terms or at all, we may be forced to reduce or discontinue operations or seek protection of the bankruptcy laws, our business may be harmed and our security holders may lose some or all of their investment.

We have substantial indebtedness and expect to continue to use leverage in executing our business strategy, which could have important consequences on our business and adversely affect the return on our assets.

As of 31 December 2025, we had $1,299.1 million in outstanding indebtedness, consisting of $1,031.6 million under the Secured Loan Facility, $96.7 million under the Senior Term Loan Facility, $68.4 million under the 2025 Convertible Bonds, and $102.4 million in bank loans, including the mortgage on our Reykjavik facility and loans to help finance equipment purchases.

In addition, we may incur additional indebtedness in order to finance our operations, make acquisitions or to repay existing indebtedness. Our board of directors will consider a number of factors when evaluating our level of indebtedness and when making decisions regarding the incurrence of new indebtedness, including the purchase price of assets to be acquired with debt financing, the estimated market value of our assets and the ability of particular assets, and our ability as a whole, to generate cash flow to cover the expected debt service. Our articles of incorporation do not contain a limitation on the amount of debt we may incur, and the board of directors may change our target debt levels at any time without the approval of shareholders.

This substantial indebtedness, as well as any future indebtedness we may incur, could have important consequences for our business and holders of our securities, including:

- making it more difficult for us to satisfy our obligations with respect to our debt or to our trade or other creditors;
- causing us to pay higher interest rates upon refinancing indebtedness if interest rates rise;
- increasing our vulnerability to adverse economic or industry conditions;
- limiting our ability to obtain additional financing to fund capital expenditures and acquisitions, particularly when the availability of financing in the capital markets is limited;
- requiring a substantial portion of our cash flows from operations for the payment of interest on our debt and reducing our ability to use our cash flows to fund working capital, capital expenditures, acquisitions, stock repurchases, and general corporate requirements;
- limiting our flexibility in planning for, or reacting to, changes in our business and the pharmaceutical industry; and
- placing us at a competitive disadvantage to less leveraged competitors.

We cannot be certain that our business will generate sufficient cash flow from operations or that future borrowings will be available to us through capital markets financings or under our debt or credit facilities or otherwise in an amount sufficient to enable us to pay our indebtedness, or to fund our other liquidity needs. If we cannot service our debt, we may have to take actions such as selling assets, seeking additional debt or equity or reducing or delaying capital expenditures, strategic acquisitions, investments and alliances. We cannot assure you that any such actions, if necessary, could be effected on commercially reasonable terms, or at all, or on terms that would be advantageous to our security holders or on terms that would not require us to breach the terms and conditions of our existing or future debt agreements.

Covenants under our existing debt instruments, and any future debt arrangements may result in the acceleration of outstanding indebtedness and limit the manner in which we operate.

Our Secured Loan Facility contains customary terms and covenants, as well as customary events of default, including but not limited to defaults related to payment compliance, undertaking and covenant compliance, bankruptcy and insolvency proceedings, judgments against the Company, and delisting events.

In addition, the Secured Loan Facility contains, and any future indebtedness we incur may contain, various negative covenants that restrict or may restrict, among other things, our ability to:

- incur additional indebtedness, guarantee indebtedness or issue disqualified shares or preferred shares;
- declare or pay dividends on, repurchase or make distributions in respect of, capital stock or make other restricted payments;
- make certain investments or acquisitions;
- create certain liens;
- enter into agreements restricting certain subsidiaries' ability to pay dividends or make other intercompany transfers;
- consolidate, merge, sell or otherwise dispose of all or substantially all of our assets and the assets of our restricted subsidiaries;
- enter into certain transactions with affiliates;
- sell, transfer or otherwise convey certain assets; and

- conduct our business and may be unable to engage in favorable business activities, repurchase our ordinary shares or finance future operations or capital needs.

The Secured Loan Facility also includes mandatory repayment provisions, requiring us to use certain excess cash flows and specified transaction proceeds to prepay outstanding amounts, and it imposes ongoing performance-based requirements delivered with our compliance certificates. Failure to meet these obligations or financial thresholds could result in mandatory prepayments, restrictions on our operations, or acceleration of the facility. The Secured Loan Facility is secured by first-priority liens and failure to comply with ongoing requirements could trigger defaults. Our 2025 Convertible Bonds include bondholder puts upon certain Relevant Events (e.g., change of control, free float and listing triggers as defined in the agreement) and issuer call and cleanup rights, which could lead to early redemption at par plus accrued interest if exercised or triggered.

Our ability to make scheduled payments of the principal of, to pay interest on or to refinance our indebtedness depends on our future performance, which is subject to economic, financial, competitive and other factors beyond our control. Our business may not generate cash flow from operations in the future sufficient to service our debt and make necessary capital expenditures. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as selling assets, restructuring debt or obtaining additional equity capital on terms that may be onerous or highly dilutive. If we are unable to make our installment payments in cash, we may be forced to issue a significant number of ordinary shares which could dilute existing shareholders. Our ability to refinance our indebtedness will depend on the capital markets and our financial condition at such time. We may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on our debt obligations.

Our operating and financial results are subject to concentration risk.

Our operational and financial results are subject to concentration risk. Our success will depend significantly on the development of a limited number of product candidates, their regulatory approval in a limited number of jurisdictions and their commercialization by a limited number of commercial partners. Even if we are successful in developing and commercializing all of these products, our revenue will be dependent on a limited number of products that would account for a significant majority of our revenues. Unfavorable changes or the non-occurrence of certain anticipated events with respect to any of these limited number of products, jurisdictions or commercial partners may disproportionally affect our global results. As of 31 December 2025, we have only generated product revenue through sales of AVT02 in the United States, Canada, Australia and select European markets through certain commercialization partners, and through sales of AVT04 in the United States, Canada, Japan and select European markets. In the last quarter of 2025 we also generated revenues from shipments of our newly approved biosimilars, AVT03, AVT05, and AVT06 in anticipation of launches in select markets where these products have been approved. See also "*—We are dependent on our partners for the commercialization of our biosimilars and biosimilar candidates in certain major markets. Disagreements with our partners, for example about pricing, or failure of our partners to commercialize our approved products could have a material adverse effect on our revenue, business and operating results*."

Risks Related to the Advancement and Approval of Our Product Candidates

We received Complete Response Letters from the FDA on our Biologics License Applications for AVT03, AVT05, and AVT06, and if our resubmission of our BLAs for AVT03, AVT05, and AVT06 is not approved in accordance with our expected timeframe, our business could be materially and adversely affected.

In January 2025, the FDA accepted our BLA for AVT05 as a proposed biosimilar to Simponi / Simponi Aria (golimumab) for the treatment of patients with inflammatory conditions, including rheumatoid arthritis, psoriatic arthritis, ankylosing spondylitis, and ulcerative colitis.

In February 2025, the FDA accepted our BLA for AVT06 as a proposed biosimilar to Eylea (aflibercept) for the treatment of patients with neovascular (wet) age-related macular degeneration (AMD), macular edema, and diabetic retinopathy.

In March 2025, the FDA accepted our BLA for AVT03 as a proposed biosimilar to Prolia (denosumab) for the treatment of osteoporosis in women after menopause who are at high risk for bone fracture and Xgeva (denosumab) a prescription biologic medicine used to prevent fracture, spinal cord compression, or the need for radiation or surgery to bone in patients with multiple myeloma and in patients with bone metastases from solid tumors.

In October 2025, November 2025 and December 2025, we received CRLs from the FDA regarding, respectively, the BLAs for AVT05, AVT06, and AVT03. The CRLs all stated that the FDA had identified deficiencies related to our Reykjavik manufacturing facility following the FDA's pre-license inspection in July 2025, which must be satisfactorily resolved before these BLAs may be approved. The FDA did not identify any other deficiencies with the applications. We plan to resolve the outstanding issues and continue to work with the FDA to bring AVT03, AVT05, and AVT06 to market in the United States.

If we are unable to complete resubmissions to the FDA of the BLAs, or are unable to address the deficiencies to the FDA's satisfaction, our ability to commercialize any of the new biosimilars AVT03, AVT05, or AVT06 in the United Sates will be further delayed, which could have a material adverse effect on our business, financial condition, and results of operations and may cause the market price of our securities to decline.

The regulatory review and approval processes of the FDA, the EMA and European Commission and comparable national or regional authorities are lengthy, time consuming and have uncertain outcomes. If we and our collaboration partners are unable to obtain regulatory approval for our product candidates, our business can be substantially harmed. We cannot give any assurance that any of our product candidates will receive regulatory approval, which is necessary before the biosimilars can be commercialized.

The regulatory review and approval processes of the FDA, the European Commission, the EMA, the MHRA and comparable regulatory authorities remain lengthy, resource-intensive and subject to significant scientific and policy discretion. Although the regulatory environment continues to evolve—including major EU and UK reforms implemented or announced in 2025—these changes introduce additional uncertainty regarding the scope, timing and evidentiary requirements for marketing authorization applications. If we or our collaboration partners are unable to obtain or maintain approvals for our product candidates, our business, financial condition and prospects would be materially harmed.

While AVT02 and AVT04 have already received marketing authorizations in several major markets, including the United States, the EEA, UK, and Canada and AVT04 was approved in Canada, by the end of 2025 we also received marketing approvals for three additional biosimilars in 2025. In Japan, our commercialization partner Fuji Pharma obtained marketing approval for AVT03 (denosumab), AVT05 (golimumab), and AVT06 (aflibercept) from the Japanese Ministry of Health, Labour and Welfare. The European Commission and MHRA granted marketing authorizations for AVT06, respectively on 21 August 2025 and 28 August 2025, for all major Eylea (aflibercept) indications, paving the way for commercialization in the EEA and the UK. In addition, for AVT03 on 24 November 2025, as a biosimilar to Prolia and Xgeva across the EEA.

Despite these approvals and positive opinions, significant regulatory risks remain for our programs. Additionally, several of our pipeline candidates—including those for which filings are planned or underway—remain subject to evolving regulatory expectations. The EMA's April 2025 draft Reflection Paper proposed a tailored clinical approach in biosimilar development allowing greater reliance on analytical and pharmacokinetic data in certain biosimilar programs, potentially reducing or eliminating the need for comparative efficacy trials. This draft guidance, along with new EMA procedural requirements introduced in 2025, may materially alter the design, execution and data expectations for our ongoing and future submissions. Until finalized, these evolving frameworks introduce uncertainty around required evidence packages and may necessitate modifications to our clinical plans.

Our product candidates also depend on reliable access to reference biologics for analytical testing and clinical studies; shortages or supply disruptions could cause delays, increase costs or require modifications to study designs.

Marketing applications for our product candidates may be delayed or rejected for numerous reasons, including:

- insufficient analytical, nonclinical or clinical evidence to demonstrate biosimilarity;
- disagreements by regulators regarding study design, implementation or interpretation;
- inability to justify indication extrapolation;
- manufacturing or facility deficiencies identified by regulators;
- competing exclusivity protections; and
- changes in regulatory expectations, guidelines or data requirements.

For example, in the last quarter of 2025, the FDA issued CRLs for our BLAs for AVT03, AVT05, and AVT06. In these letters, the agency identified deficiencies associated with the manufacturing facilities that must be resolved before the

applications may be approved. Even when approvals are granted, regulatory authorities may restrict indications, impose post-approval study obligations, or limit labeling in ways that meaningfully reduce commercial potential.

Regulatory developments in the UK following Brexit also continue to impact our operations. Under the Windsor Framework effective 1 January 2025, Northern Ireland transitioned fully to MHRA oversight, and the UK now operates a unified UK-wide authorization pathway. The MHRA's International Recognition Procedure, effective January 2024, enables reliance on approvals from trusted regulators including the European Commission, FDA and EEA authorities as well as opinions from the EMA. Updated MHRA biosimilar guidance issued in February 2025 and ongoing UK clinical-trial regulatory reforms expected by 2026 may alter timing and evidentiary expectations for UK approval. However, medicinal products tested or released in the UK must still comply with EEA batch-release requirements before they may be marketed in the EEA.

Any delay or failure to obtain regulatory approvals in the U.S., EU, UK, Japan or other jurisdictions—or any loss or restriction of such approvals—would prevent or delay commercialization of our product candidates and adversely affect our ability to generate revenue. Additional duties, regulatory divergence or inconsistent standards among jurisdictions could increase operational complexity and costs. As a result, we may be forced to modify, scale back or delay commercialization plans, any of which could materially harm our business and prospects.

If we are not able to demonstrate biosimilarity of our biosimilar product candidates to the satisfaction of regulatory authorities, we will not obtain regulatory approval for commercialization of our biosimilar product candidates and our future results of operations and ability to generate revenue would be adversely affected.

Our future results of operations depend, to a significant degree, on our ability to obtain regulatory approval for and to commercialize our biosimilar product candidates. Any inability to obtain regulatory approval could impact and delay the development timeline of our product candidates. To obtain regulatory approval for the commercialization of these product candidates, we will be required to demonstrate to regulatory authorities, among other things, that our proposed products are highly similar to biological reference products already approved by the applicable regulatory authority pursuant to approved marketing applications/authorizations, notwithstanding minor differences in clinically inactive components, and that they have no clinically meaningful differences as compared to the marketed biological products in terms of the safety, purity and potency of the products. Each individual jurisdiction may apply different criteria to assess biosimilarity, based on the data that can be interpreted subjectively in some cases.

It is uncertain whether regulatory authorities will grant the reference biosimilar product candidates the same labeling as the labeling approved for the reference product if the reference biosimilar product candidates are approved. For example, an infliximab (Remicade) biosimilar molecule was approved in the EEA with the same label as the reference product, but it did not receive approval initially for the same labeling reference in Canada. A similar outcome could occur with respect to one or more of our product candidates.

In the event that the regulatory authorities require us to generate additional data, including by conducting additional clinical studies or other lengthy processes or otherwise change their criteria and requirements for the approval of biosimilar products, the approval and commercialization of our proposed biosimilar products could be delayed or prevented. Delays in the commercialization of or the inability to obtain regulatory approval for these products could adversely affect our operating results by restricting or significantly delaying the introduction of new biosimilars.

Evolving FDA policies on interchangeability may affect market adoption of our biosimilars.

Evolving U.S. regulatory policies regarding biosimilarity and interchangeability may create uncertainty in commercial uptake of our biosimilar products.

In June 2024, the FDA issued updated draft guidance indicating that switching studies may generally no longer be needed to support a demonstration of interchangeability for biosimilar products, reflecting accumulated scientific evidence and experience with biosimilar switching outcomes. This shift may reduce development uncertainty for biosimilar products. It could also affect the competitive landscape if the distinction between "biosimilar" and an "interchangeable biosimilar" become less meaningful, potentially reducing or eliminating certain competitive or regulatory advantages currently afforded to interchangeable products, including those we market or are developing.

Despite these policy changes, market adoption in the United States continues to depend heavily on payer, pharmacy benefit manager, and pharmacy substitution policies, and on state-level substitution laws, which vary significantly. As these frameworks continue to evolve, we may face unpredictable adoption patterns, require increased investment in stakeholder education, or experience delays in achieving anticipated market penetration for our biosimilars.

The structure of complex proteins used in protein-based therapeutics is inherently variable and highly dependent on the processes and conditions used to manufacture them. If we are unable to develop manufacturing processes that demonstrate that our product candidates are highly similar to their reference products, and within a range of variability considered acceptable by regulatory authorities, we may not be able to obtain regulatory approval for our products.

Protein-based therapeutics are inherently heterogeneous and their structures are highly dependent on the manufacturing process and other conditions. Products from one manufacturing facility can differ from those produced in another facility. Similarly, physicochemical differences can also exist among different lots produced within a single facility. The physicochemical complexity and size of biologic therapeutics can create significant technical and scientific challenges in the context of their replication as biosimilar products.

There are extraordinary technical challenges in developing complex protein-based therapeutics that not only must achieve an acceptable degree of similarity to the reference product in terms of relevant quality attributes, but also the ability to develop manufacturing processes that can replicate the necessary structural characteristics within an acceptable range of variability sufficient to satisfy regulatory authorities.

For example, the manufacturing process of our products may be susceptible to non-ideal product variability without well-characterized and well-controlled master and working cell banks. The quality of the manufactured biologic product is dependent on the quality of the cells used for its manufacturing, and having a sufficient supply of master and working cell banks is important for a consistent manufacturing process. Should our cell banks be compromised, we would be unable to produce usable products for patients in any market.

Given the challenges caused by the inherent variability in protein production, we may not be successful in our application for approval of our products if regulators conclude that we have not demonstrated that our product candidates are highly similar to their reference products, or that the processes we use to manufacture our products are unable to produce the products within an acceptable range of variability (including situations where the reference product sponsor changes its manufacturing process and such changes impact the characteristics of the product).

Additionally, the foregoing factors complicate scaling of our manufacturing capabilities. To the extent that we are unable to scale our manufacturing capabilities to produce sufficient quantities of our products at the required specifications and at an acceptable cost, we may be unable to meet demand for our approved product candidates and our business, financial condition, reputation and results of operations may suffer.

Clinical drug development involves a lengthy and expensive process, and we may encounter substantial delays in our clinical studies or may fail to demonstrate safety, purity and efficacy/potency to the satisfaction of applicable regulatory authorities.

Before obtaining regulatory approval from regulatory authorities for the sale of our product candidates, we (and/or our collaboration partners) must conduct clinical studies to demonstrate the safety, purity, and potency of our biologic product candidates in humans.

Clinical studies are expensive and can take many years to complete, and their outcome is inherently uncertain. Failure can occur at any time during the clinical study process. The results of preclinical studies, including comparative analytical assessments of our product candidates, may not be predictive of the results of clinical studies. The success of clinical studies cannot be predicted.

We cannot guarantee that any clinical studies will be conducted as planned or completed on schedule, if at all. As a result of public health emergencies, and/or the occurrence of unforeseen geopolitical events, and the resulting instability, timelines could be extended. A failure of one or more clinical studies can occur at any stage of testing. Events that may prevent successful or timely completion of clinical development include but are not limited to:

- inability to generate sufficient preclinical, toxicology or other in vivo or in vitro data to support the initiation of human clinical studies;
- delays in reaching a consensus with regulatory authorities on study design;
- delays in reaching agreement on acceptable terms with prospective contract research organizations ("CROs"), and clinical study sites, the terms of which can be subject to extensive negotiation and may vary significantly among different CROs and clinical study sites;
- delays in obtaining required Institutional Review Board ("IRB"), approval or Ethics Committee positive opinion as part of the single decision on the authorization of the clinical trial issued by EU Member States

including input from the national competent authorities and Ethics Committee in relation each clinical study site;

- imposition of a clinical hold by regulatory authorities, after review of an investigational new drug ("IND"), application or amendment or equivalent application or amendment, or an inspection of its clinical study operations or study sites or as a result of adverse events reported during a clinical trial;
- delays in administering studies as a result of adverse events or complaints;
- delays in recruiting suitable or sufficient numbers of patients to participate in its clinical studies sponsored by us or our partners;
- difficulty collaborating with patient groups and investigators;
- failure by CROs, clinical study sites, other third parties or us to adhere to clinical study requirements;
- failure to perform in accordance with the FDA's good clinical practices requirements or applicable regulatory guidelines and good clinical practice requirements in other countries;
- delays in having patients complete participation in a study or return for post-treatment follow-up, or patients dropping out of a study;
- occurrence of adverse events associated with the product candidate that are viewed to outweigh its potential benefits;
- difficulties justifying the scientific relevance of non-U.S. comparators for use in studies intended to support regulatory approval by FDA;
- questions with regard to the scientific justification for extrapolation of findings across indications;
- changes in regulatory requirements or policies that require amending or submitting new clinical protocols;
- the cost of clinical studies of its product candidates being greater than what we anticipate;
- clinical studies of our product candidates producing negative or inconclusive results, which may result in us deciding or regulators requiring us to conduct additional clinical studies or to abandon product development programs;
- delays in manufacturing, testing, releasing, validating or importing/exporting and/or distributing sufficient stable quantities of our product candidates and reference products for use in clinical studies or the inability to do any of the foregoing;
- staffing shortages and limitation on the movement of people as a result of public health emergencies, the Russia-Ukraine conflict, the conflicts in the Middle East, and the resulting instability in the regions, and local, national or international governmental restrictions imposed or enforced as a result of these or other health-related or geopolitical events; and
- delays or interruptions to preclinical studies, clinical studies, our receipt of services from third-party service providers or our supply chain due to public health emergencies or the occurrence of unforeseen geopolitical events such as the Russia-Ukraine conflict and the conflicts in the Middle East, and the resulting instability in these regions, or otherwise.

Any inability to successfully complete analytical, nonclinical, or clinical development could result in additional costs to us or impair our ability to achieve regulatory approval and generate revenue. Even if we are successful, the regulatory approval processes and action dates of the FDA, EMA and the European Commission and comparable foreign regulatory authorities may be delayed or continue to be delayed due to impact of public health emergencies or other emergencies in the world. As a result, we may be delayed in obtaining regulatory approvals for our products.

In addition, if we make manufacturing or formulation changes to our product candidates, we may need to conduct additional studies to bridge our modified product candidates to earlier versions. If we intend to alter the manufacturing process for a particular product candidate, we will need to provide data to the FDA and comparable foreign regulatory authorities demonstrating the comparability of the pre- and post-change product candidate. If we are unable to make that demonstration to the FDA or comparable foreign regulatory authorities, we could face significant delays or fail to obtain regulatory approval to market the product, which could significantly harm our business, prospects and financial condition.

Our product candidates may cause unexpected side effects or have other properties that could delay or prevent their regulatory approval, limit the commercial profile of an approved label or result in significant negative consequences following regulatory approval, if granted.

As with most pharmaceutical products, use of our product candidates could be associated with side effects or adverse events which can vary in severity (from minor reactions to death) and frequency (infrequent or prevalent). Side effects or adverse events associated with the use of our product candidates may be observed at any time, including in clinical studies or when a product is commercialized. Undesirable or unexpected side effects caused by our product candidates that must be reported to the FDA or other regulators could cause us or regulatory authorities to interrupt, delay or halt clinical studies and could result in a more restrictive label or the delay or denial of regulatory approval by the FDA or other comparable foreign regulatory authorities. Results of our studies could reveal a high and unacceptable severity and prevalence of side effects or other safety issues and, if different from the severity and prevalence of side effects for the reference products, could preclude the demonstration of biosimilarity. Such adverse event findings also could require us or our collaboration partners to perform additional studies or halt development or sale of these product candidates or expose us to product liability lawsuits which will harm our business, prospects and financial condition. In such an event, we may be precluded from seeking licensure through the regulatory pathway for biosimilars, or could be required by the FDA or other comparable foreign regulatory authorities to conduct additional animal or human studies regarding the safety and efficacy of our product candidates which we have not planned or anticipated or our studies could be suspended, varied or terminated, and the FDA or comparable foreign regulatory authorities could order us to cease further development of or deny, vary, or withdraw approval of our product candidates for any or all intended indications. There can be no assurance that we will resolve any issues related to any product-related adverse events to the satisfaction of the FDA or any comparable foreign regulatory authority in a timely manner, if ever, which could harm our business, prospects and financial condition.

Drug-related side effects could affect patient recruitment for clinical studies, the ability of enrolled patients to complete our studies or result in potential product liability claims against which we would need to mount a defense. We currently carry product liability insurance, and we are required to maintain clinical trial insurance pursuant to certain of our license agreements. We believe our product liability insurance coverage is sufficient in light of our current clinical programs; however, we may not be able to maintain insurance coverage at a reasonable cost or in sufficient amounts to protect us against losses due to liability. A successful product liability claim or series of claims brought against us could adversely affect the results of our operations and business. In addition, regardless of merit or eventual outcome, product liability claims may result in impairment of our business reputation, withdrawal of clinical study participants, costs due to related litigation, distraction of management's attention from our primary business, initiation of investigations by regulators, substantial monetary awards to patients or other claimants, the inability to commercialize our product candidates and decreased demand for our product candidates, if approved for commercial sale.

Additionally, if one or more of our product candidates receives regulatory approval, and we or others later identify undesirable side effects caused by such products (or caused by the reference products or other biosimilars based on the applicable reference products), a number of potentially significant negative consequences could result, including but not limited to:

- regulatory authorities may suspend, withdraw or vary approvals of such product;
- regulatory authorities may request or require that the product be recalled or removed from the market;
- regulatory authorities may require additional warnings on the label or otherwise require labeling to be updated or narrowed;
- we may be required to agree to a Risk Evaluation and Mitigation Strategy ("REMS"), or a shared system REMS, or comparable foreign strategy, which could include a medication guide for distribution to patients outlining the risks of side effects, a communication plan for healthcare providers and/or other elements to assure safe use;
- we could be sued and potentially held liable for harm caused to patients; and
- our reputation may suffer.

Any of these events could prevent us from achieving or maintaining market acceptance of the particular product candidate, if approved, and could significantly harm our business, prospects and financial condition.

As our product candidates receive approval, regulatory authorities including the FDA, Health Canada, European Commission, EMA, National Competent Authorities of EEA countries and other comparable foreign regulatory authorities regulations will require that we regularly report certain information, including information about adverse events that may

have been caused by or contributed by those products. The timing of adverse event reporting obligations would be triggered by the date we become aware of the adverse event as well as the nature of the event. We may fail to report adverse events we become aware of within the prescribed timeframe especially if it is not reported to us as an adverse event or if it is an adverse event that is unexpected or removed in time from the use of our products. If we fail to comply with our reporting obligations, the FDA, Health Canada, European Commission, the EMA, the National Competent Authorities of EEA countries or other comparable foreign regulatory authorities could take action that may include criminal prosecution, the imposition of civil monetary penalties, seizure of our products, or suspension or variation of market approval, and delay in approval or clearance of future products.

As a condition to granting marketing authorization or approval of a product, the FDA or other comparable foreign regulatory authorities may require additional clinical studies or other studies. The results generated in these trials could result in the loss of regulatory approval, changes in labeling, and/or new or increased concerns about the side effects, efficacy or safety. Regulatory authorities in countries outside the United States often have similar regulations and may impose comparable requirements. Post-marketing studies, whether conducted by us or by others, whether mandated by regulatory authorities or conducted voluntarily, and other emerging data about products, such as adverse event reports, may also adversely affect the availability or commercial potential of our products.

Our reliance on certain participants for our clinical studies could cause delays in ongoing studies or the development of our products if such participants prove to be too limited or a substantial portion of participants in the studies withdraw.

In order to be successful and pursue market authorization for our products in various countries, we must be able to gather health data on the basis of populations from around the world. To the extent participants in clinical studies are too limited to certain populations, our clinical research may be adversely affected. Additionally, we depend on the willingness of these volunteers to participate in studies, and there is always the risk that they may no longer be willing to participate or revoke the consents necessary for us to process their data. For example, due to reasons beyond our control, including public health emergencies, the Russia-Ukraine conflict, the conflict in the Middle East, and the resulting instability in respective regions, participants and our key employees and advisors may no longer be able to travel or cross country borders to participate in our studies. If, for any reason, a substantial portion of participants in the studies were to withdraw their consent or discontinue their participation, we may not be able to continue our clinical studies for some or all of our product candidates which may cause delays in the development or approval of our product candidates. If our ability to gather and use sufficient data is impaired, we also may not be able to fulfill some contractual obligations with our partners.

The development, manufacture and commercialization of biosimilar products under various regulatory pathways pose unique risks related to regulatory approvals across various jurisdictions.

We and our collaboration partners intend to pursue market authorization globally. In the United States, an abbreviated pathway for approval of biosimilar products was established by the Biologics Price Competition and Innovation Act of 2009 ("BPCIA"), as part of the Patient Protection and Affordable Care Act as amended by the Health Care and Education Reconciliation Act (together, the "PPACA"). The BPCIA established this abbreviated pathway under section 351(k) of the Public Health Service Act (the "PHSA") for biological products shown to be biosimilar to or interchangeable with an FDA-licensed reference biological product. Market success of biosimilar products will depend on demonstrating to patients, physicians, payors and relevant authorities that such products are similar in quality, safety and efficacy as compared to the reference product. If biosimilar product applications do not continue to be approved and the markets in which we operate do not widely accept the commercialization of biosimilar products, our business will be harmed. How the BPCIA is applied and interpreted by the FDA may have a material impact on our chances of obtaining FDA approval for our biosimilar product candidates, and our business operations after obtaining approval.

We will continue to analyze and incorporate into our product development plans any additional final regulations issued by the FDA, pharmacy substitution policies enacted by state governments and other applicable requirements. The costs of development and approval, along with the probability of success for our biosimilar product candidates, will be dependent upon application of any laws and regulations issued by the relevant regulatory authorities. The costs of developing our products may increase due to uncertainties or changes in guidance provided by regulatory authorities like the FDA, and we may not have adequate funding and resources to pursue market authorization for all of our biosimilar products.

Biosimilar products may also be subject to extensive patent clearances and patent infringement litigation, which may delay and could prevent the commercial launch of a product. Moreover, the PHSA prohibits the FDA from filing an application for a biosimilar candidate to a reference product for four years from the date of first licensure of the reference product by the FDA, and from approving an application for a biosimilar candidate for 12 years from the date of first

licensure of the reference product. For example, the FDA would not be able to approve a BLA submitted for a biosimilar that references a specific drug until 12 years after the date of first licensure of the BLA, i.e., the date that reference product BLA was approved. Interchangeable biosimilar approvals may also be blocked by periods of first interchangeable exclusivity ranging from 12 to 42 months in duration.

The European Commission approved the first biosimilar medicinal product in 2006. Since then the European Commission and the EMA have acquired extensive experience in the review and approval of biosimilars, and developed guidelines related to the authorization procedure for these products, including data requirements needed to support approval.

The EU provides opportunities for data and market exclusivity related to certain types of marketing authorizations. Upon grant of related marketing authorization, innovative medicinal products generally benefit from eight years of data exclusivity and 10 years of market exclusivity. Data exclusivity, if granted, prevents regulatory authorities in the EEA from referencing the innovator's data to assess a generic application or biosimilar application for eight years from the date of authorization of the innovative product, after which a generic or biosimilar marketing authorization application can be submitted, and the innovator's data may be referenced. The market exclusivity period prevents a successful generic or biosimilar applicant from commercializing its product in the EEA until 10 years have elapsed from the initial marketing authorization of the reference product in the EEA. The overall ten year period may, occasionally, be extended for a further year to a maximum of 11 years if, during the first eight years of those ten years, the marketing authorization holder obtains an authorization for one or more new therapeutic indications which, during the scientific evaluation prior to their authorization, are held to bring a significant clinical benefit in comparison with existing therapies. However, there is no guarantee that a product will be considered by the EU's regulatory authorities to be a new chemical/biological entity, and products may not qualify for data exclusivity.

A new pharmaceutical form does not trigger a new data exclusivity. It could trigger orphan exclusivity, provided, however, that the targeted disease is a rare disease and that the new pharmaceutical form meets the high threshold for being considered as bringing a significant benefit to patients.

Other regions, including Canada, China, Japan and Korea, also have their own legislation outlining a regulatory pathway for the approval of biosimilars. In some cases, other countries have either adopted European Union guidance (Singapore and Malaysia) or are following guidance issued by the World Health Organization (Cuba and Brazil). While there is overlap in the regulatory requirements across regions, there are also some areas of non-overlap. Additionally, we cannot predict whether countries that we may wish to market in, which do not yet have an established or tested regulatory framework could decide to issue regulations or guidance and/or adopt a more conservative viewpoint than other regions. Therefore, it is possible that even if we obtain agreement from one health authority to an accelerated or optimized development plan, we will need to defer to the most conservative view to ensure global harmonization of the development plan. Also, for regions where regulatory authorities do not yet have sufficient experience in the review and approval of a biosimilar product, these authorities may rely on the approval from another region (for example, the United States), which could delay its approval in that region. In addition, regulatory approval may be delayed as a result of laws in any applicable jurisdiction that provide for stay of regulatory approval related to patent coverage and subsequent litigation.

Adverse events involving a reference product, or other biosimilars of such reference product, may result in negative publicity for our biosimilar product or ultimately result in the removal of our biosimilar product from the market.

In the event that use of a reference product, or another biosimilar for such reference product, results in unanticipated side effects or other adverse events, it is likely that our biosimilar product candidate will be viewed comparably and may become subject to the same scrutiny and regulatory actions as the reference product or other biosimilar, as applicable. Accordingly, we may become subject to, for example, safety labeling change orders, clinical holds, voluntary or mandatory product recalls or other regulatory actions for matters outside of our control that affect the reference product, or other biosimilars, as applicable, potentially until we are able to demonstrate to the satisfaction of our regulators that our biosimilar product candidate is not subject to the same issues leading to the regulatory action as the reference product or other biosimilar, as applicable. Any recall or safety alert or safety labeling change relating to our product (either voluntary or required by regulatory bodies) could ultimately result in the removal of our product from the market. Any recall could result in significant cost as well as negative publicity that could reduce overall demand for our products.

Risks Related to Our Reliance on Third Parties

We rely, in part, on third parties to manufacture clinical and commercial supplies of our approved products and for our product candidates and to store critical components of our approved products and product candidates (including procuring and providing reference product). Our business could be harmed if those third parties fail to provide us with sufficient quantities of product candidates or fail to do so at acceptable quality levels, prices and agreed upon time frame.

We partly rely on third-party manufacturers (contract manufacturing organizations, or "CMOs") to manufacture and supply our product candidates for our preclinical and clinical studies. We also rely on third parties to manufacture nonclinical and clinical supplies of our product candidates, to store critical components of our product candidates and perform various services related to the product candidates' compliance with regulatory requirements. Successfully transferring complicated manufacturing techniques to CMOs and scaling up these techniques for commercial quantities is time consuming, and we may not be able to achieve such transfer or do so in a timely manner. Moreover, the availability of contract manufacturing services for protein-based therapeutics is highly variable and there are periods of relatively abundant capacity alternating with periods in which there is little available capacity. If our need for CMO services increases during a period of industry-wide production capacity shortage, we may not be able to produce our product candidates on a timely basis or on commercially viable terms. Moreover, our manufacturing processes utilize single-use processing technology to manufacture drug substance and drug product. Although we will plan accordingly and generally does not begin a clinical study unless we believe we have a sufficient supply of a product candidate to complete such study, any significant delay, whether due to supply chain interruptions in connection with public health emergencies or otherwise, or discontinuation in the supply of a product candidate for an ongoing clinical study due to the need to replace a third-party manufacturer could considerably delay completion of our clinical studies, product testing and potential regulatory approval of our product candidates, which could harm our business and results of operations.

Reliance on third-party manufacturers entails additional risks, including reliance on the third party for regulatory compliance and quality assurance, the possible breach of the manufacturing agreement by the third party and the possible termination or nonrenewal of the agreement by the third party at a time that is costly or inconvenient for us. In addition, commercial manufacturing must be produced in compliance with Good Manufacturing Practices ("cGMP") regulations. Failure to comply by any CMO may require us to generate new data, repeat clinical studies, and potentially undergo re-inspection, which would delay the regulatory approval process. In addition, if a CMO does not comply with cGMP, our failure or the failure of our third-party manufacturers to comply with applicable regulations could result in sanctions being imposed on us, including fines, injunctions, civil penalties, delays, license suspension or revocation, seizures or recalls of products, operating restrictions and criminal prosecutions, any of which could significantly and adversely affect supplies of our product candidates or any other product candidates or products that we may develop. Any failure or refusal to supply the components for our product candidates that we may develop could delay, prevent or impair our clinical development or commercialization efforts. If our contract manufacturers were to breach or terminate their manufacturing arrangements with us, the development or commercialization of the affected products or product candidates could be delayed, which could have an adverse effect on our business. Any change in our manufacturers could be costly because the commercial terms of any new arrangement could be less favorable and the expenses relating to the transfer of necessary technology and processes could be significant. In addition, any changes in our manufacturers could necessitate generation of new data and pre-license facility inspections. Changes made during the pendency of a BLA before FDA, or during the marketing authorization application, could result in delay in approval of the BLA or the marketing authorization.

For our commercial products and for any of our product candidates that are approved, we will need to produce the quantities necessary to meet anticipated market demand. Any contract manufacturer that we engage may need to increase manufacturing capacity to meet these demands. If we are unable to produce our approved products in sufficient quantities to meet the requirements for the launch of these products or to meet future demand, our revenue and gross margins could be adversely affected. Although we believe that we will not have any material supply issues, we cannot be certain that we will be able to obtain long-term supply arrangements for our product candidates that receive approval or materials used to produce them on acceptable terms, if at all. If we are unable to arrange for third-party manufacturing, or to do so on commercially reasonable terms, we may not be able to complete development or commercialization of or products.

In addition, we engage external transport companies to ship our products between the different supply points used to manufacture the finished product. Delays in shipment, damage of materials during shipment or any other events leading to late delivery or not full amount of ordered quantities could have a significant impact on project timelines, stock on markets and sales.

From time to time we, or our suppliers located in Europe, may require materials and equipment originating in Asia. Conflicts in the Middle East may impact the supply chain, including shipments through the Suez Canal, that may cause

delays or cause the cost of materials originating in Asia to rise unexpectedly. This may cause delays or disruption in our operations or impair the ability of our suppliers to ship materials and equipment to us on time and on budget.

We rely on third parties to conduct our nonclinical and clinical studies and perform other tasks. If these third parties do not successfully carry out their contractual duties, meet expected deadlines or comply with regulatory requirements, we may not be able to obtain regulatory approval for or commercialize our product candidates and our business could be substantially harmed.

We have relied upon and plan to continue to rely upon third-party CROs to monitor and manage data for our ongoing nonclinical and clinical programs. We rely on these parties for execution of our nonclinical and clinical studies and control only certain aspects of their activities. Nevertheless, we are responsible for ensuring that each of our studies is conducted in accordance with the applicable protocol, legal, regulatory and scientific standards and our reliance on the CROs does not relieve us of our regulatory responsibilities. We, our CROs and other vendors are required to comply with relevant practices that may include cGMP, current good clinical practices ("cGCP") and Good Laboratory Practices ("GLP"), which are regulations and guidelines required by the FDA, and comparable foreign regulatory authorities for all of our product candidates in clinical development. Regulatory authorities monitor these regulations through periodic inspections of study sponsors, principal investigators, study sites and other contractors. If we, any of our CROs, service providers or investigators fail to comply with applicable regulations or cGCPs, the data generated in our nonclinical and clinical studies may be deemed unreliable and the FDA, Health Canada, European Commission, EMA or comparable foreign regulatory authorities may require us to perform additional nonclinical and clinical studies before approving our marketing applications. We cannot provide assurance that upon inspection by a given regulatory authority, such regulatory authority will determine that any clinical investigator for any of our clinical studies comply with cGCP regulations. In addition, our clinical studies must be conducted with product produced in compliance with cGMP regulations. Failure to comply with these regulations by us or any of the participating parties may require us to generate new data, repeat clinical studies, and potentially undergo re-inspection, which would delay the regulatory approval process. Further, if any accidents occur or there are process mistakes at the facilities of CROs or other vendors that handle reference products, there may be product loss which could further delay our nonclinical and clinical programs. Moreover, our business may be implicated if our CRO or any other participating parties violate federal or state fraud and abuse or false claims laws and regulations or healthcare privacy and security laws whether in the United States or equivalent foreign laws and obligations.

If any of our relationships with these third-party CROs terminate, we may not be able to enter into arrangements with alternative CROs or do so on commercially reasonable terms. In addition, our CROs are not our employees, and except for remedies available to us under the agreements with such CROs, we cannot control whether or not they devote sufficient time and resources to our on-going nonclinical and clinical programs. If CROs do not successfully carry out their contractual duties or obligations or meet expected deadlines, if they need to be replaced or if the quality or accuracy of the data they obtain is compromised due to the failure to adhere to protocols, regulatory requirements, delays caused by public health emergencies or for other reasons, our clinical studies may be extended, delayed or terminated and we may not be able to obtain regulatory approval for or successfully commercialize our product candidates. CROs may also generate higher costs than anticipated. As a result, the results of operations and the commercial prospects for our product candidates would be harmed, our costs could increase and our ability to generate revenue could be delayed.

Switching or adding additional CROs involves additional costs and requires management time and focus. In addition, there is a natural transition period when a new CRO commences work. As a result, delays occur, which can materially impact our ability to meet desired clinical development timelines. There can be no assurance that we will not encounter similar challenges or delays in the future or that these delays or challenges will not have a material adverse impact on our business, financial condition and prospects.

We are dependent on our partners for the commercialization of our biosimilars and biosimilar candidates in certain major markets. Disagreements with our partners, for example on pricing, or failure of our partners to commercialize our approved products could have a material adverse effect on our revenue, business and operating results.

We do not currently have direct sales, marketing, and distribution capabilities. Instead, we have chosen to market and commercialize our products through partnerships with multiple regional partners.

Pursuant to the commercialization agreements with our partners, we supply our partners with our approved products at transfer prices set under our agreements. Our revenues and margins depend on our ability to negotiate and maintain commercially viable supply prices. Our partners may seek price reductions, for example due to regulatory or market constraints, which may include competitive pressures, reimbursement changes, tender outcomes, or currency fluctuations,

or due to changes in their commercial priorities. Reductions in the price of our supply to our commercialization partners may significantly impact our financial results.

In addition, we and our commercialization partners may disagree, for example over pricing methodologies, cost assumptions, or adjustment mechanisms. Such disagreements could lead to disputes, delayed product supply or late payments, or affect our partners' willingness to promote the product. If we cannot maintain good relationship with our commercialization as a result of such disagreements, our sales volume under those partnerships may decrease, which could significantly impact our financial results.

If our commercial partners fail to exercise commercially reasonable efforts to market and sell our products in their respective licensed jurisdictions (timely or at all) or are otherwise ineffective in doing so, our business will be harmed and we may not be able to adequately remedy the harm through negotiation, litigation, arbitration or termination of the license agreements. Moreover, any disputes with our collaboration partners concerning the adequacy of their commercialization efforts will substantially divert the attention of our senior management from other business activities, and will require us to incur substantial legal costs to fund litigation or arbitration proceedings, and perhaps lead to delayed license-related payments to us.

We have entered into collaborations with third parties in connection with the development of certain of our product candidates. Even if we believe that the development of our technology and product candidates is promising, our partners may choose not to proceed with such development if we materially deviate from the original program timelines, the contractual terms, or breach the contractual terms.

We have or may have future collaborations with various partners for the development of some of our biosimilar candidates. Our existing and future agreements with our collaboration partners are generally subject to termination by the counterparty under certain circumstances. Accordingly, even if we believe that the development of certain product candidates is worth pursuing, our partners may choose not to continue with such development, if we materially deviate from the original program timelines, the contractual terms, or breach the contractual terms. If any of our collaborations are terminated, we may be required to devote additional resources to the development of our product candidates or seek a new collaboration partner, and the terms of any additional collaborations or other arrangements that we establishes may not be favorable to us, available under commercially reasonable terms or available at all.

We are also at risk that our collaborations or other arrangements may not be successful. Factors that may affect the success of our collaborations include the following:

- our collaboration partners may incur financial, legal or other difficulties that force them to limit or reduce their participation in our joint projects;
- our collaboration partners may be pursuing alternative technologies or developing alternative products that are competitive to our technology and products, either on their own or in partnership with others;
- our collaboration partners may terminate the collaborations, which could make it difficult for us to attract new partners or adversely affect our reputation in the business and financial communities; and
- our collaboration partners may pursue higher priority programs or change the focus of their development programs, which could affect their commitment to us.

If we cannot maintain successful collaborations, our business, financial condition and operating results may be adversely affected.

In the future, we may also find it necessary to form alliances or joint ventures with major pharmaceutical companies to jointly develop and/or commercialize other biosimilar product candidates in which our collaboration partners would provide substantial capabilities in clinical development, manufacturing, regulatory affairs, sales and marketing. We may not be successful in entering into any such alliances on commercially reasonable terms or at all. Even if we do succeed in securing such alliances, we may not be able to maintain them if, for example, development or approval of a product candidate is delayed or sales of an approved product are disappointing. If we are unable to secure or maintain such alliances we may not have the capabilities necessary to continue or complete development of our product candidates and bring them to market, which may have an adverse effect on our business.

We currently engage single-source suppliers for some manufacture, clinical study services, formulation development and product testing of our product candidates. The loss of any of these suppliers or vendors could materially and adversely affect our business.

The biologic drug substance used in all of our programs is currently manufactured at our facility in Reykjavik, Iceland. However, we rely on certain single-source third-party suppliers for certain services, such as safety device assembly and associated finished packaging. Although we believe that there are alternate sources for these services, we cannot be certain that identifying and establishing relationships for these services would not result in significant delay or increased cost in the development of our product candidates or manufacture of our commercial supply of approved products. Additionally, we may not be able to enter into arrangements with alternative vendors on commercially reasonable terms or at all. A halt in manufacturing, a delay in the commercialization or the development of our product candidates, or having to enter into a new agreement with a different third-party on less favorable terms than what we have with our current suppliers could negatively impact upon on our business.

We and our collaboration partners and contract manufacturers are subject to significant regulation with respect to manufacturing our product candidates. The manufacturing facilities on which we rely may not meet or continue to meet regulatory requirements or may not be able to meet supply demands.

All parties involved in the preparation of therapeutics for clinical studies or commercial sale, including our existing contract manufacturers for our product candidates, are subject to extensive regulation. Components of a finished therapeutic product approved for commercial sale or used in late-stage clinical studies must be manufactured in accordance with cGMP. These regulations govern manufacturing processes and procedures (including record keeping) and the implementation and operation of quality systems to control and assure the quality of investigational products and products approved for sale. Poor control of production processes can lead to the introduction of contaminants or to inadvertent changes in the properties or stability of our product candidates that may not be detectable in final product testing. We, our collaboration partners or our contract manufacturers must supply all necessary documentation in support of a market application on a timely basis and must adhere to GLP and cGMP regulations enforced by the FDA and other comparable foreign regulatory authorities through their facilities inspection program. Not all contractors supporting our product candidates may be registered or approved for commercial pharmaceutical production. The facilities and quality systems of some or all of our collaboration partners and third-party contractors must pass a pre-approval inspection for compliance with the applicable regulations as a condition of regulatory approval of our product candidates. In addition, the regulatory authorities may, at any time, audit or inspect a manufacturing facility involved with the preparation of our product candidates or the associated quality systems for compliance with the regulations applicable to the activities being conducted.

Although we oversee our contract manufacturers, we cannot control the implementation of the manufacturing process by the contract manufacturing partners. If these facilities do not pass a pre-approval plant inspection, regulatory approval of our products may not be granted or may be substantially delayed until any violations are corrected to the satisfaction of the regulatory authority, if ever.

The regulatory authorities also may, at any time following approval of a product for sale, audit the manufacturing facilities of our collaboration partners and third-party contractors to monitor and ensure compliance with cGMP. Despite our efforts to audit and verify regulatory compliance, one or more of our third-party manufacturing vendors may be found on regulatory inspection by the FDA or other comparable foreign regulatory authorities to be noncompliant with cGMP regulations. If any such inspection or audit identifies a failure to comply with applicable regulations or if a violation of our product specifications or applicable regulations occurs independent of such an inspection or audit, we or the relevant regulatory authority may require remedial measures that may be costly and/or time consuming for us or a third party to implement and that may include the invalidation of drug product lots or processes, the temporary or permanent suspension of a clinical study or commercial sales or import or the temporary or permanent closure of a facility and that may require re-inspection thereby causing delays. In some cases, a product recall may be warranted or required, which would materially affect our ability to supply and market products. Any such remedial measures imposed upon us or third parties with whom we contract could materially harm our business, prospects and financial condition.

If we, our collaboration partners or any of our third-party manufacturers fail to maintain regulatory compliance, the FDA or other applicable foreign regulatory authority can impose regulatory sanctions including, among other things, refusal to approve a pending application for a new biologic product, or suspension, variation or revocation of an approval. As a result, our business, financial condition and results of operations may be materially harmed.

Additionally, if supply from one approved manufacturer is interrupted, registration of an alternative manufacturer would require submissions of variations to the marking authorization which could result in further delay. The regulatory

authorities may also require additional studies if a new manufacturer is relied upon for commercial production. Switching manufacturers may involve substantial costs and prior regulatory approval and is likely to result in a delay in our desired clinical and commercial timelines.

These factors could incur higher costs and cause the delay or termination of clinical studies, regulatory submissions, required approvals or commercialization of our product candidates. Furthermore, if our suppliers fail to meet contractual requirements and we is unable to secure one or more replacement suppliers capable of production at a substantially equivalent cost, our clinical studies may be delayed or we could lose potential revenue from sales of an approved product.

Our reliance on third parties requires us to share our trade secrets, which increases the possibility that a competitor will discover them or that our trade secrets will be misappropriated or disclosed.

Because we rely on third parties to develop and manufacture our product candidates, we must, at times, share trade secrets with them. We seek to protect our proprietary technology in part by entering into confidentiality agreements and, if applicable, material transfer agreements, collaborative research agreements, consulting agreements or other similar agreements with our collaboration partners, advisors, employees and consultants prior to beginning research or disclosing proprietary information, such as trade secrets. These agreements typically limit the rights of the third parties to use or disclose our confidential information, such as trade secrets. Despite the contractual provisions employed when working with third parties, the need to share trade secrets and other confidential information increases the risk that such trade secrets become known by our competitors, are inadvertently incorporated into the technology of others or are disclosed or used in violation of these agreements. Given that our proprietary position is based, in part, on our know-how and trade secrets, a competitor's discovery of our trade secrets or other unauthorized use or disclosure would impair our competitive position and may have a material adverse effect on our business.

We rely on certain significant shareholders and affiliated entities for certain key services in the execution of our strategy and business operations.

We have entered into various service agreements with our direct and indirect significant shareholders and related entities, such as Alvogen, Aztiq, Adalvo Ltd. ("Adalvo") and Floki Invest ehf. ("Floki"). These services include, among others, IT services, corporate administrative, legal, financial, facility management, portfolio and market intelligence research, regulatory compliance, quality audit, and certain administrative and financial services related to our Reykjavik facility. These services are key to our ability to continue to execute on our business strategy and to keep our business operations uninterrupted. Any interruption in the provision of these services may materially harm our business. In addition, because the providers of the services are direct or indirect significant shareholders and related entities, we may not be able or willing to enforce our contractual rights under the service agreements the same way we would if the service providers were unrelated third-party providers.

Risks Related to Our Competition and Industry

Our biosimilar product candidates, if approved, will face significant competition from the reference products, other biosimilars, and from other medicinal products approved for the same indication(s) as the reference products. Our failure to effectively compete may prevent us from achieving significant market penetration and expansion.

We expect to enter highly competitive markets with many of our biosimilars. We have already met significant competition for our first biosimilars to Humira (AVT02) and Stelara (AVT04) and anticipate significant competition for our biosimilars to Prolia/Xgeva (AVT03), Eylea (AVT06), and, to a lesser degree, Simponi/Simponi Aria (AVT05). Our next wave of biosimilars is expected to include Xolair (AVT23), Entyvio (AVT16/AVT80), Eylea HD (AVT29), and Keytruda (AVT32). They are also expected to meet biosimilars competition from more than one entrant and the originator. If our competitors gain approval and successfully commercialize biosimilars against the same reference products ahead of our entry, we may never achieve significant market share for these products, our revenue will be reduced and, as a result, our business, prospects and financial condition can suffer.

The manufacturers of the reference products for our biosimilars are also adopting strategies to meet increased competition, including lowering prices preemptively before biosimilars have entered the market, offering payors and retailers discounts on the reference product if they agree to buy other products as well or by offering unbranded versions of the originator biologic at a lower price than a branded version.

Successful competitors in the market have demonstrated the ability to effectively discover, obtain patents, develop, test and obtain regulatory approvals for products, as well as an ability to effectively commercialize, market and promote approved products. Numerous companies are engaged in developing, patenting, manufacturing and marketing of biosimilars competitive with the products that we are developing. Many of these potential competitors are large, experienced pharmaceutical companies that enjoy significant competitive advantages, such as substantially greater financial, research and development, manufacturing, personnel and marketing resources. These companies also have greater brand recognition and more experience in conducting preclinical testing and clinical studies of product candidates and obtaining FDA and other regulatory approvals of products.

If an improved version of a reference product is developed or if the market for the reference product significantly declines, sales or potential sales of our biosimilar product candidates may suffer.

Companies may develop improved versions, treatment regimes, combinations and/or doses of a reference product as part of a life cycle extension strategy and may obtain regulatory approval of the improved version under a new or supplemental BLA, or equivalent foreign procedure, filed with the applicable regulatory authority. Should the company manufacturing the reference product for any of our candidate products succeed in obtaining approval of an improved biologic product, it may capture a significant share of the market for the reference product in the applicable jurisdiction and significantly reduce the market for the reference product and thereby the potential size of the market for our biosimilar product candidates. In addition, the improved product may be protected by additional regulatory exclusivity or patent rights that may subject our follow-on biosimilar to claims of infringement.

Biologic reference products may also face competition as technological advances are made that may offer patients a more convenient form of administration or increased efficacy or as new products are introduced. As new products are approved that compete with the reference product for our biosimilar product candidates, sales of the reference products may be adversely impacted or rendered obsolete. If the market for the reference product is impacted, we may lose significant market share or experience limited market potential for our approved biosimilar products or product candidates, and the value of our product pipeline could be negatively impacted. As a result of the above factors, our business, prospects and financial condition could suffer.

If efforts by manufacturers of reference products to prevent, delay or limit the use of biosimilars are successful, our business may be negatively affected, including but not limited to the sales of our biosimilar products.

Many manufacturers of reference products have increasingly used legislative, regulatory and other means to prevent or delay regulatory approval and to seek to restrict competition from manufacturers of biosimilars. These efforts may include or have included:

- settling patent lawsuits with biosimilar companies, resulting in such patents remaining an obstacle for biosimilar approval by others;
- submitting Citizen Petitions to request the FDA Commissioner to take administrative action with respect to prospective and submitted biosimilar applications or to elaborate or amend the standard of review for such biosimilar applications;
- appealing denials of Citizen Petitions in U.S. federal district courts and seeking injunctive relief to reverse approval of biosimilar applications;
- restricting access to reference brand products for equivalence and biosimilarity testing that interferes with timely biosimilar development plans;
- attempting to influence potential market share by conducting medical education with physicians, payors, regulators and patients claiming that biosimilar products are too complex for biosimilar approval or are too dissimilar from reference products to be trusted as safe and effective alternatives;
- implementing payor market access tactics that benefit their brands at the expense of biosimilars;
- seeking state law restrictions on the substitution of biosimilar products at the pharmacy without the intervention of a physician or through other restrictive means such as excessive recordkeeping requirements or patient and physician notification;
- seeking federal or state regulatory restrictions, or equivalent foreign restrictions, on the use of the same non-proprietary name as the reference brand product for a biosimilar or interchangeable biologic;
- seeking changes to the U.S. Pharmacopeia, an industry recognized compilation of drug and biologic standards, or equivalent international or foreign standards;

- obtaining new patents covering existing products or processes which could extend patent exclusivity for a number of years or otherwise delay the launch of biosimilars;
- originator could compete with us by manufacturing or commercializing their own proprietary biosimilar product to the reference product they sponsor; and
- influencing legislatures so that they attach special patent extension amendments to unrelated federal legislation.

In 2012, Abbott Laboratories filed a Citizen Petition with the FDA asking the agency to refrain from accepting biosimilar applications under the BPCIA arguing that to approve such applications, without compensation to the reference product sponsor, would constitute an unconstitutional taking of a reference company's valuable trade secrets under the fifth amendment of the U.S. constitution. The FDA denied this citizen petition in 2016. Other reference companies may file Citizen Petitions in an effort to restrict or prevent the introduction of biosimilars. If the FDA or a federal court determines that biosimilar applications under the BPCIA should be limited, our business may be negatively impacted.

We face intense competition and rapid technological changes and the possibility that our competitors and originators may develop therapies that are similar, more advanced or more effective than ours, which may adversely affect our financial condition and the ability to successfully commercialize our product candidates.

We have competitors both in the United States and internationally, including major multinational pharmaceutical companies, specialty pharmaceutical companies or biotechnology companies. Some of the pharmaceutical and biotechnology companies developing biosimilars we expect to compete with include companies such as Celltrion Healthcare Co., Ltd. ("Celltrion"), Amgen, Samsung Bioepis, Ltd. ("Samsung Bioepis"), Biocon Pharma, Ltd. ("Biocon"), and Sandoz International GmbH ("Sandoz"), as well as others. These companies may develop biosimilars or other products in the same therapeutic space as our products. For example, in the market for AVT02, our biosimilar to Humira (adalimumab), we compete against AbbVie (the originator), Amgen, Boehringer Ingelheim GmbH, Biocon, Celltrion, Fresenius Kabi, Pfizer, Samsung Bioepis, Coherus, and Sandoz; in the market for AVT04, our biosimilar to Stelara (ustekinumab), we compete against Janssen (the originator), Amgen, Celltrion, Bio-Thera, Formycon, Dong-A/Meiji Seika, Samsung Bioepis, and Biocon. For our new biosimilars entering the market in Japan, the UK, and EEA in 2026, we anticipate AVT03, our biosimilar to Prolia/Xgeva (denosumab), to compete against products from Amgen (the originator), Sandoz, Celltrion, Fresenius Kabi, Samsung Bioepis, Gedeon Richter, mAbxience, Biocon, Henlius and Teva; while for AVT05, our biosimilar to Simponi/Simponi Aria (golimumab), we expect to compete against Janssen (the originator), and Bio-thera; and for AVT06, our biosimilar to Eylea (aflibercept), we anticipate competition from Regeneron/Bayer Health Care (the originators), Amgen, Celltrion, Formycon, Sam Chun Dang, Samsung Bioepis, Sandoz, and Biocon; and for AVT23, our biosimilar to Xolair (omalizumab), we anticipate competition from Celltrion and Teva. For products in our late-stage pipeline, including AVT32, our proposed biosimilar to Keytruda (pembrolizumab), we also anticipate significant competition when they come to market.

Some of our competitors have substantially greater financial, technical and other resources, such as larger research and development team and experienced marketing and manufacturing organizations. Additional mergers and acquisitions in the pharmaceutical industry may result in even more resources being controlled by our competitors. As a result, these companies may obtain regulatory approval more rapidly than we are able to and may be more effective in selling and marketing their products than us. Smaller or early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large, established companies. Our competitors may succeed in developing, acquiring or licensing on an exclusive basis, products that are more effective or less costly than any product candidate that we may develop; they may also obtain patent protection that could block our products; and they may obtain regulatory approval, product commercialization and market penetration earlier than we do. Additionally, our competitors may have more resources in order to effectively pursue, defend against or settle with regard to potential or ongoing litigation. Biosimilar product candidates developed by our competitors may render our potential product candidates uneconomical, less desirable or obsolete, and we may not be successful in marketing our product candidates against competitors. Competitors may also assert in their marketing or medical education programs that their biosimilar products demonstrate a higher degree of biosimilarity to the reference products than do our or other competitor's biosimilar products, thereby seeking to influence health care practitioners to select their biosimilar products, versus those of us or other competitors.

Our competitors may also succeed in developing, acquiring or licensing on an exclusive basis, products that are more effective or less costly than our biosimilar candidates. They may also obtain exclusivity by regulators that could block or limit the marketability of our products for shorter or longer periods of time; and they may obtain regulatory approval, achieve commercialization and significant market penetration earlier than we do.

Furthermore, our competitors may develop products that are easier to administer than our products, which could adversely affect our results. Many of our biosimilar candidates need to be administered by a physician. Patients may demonstrate a preference for medications which can be administered by the patient at home or for pharmaceuticals that can be administered more rapidly in the clinic. Our competitors could develop proprietary technology that we are unable to replicate by allowing competing medications to be self-administered or injected sub-cutaneously. Development of such alternative and competitive technologies and products may limit our success in commercializing our products. Competing products may gain faster or greater market acceptance than our products, if any, and medical advances or rapid technological development by competitors, including increased use of artificial intelligence-based technologies, may result in our product candidates becoming non-competitive or obsolete before we are able to recover our research and development and commercialization expenses. If we or our product candidates do not compete effectively, it may have a material adverse effect on our business, financial condition and results of operations.

If we are unable to establish effective sales and marketing capabilities in jurisdictions for which we choose to retain commercialization rights or if we are unable to enter into agreements with third parties to market and sell our product candidates, and we are unable to establish and maintain a marketing and sales organization, we may be unable to generate substantial or any revenue.

We currently have no marketing or sales organization. We have no experience selling and marketing our product candidates directly to healthcare providers or patients. To successfully commercialize any products that may result from our development programs, we will need to develop these capabilities, or partner with others that have these capabilities.

As of the date hereof, we have not entered into agreements for the commercialization of some of our late-stage biosimilar candidates in some major markets, including AVT32, our proposed biosimilar to Keytruda (pembrolizumab). We may not be able to enter into a commercial agreement, on commercially acceptable terms or at all, for the marketing and sales of our biosimilar candidates.

We might establish a sales and marketing organization with technical expertise and supporting distribution capabilities to commercialize our product candidates in major markets where we may choose to retain commercialization rights. Doing so will be expensive, difficult and time consuming. Any failure or delay in the development of our internal sales, marketing and distribution capabilities would adversely impact commercialization of our products.

Further, given our lack of prior experience in marketing and selling biopharmaceutical products, our initial estimate of the size of the required sales force may be materially more or less than the size of the sales force actually required to effectively commercialize our product candidates. As such, we may be required to hire substantially more sales representatives to adequately support the commercialization of our product candidates or we may incur excess costs as a result of hiring more sales representatives than necessary. With respect to certain geographical markets, we may enter into collaborations with other entities to utilize their local marketing and distribution capabilities, but we may be unable to enter into such agreements on favorable terms, if at all. If our future collaboration partners do not commit sufficient resources to commercialize our future products, if any, and we are unable to develop the necessary marketing capabilities on our own, we will be unable to generate sufficient product revenue to sustain our business. Without an internal team or the support of a third-party to perform marketing and sales functions, we may be unable to compete successfully against these more established companies.

The commercial success of any current or future product candidate will depend upon the degree of market acceptance by physicians, patients, third-party payors and others in the medical community.

Even with the requisite approvals from the FDA and comparable foreign regulatory authorities, the commercial success of our product candidates will depend in part on the medical community, patients and third-party payors accepting our product candidates as medically useful, cost-effective and safe. Any product that we bring to the market may not gain market acceptance by physicians, patients, third-party payors and others in the medical community. The degree of market acceptance of any of our product candidates, if approved for commercial sale, will depend on a number of factors, including:

- the safety and efficacy of the product as demonstrated in clinical studies and through the demonstration of biosimilarity;
- any potential advantages over competing biosimilars and/or other treatments in the same therapeutic space(s);
- the prevalence and severity of any side effects, including any limitations or warnings contained in a product's approved labeling;
- the clinical indications for which approval is granted;

- the possibility that a competitor may achieve interchangeability in the United States, and we may not;
- relative convenience and ease of administration;
- the extent to which our product may be more or less similar to the reference product than competing biosimilar product candidates;
- policies and practices governing the naming of biological product candidates;
- prevalence of the disease or condition for which the product is approved;
- the cost of treatment, particularly in relation to competing treatments;
- the willingness of the target patient population to try new therapies and of physicians to prescribe these therapies;
- the strength of marketing and distribution support and timing of market introduction of competitive products;
- publicity concerning our products or competing products and treatments;
- the extent to which third-party payors provide adequate third-party coverage and reimbursement for our product candidates, if approved;
- patients' willingness to pay out-of-pocket in the absence of such coverage and adequate reimbursement; and
- our ability to maintain compliance with regulatory requirements.

Even if a potential biosimilar product is expected to have a highly similar efficacy and safety profile to the reference product, as demonstrated through analytical, nonclinical, and clinical studies, market acceptance of the product will not be fully known until after it is launched and may be negatively affected by a potential poor safety experience and the track record of other biosimilar product candidates. Our efforts to educate the medical community and third-party payors on the benefits of the product candidates may require significant resources, may be under-resourced compared to large well-funded pharmaceutical entities and may never be successful. If our product candidates are approved but fail to achieve an adequate level of acceptance by physicians, patients, third-party payors and others in the medical community, we will not be able to generate sufficient revenue to become or remain profitable.

The third-party coverage and reimbursement status of newly-approved products is uncertain. Failure of our third-party commercial partners to obtain or maintain adequate coverage and reimbursement for new or current products could limit our ability to market those products and generate revenue.

Pricing, coverage and reimbursement of our biosimilar product candidates, if approved, may not be adequate to support our commercial infrastructure. Our per-patient prices may not be sufficient to recover our development and manufacturing costs and potentially achieve profitability. Accordingly, the availability and adequacy of coverage and reimbursement by governmental and private payors are essential for most patients to be able to afford expensive treatments such as our products, if approved. Sales of our product candidates will depend substantially, both domestically and abroad, on the extent to which the costs of our product candidates will be paid for by health maintenance, managed care, pharmacy benefit and similar healthcare management organizations or reimbursed by government authorities, private health insurers and other third-party payors. If coverage and reimbursement are not available, or are available only to limited levels, we may not be able to successfully commercialize our product candidates. Even if coverage is provided, the approved reimbursement amount may not be adequate to allow us to establish or maintain pricing sufficient to realize a return on investment.

There is significant uncertainty related to third-party coverage and reimbursement of newly approved products. In the United States, third-party payors, including private and governmental payors such as the Medicare and Medicaid programs, play an important role in determining the extent to which new drugs and biologics will be covered and reimbursed. The Medicare and Medicaid programs increasingly are used as models for how private payors and other governmental payors develop their coverage and reimbursement policies for drugs and biologics. It is difficult to predict at this time what third-party payors will decide with respect to the coverage and reimbursement for our biosimilar product candidates, if approved. In addition, in the United States, no uniform policy of coverage and reimbursement for biologics exists among third-party payors. Therefore, coverage and reimbursement for biologics can differ significantly from payor to payor. As a result, the process for obtaining favorable coverage determinations often is time-consuming and costly and may require us to provide scientific and clinical support for the use of our products to each payor separately, with no assurance that coverage and adequate reimbursement will be obtained. Further, coverage policies and third-party payor reimbursement rates may change at any time. Therefore, even if favorable coverage and reimbursement status is attained, less favorable coverage policies and reimbursement rates may be implemented in the future.

Outside the United States, pharmaceutical companies, products and distributors are generally subject to extensive governmental price controls and other market regulations. We believe the increasing emphasis on cost-containment initiatives in EEA, Canada and other countries has and will continue to put pressure on the pricing and usage of our product candidates. In many countries, the prices of medical products are subject to varying price control mechanisms as part of national health systems. Other countries allow companies to fix their own prices for medical products but monitor and control company profits. Additional foreign price controls or other changes in pricing regulation could restrict the amount that we are able to charge for our product candidates. Accordingly, in markets outside the United States, the reimbursement for our products may be reduced compared with the United States and may be insufficient to generate commercially reasonable revenue and profits.

Moreover, increasing efforts by governmental and third-party payors in the United States and abroad to control healthcare costs may cause such organizations to limit both coverage and the level of reimbursement for new products approved and, as a result, they may not cover or provide adequate payment for our product candidates. For example, the U.S. Department of Health and Human Services ("HHS") imposes rebates on many Medicare Part B and Medicare Part D products to penalize price increases that outpace inflation on an annual basis. Certain cost containment practices may adversely affect our product sales. Significant reductions to Medicare Maximum Fair Prices ("MFPs") for certain reference biologics, coupled with aggressive tender dynamics in Europe and other markets, may create downward pricing pressure on biosimilars across therapeutic areas. If payers or tender authorities adopt reference pricing models influenced by the U.S. MFP system or other emerging pricing mechanisms, we may experience less favorable tender outcomes, increased pricing volatility, or reduced margins in key markets. We expect to experience pricing pressures in connection with the sale of any of our product candidates due to the trend toward managed healthcare, the increasing influence of health maintenance organizations and additional legislative changes.

If our third-party commercial partners are unable to establish or sustain coverage and adequate reimbursement for any of our product candidates from third-party payors, the adoption of those products and sales revenue will be adversely affected, which, in turn, could adversely affect our ability to market or sell those product candidates, if approved.

Measures to contain healthcare costs, including the U.S. Inflation Reduction Act and potential tariffs on pharmaceuticals imported into the U.S. or implementation of Most Favored Nations (MFN) rules , may reduce the addressable market for our products, affect the prices that our commercial partners are able to obtain and have a material adverse effect on our business and results of operations.

A number of legislative initiatives and executive orders, in particular in the U.S. market, may impact the ability of our commercial partners to successfully commercialize our products. In the U.S., the Inflation Reduction Act (IRA), requires manufacturers of certain single-source biologics that have been on the market for at least 11 years to engage in price negotiations with Medicare, with prices that can be negotiated subject to a cap (the Medicare Drug Price Negotiation Program). In 2023, HHS added Stelara, the reference product for AVT04, to the list of drugs for the Centers for Medicare & Medicaid Services ("CMS") Medicare price negotiations. On 15 August 2024, Stelara became subject to a 66% discount, with a negotiated price of $4,695 under the Medicare Drug Price Negotiation Program. It is currently unclear how the IRA legislation will work and what impact it will have on the market for biosimilars in the near future.

Any reduction in reimbursement for reference products from Medicare, other government programs in the U.S. or similar cost reimbursement systems in other countries, may result in a price reduction for biosimilars. The implementation of cost containment measures or other healthcare reforms may therefore prevent us from being able to generate revenue, attain profitability or commercialize our product candidates.

In the EU, similar political, economic, and regulatory developments may affect our ability to profitably commercialize our product candidates, if approved. In markets outside of the United States and EU, reimbursement and healthcare payment systems vary significantly by country, and many countries have instituted price ceilings on specific products and therapies.

In 2025 the U.S. government threatened to impose tariffs on imported pharmaceuticals from countries which did not reach a bilateral trade agreement with the U.S. Currently pharmaceuticals, including non-patented pharmaceuticals such as biosimilars, originating in Iceland are not subject to a U.S. import tariff. If a tariff is imposed on our biosimilars imported to the U.S. but our competitors which manufacture their products in continental Europe, India and South-Korea do not face a similar tariff, our ability to compete in the U.S. may be impaired.

Our biosimilar product candidates, if approved, could face price competition from other biosimilars of the same reference products for the same indication. This price competition could exceed our capacity to respond, detrimentally

affecting its market share and revenue as well as adversely affecting the overall financial health and attractiveness of the market for the biosimilar.

We expect to enter highly competitive biosimilar markets. Successful competitors in the biosimilar market have the ability to effectively compete on price through payors and their third-party administrators who exert downward pricing pressure. It is possible our biosimilar competitors' compliance with price discounting demands in exchange for market share could exceed our capacity to respond in kind and reduce market prices beyond our expectations. Such practices may limit our and our collaboration partners' ability to increase market share and will also impact profitability.

We may not be successful in our efforts to identify, develop or commercialize additional product candidates.

Although a substantial amount of our effort will focus on the continued testing, potential approval and commercialization of our existing product candidates, the success of our business also depends upon our ability to identify, develop and commercialize additional product candidates (in addition to the lead candidates). Research programs to identify new product candidates require substantial technical, financial and human resources. We may focus our efforts and resources on potential programs or product candidates that ultimately prove to be unsuccessful. Our development efforts may fail to yield additional product candidates suitable for development and/or commercialization for a number of reasons, including but not limited to the following:

- we may not be successful in identifying potential product candidates that pass our strict screening criteria;
- we may not be able to overcome technological hurdles to development or a product candidate may not be capable of producing commercial quantities at an acceptable cost or at all;
- we may not be able to assemble sufficient resources to acquire or discover additional product candidates;
- our product candidates may not succeed in analytical, nonclinical, or clinical testing;
- our potential product candidates may fail to show biosimilarity to reference products;
- we may not be successful in overcoming intellectual property obstacles in a timely manner or at all; and
- competitors may develop alternatives that render our product candidates obsolete or less attractive or the market for a product candidate may change such that a product candidate may not justify further development.

If any of these events occur, we may be forced to abandon our development efforts for a program or programs or we may not be able to identify, develop or commercialize additional product candidates, which would have a material adverse effect on our business and could potentially cause us to cease operations.

Risks Related to Our Intellectual Property

If we or one of our partners infringes or is alleged to infringe the intellectual property rights of third parties, our business could be harmed. Avoiding and defending against infringement claims could be expensive and time consuming, which may in turn prevent or delay our development and commercialization efforts.

Our commercial success depends in large part on avoiding infringement of the valid and enforceable patents and proprietary rights of third parties and invalidating or rendering unenforceable other patent and proprietary rights of third parties. There have been many lawsuits and other proceedings involving patent and other intellectual property rights in the pharmaceutical industry, including patent infringement lawsuits, interferences, oppositions and reexamination proceedings before the U.S. Patent and Trademark Office ("USPTO"), and corresponding foreign patent offices. Numerous U.S. and foreign issued patents and pending patent applications, which are owned by third parties, exist in the fields in which we are developing product candidates. As the pharmaceutical industry expands and more patents are issued, the risk increases that our product candidates may be subject to claims of infringement of the patent rights, or other intellectual property rights, of third parties.

Our research, development and commercialization activities may be claimed or held to infringe or otherwise violate patents owned or controlled by other parties. The companies that originated the products for which we intend to introduce biosimilar versions, such as AbbVie, Amgen, Janssen, Genentech and Regeneron as well as other competitors (including other companies developing biosimilars) often have developed worldwide patent portfolios of varying sizes and breadth, many of which are in fields relating to our business, and it may not always be clear to industry participants, including us, which patents cover various types of products, methods of use, methods of manufacturing, etc.

Third parties may assert that we are employing their proprietary technology without authorization. There may be third-party patents or patent applications with claims to compositions, formulations, methods of manufacture or methods for treatment related to the use or manufacture of our product candidates. While we have conducted freedom to operate analyses with respect to our lead product candidates, we cannot guarantee that any of our analyses will ensure that claims will not be brought or won against us, nor can we be sure that we have identified each and every patent and pending application in the United States and abroad that is relevant or necessary to the commercialization of our product candidates. Moreover, because patent applications can take up to 18 months after initial priority filing date to publish and issue, there may be currently pending patent applications with claims not yet filed that may later result in issued patents covering our product candidates. We have not yet completed a freedom-to-operate analysis on products we are evaluating for inclusion in our future biosimilar product pipeline, and therefore we do not know whether or to what extent that development of these products may be influenced by unexpired patents and pending applications.

There may also be patent applications that have been filed but not published and if such applications issue as patents, they could be asserted against us. For example, in most cases, a patent filed today would not become known to industry participants for at least 18 months given patent rules applicable in most jurisdictions which typically do not publish patent applications until 18 months from the application's prior date. Moreover, we may face claims from non-practicing entities that have no relevant product revenue and against whom our own patent portfolio may have no deterrent effect. In addition, coverage of patents is subject to interpretation by the courts, and the interpretation is not always uniform. If we are sued for patent infringement, we would need to convince a judicial authority that our product candidates, products or methods either do not infringe the patent claims of the relevant patent or that the patent claims are invalid and/or unenforceable, and we may not be able to do this. Proving to a judicial authority that a patent claim is invalid or unenforceable can be difficult. For example, in the United States, proving invalidity requires a showing of clear and convincing evidence to overcome the presumption of validity enjoyed by issued patents. Also in proceedings before courts in Europe, the burden of proving invalidity of the patent usually rests on the party alleging invalidity. Further, proving the invalidity or unenforceability of a patent claim in the jurisdictions in which we operate may also depend on changes in the relevant law. Attempts to resolve intellectual property disputes may require substantial efforts including, but not limited to, validity challenges in patent offices, court litigation and arbitration. Even if we are successful in these proceedings, we may incur substantial costs and the time and attention of our management and scientific personnel could be diverted in pursuing these proceedings, which could have a material adverse effect on us. In addition, we may not have sufficient resources to bring these actions to a desired conclusion.

Third parties could bring claims against us that would cause us to incur substantial expenses to defend against and, if successful against us, could cause us to pay substantial monetary damages if our product candidate is on the market. Further, if a patent infringement suit were brought against us, we could be forced to stop or delay research, development, manufacturing or sales of the product or product candidate that is the subject of the suit. Ultimately, we could be prevented from commercializing a product or be forced to cease some aspect of our business operations, if, as a result of actual or threatened patent infringement claims, We are unable to enter into licenses on commercially acceptable terms or at all. If, as a result of patent infringement claims or to avoid potential claims, we choose or is required to seek licenses from third parties, these licenses may not be available on acceptable terms or at all. Even if we are able to obtain a license, the license may obligate us to pay substantial license fees or royalties or both, and the rights granted to us might be nonexclusive, which could result in our competitors gaining access to the same intellectual property. Parties making claims against us may obtain injunctive or other equitable relief, which could effectively delay or block our ability to further develop and commercialize one or more of our product candidates. For example, companies that originated the products for which we intend to introduce biosimilar versions may seek damages for their loss of profits and/or market share. Defense of these claims, regardless of their merit, would likely involve substantial litigation expense and would likely be a substantial diversion of employee resources from our business. In the event of a successful claim of infringement against us, we may, in addition to being blocked from the market, have to pay substantial monetary damages, including treble damages and attorneys' fees for willful infringement, pay royalties, redesign our infringing products or obtain one or more licenses from third parties, which may be impossible or require substantial time and monetary expenditure.

In addition to infringement claims against us, we may become a party to other patent litigation and other proceedings, including interference, derivation or post-grant proceedings declared or granted by the USPTO and similar proceedings in foreign countries, regarding intellectual property rights with respect to our current or future products. An unfavorable outcome in any such proceedings could require us to delay or cease using the related technology or to attempt to license rights to it from the prevailing party or could cause us to lose valuable intellectual property rights. Our business could be harmed if the prevailing party does not offer us a license on commercially reasonable terms, if any license is offered at all. Litigation or other proceedings may fail and, even if successful, may result in substantial costs and distract our management and other employees. We may also become involved in disputes with others regarding the ownership of intellectual property rights. For example, we may jointly develop intellectual property with certain parties, and disagreements may therefore arise as to the ownership of the intellectual property developed pursuant to these relationships. If we are unable to resolve these disputes, we could lose valuable intellectual property rights.

BLA holders may submit applications for patent term extensions in the United States or other jurisdictions where similar extensions are available and/or Supplementary Protection Certificates in the EEA countries, and an equivalent process in Switzerland, seeking to extend certain patent protection which, if approved, may interfere with or delay the launch of one or more of our biosimilar products. Further, patent laws in the various jurisdictions in which we do business are subject to change and any future changes in patent laws may be less favorable for us.

The cost of any patent litigation or other proceeding, even if resolved in our favor, could be substantial. Patent litigation and other proceedings may fail, and even if successful, may result in substantial costs and distract our management and other employees. The companies that originated the products for which we intend to introduce biosimilar versions, as well as other competitors (including other biosimilar companies) may be able to sustain the costs of such litigation or proceedings more effectively than we can because of their substantially greater financial resources. Uncertainties resulting from the initiation and continuation of patent litigation or other proceedings (either filed against Alvotech or one of its partners) could impair our ability to compete in the applicable marketplace.

So called "submarine" patents may be granted to our competitors that may significantly alter our launch timing expectations, reduce our projected market size, cause us to modify our product or process or block us from the market altogether.

The term "submarine" patent has been used in the pharmaceutical industry and in other industries to denote a patent issuing from an application that was not published, publicly known or available (including unfiled continuation, continuation-in-part, and divisional applications, and the like) at a critical time during which development and/or commercial decisions are made. Submarine patents add uncertainty to our business, e.g., because key decisions may be made during a period of time during which a pending applications has not yet published and such applications may only become known after those key decisions have already been made and perhaps even acted on. Submarine patents may issue to our competitors covering key aspects of our biosimilar product candidates or our pipeline candidates and thereby cause significant market entry delay, lead to unexpected licensing fees, defeat our ability to market our products or cause us to abandon development and/or commercialization of a molecule.

The issuance of one or more submarine patents may harm our business by causing substantial delays in our ability to introduce a biosimilar candidate into the U.S. market.

We may not timely identify, or identify at all, relevant patents or may incorrectly interpret the relevance, scope or expiration of a patent which might adversely affect our ability to develop and market our products.

We cannot guarantee that any of our patent searches or analyses, including but not limited to the identification of relevant patents, the scope of patent claims or the expiration of relevant patents, are 100% accurate and/or exhaustive, nor can we be certain that we have identified each and every patent and pending application in the United States and abroad that is relevant to or necessary for the commercialization of our product candidates in any jurisdiction (timely or at all). The scope of a patent claim is determined by a judicial authority's interpretation under controlling law. Our interpretation of the relevance or the scope of a patent or a pending application may be incorrect and/or different from that of a judicial authority, which may negatively impact our ability to market our products or pipeline molecules. We may determine that our products are not covered by a third-party patent, but a judicial authority may hold otherwise.

Many patents may cover a marketed product, including but not limited to the composition of the product, methods of use, formulations, cell line constructs, vectors, growth media, production processes and purification processes. The identification of all patents and their expiration dates relevant to the production and sale of a reference product is extraordinarily complex and requires sophisticated legal knowledge in the relevant jurisdiction and interactive monitoring and analyzing of the patent landscape. It may be impossible to identify all patents in all jurisdictions relevant to a marketed product. Our determination of the expiration date of any patent in the United States or abroad that we consider (timely or at all) relevant may be incorrect which may negatively impact our ability to develop and market our products. Our failure to identify and correctly interpret relevant patents may negatively impact our ability to develop and market our products.

Legal proceedings that carry risk may occur from time to time, and their outcome may be uncertain.

We have been, and may in the future be involved, directly or through our partners, in various legal proceedings, including patent litigation and challenges, other intellectual property disputes, product liability and other product-related litigation, including personal injury, consumer, off-label promotion, securities, antitrust and breach of contract claims, commercial, environmental, government investigations, employment, tax litigation and other legal proceedings that arise from time to time in the ordinary course of our business. Examples of such proceedings are described elsewhere in this

Annual Report. Litigation is inherently unpredictable, and excessive verdicts do occur. We could incur judgments and/or enter into settlements, which could require us to make payments to the proceedings' counterparties or limit or discontinue certain of our activities, or could otherwise have a material adverse effect on our business operations. In addition, even if such legal proceedings are ultimately resolved in our favor, they may be costly and time-consuming to conduct, which may materially adversely affect our business, financial condition and results of operations. The cost and resource requirements, including management attention, associated with conducting such legal proceedings may lead us to settle certain actions on terms that are materially adverse to us, even if we believe that the ultimate resolution of the proceedings is likely to be favorable.

An unfavorable outcome could require us to cease using the related technology or to attempt to license rights to it from the prevailing party. Recently, some courts have been open to issuing cross-border injunctions that could impact our ability to manufacture and market products concurrently in multiple jurisdictions. Our business could be harmed if we cannot obtain a license from the prevailing party on commercially reasonable terms. Our defense of litigation proceedings may fail and, even if successful, may result in substantial costs and distract our management and other employees. In addition, the uncertainties associated with litigation could have a material adverse effect on our ability to raise the funds necessary to continue our clinical studies, continue our research programs, license necessary technology from third parties or enter into development partnerships that would help us bring our product candidates to market.

We may be involved in lawsuits to protect or enforce our patents or other intellectual property rights, which could be expensive, time consuming and unsuccessful.

We may discover that competitors are infringing one or more of our patents after they issue. Expensive and time-consuming litigation may be required to abate such infringement. Although we are not currently involved in any litigation to enforce patents, if we or one of our collaboration partners, such as Teva Pharmaceuticals International Ltd. ("Teva") or Stada Arzneimittel AG ("STADA"), were to initiate legal proceedings against a third-party to enforce a patent covering one of our product candidates, the defendant could counterclaim that the patent covering our product candidate is invalid and/or unenforceable. In patent litigation in the United States, defendant counterclaims alleging invalidity and/or unenforceability are commonplace. Grounds for a validity challenge could be an alleged failure to meet any of several statutory requirements, including but not limited to lack of novelty, obviousness, written description or non-enablement. Grounds for an unenforceability assertion could include an allegation that someone involved in the prosecution of the patent withheld relevant or material information related to the patentability of the invention from the USPTO or made a misleading statement during prosecution. The outcome following legal assertions of invalidity and unenforceability is unpredictable.

Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, and although there are protections in place, there is a risk that some of our confidential information could be compromised by disclosure during any litigation we initiate to enforce our patents. There could also be public announcements of the results of hearings, motions or other interim proceedings or developments. If securities analysts or investors perceive these results to be negative, they could have a material adverse effect on the price of Ordinary Shares.

We may be subject to claims that our employees, consultants, or independent contractors have wrongfully used or disclosed confidential information of third parties or that our employees have wrongfully used or disclosed alleged trade secrets of their former employers or third parties.

We employ individuals, retain independent contractors and consultants and members on our board of directors or scientific advisory board who were previously employed at universities or other pharmaceutical companies, including our competitors or potential competitors. Although we have several mechanisms in place to ensure that our employees, consultants and independent contractors do not use the proprietary information or know-how of others in their work for us, we may in the future be subject to such claims. Litigation may be necessary to defend against these claims. If we fail in defending against any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel, which could adversely impact our business. Even if we are successful in defending against such claims, litigation could result in substantial costs or delay and be a distraction to management and other employees.

If we are unable to obtain and maintain effective intellectual property rights, including patent rights, for our product candidates or any future product candidates, we may not be able to prevent competitors from using technologies we consider important to successful development and commercialization of our product candidates, resulting in loss of any potential competitive advantage our intellectual property rights may have otherwise afforded us.

While our principal focus in matters relating to intellectual property is to avoid infringing the valid and enforceable rights of third parties, we also rely upon a combination of intellectual property protection and confidentiality agreements to protect our own intellectual property related to our development programs. Our ability to enjoy any competitive advantages

afforded by our own intellectual property depends in large part on our ability to obtain and maintain patents and other intellectual property protection in the United States and in other countries with respect to various proprietary elements of our product candidates, such as, for example, our product formulations and processes for manufacturing our products and our ability to maintain and control the confidentiality of trade secrets and confidential information critical to our business.

We have sought to protect our proprietary position by filing patent applications in the United States and abroad related to our products that are important to our business. This process is expensive and time consuming, and we may not be able to file and prosecute all necessary or desirable patent applications at a reasonable cost or in a timely manner. It is also possible that we will fail to identify patentable aspects of our research and development output before it is too late to obtain patent protection. There is no guarantee that any patent application we file will result in an issued patent having claims that protect our products. Additionally, while the basic requirements for patentability are similar across jurisdictions, each jurisdiction has its own specific requirements for patentability. We cannot guarantee that we will obtain identical or similar, or any, patent protection covering our products in all jurisdictions where we file patent applications.

The patent positions of biopharmaceutical companies generally are highly uncertain and involve complex legal and factual questions for which legal principles remain unresolved. As a result, the patent applications that we own or licenses may fail to result in issued patents with claims that cover our product candidates in the United States or in other foreign countries for many reasons. There is no assurance that all potentially relevant prior art relating to our patents and patent applications have been found, considered or cited during patent prosecution, which can be used to invalidate a patent or prevent a patent from issuing from a pending patent application. Even if patents do successfully issue, and even if such patents cover our product candidates, third parties may challenge their validity, enforceability or scope, which may result in such patent claims being narrowed, found unenforceable or invalidated. Furthermore, even if they are unchallenged, our patents and patent applications may not adequately protect our intellectual property, provide exclusivity for our product candidates or prevent others from designing around our claims. Any of these outcomes could impair our ability to prevent competitors from using the technologies claimed in any patents issued to us, which may have an adverse impact on our business.

Patents granted by the European Patent Office may be opposed by any person within nine months from the publication of their grant and, in addition, may be challenged before national courts at any time. From time to time, we may be involved in these anonymous or "straw man" oppositions. Furthermore, even if they are unchallenged, our patents and patent applications may not adequately protect our intellectual property or prevent others from designing around our claims. If the breadth or strength of protection provided by the patents and patent applications we hold, license or pursue with respect to our product candidates is threatened, it could threaten our ability to prevent third parties from using the same technologies that we use in our product candidates. In addition, changes to the patent laws of the United States provide additional procedures for third parties to challenge the validity of issued patents based on patent applications filed after 15 March 2013. If the breadth or strength of protection provided by the patents and patent applications we hold or pursue with respect to our current or future product candidates is challenged, then it could threaten our ability to prevent competitive products using our proprietary technology. Further, because patent applications in the United States and most other countries are confidential for a period of time, typically for 18 months after filing, we cannot be certain that we were the first to either (i) file any patent application related to our product candidates or (ii) invent any of the inventions claimed in our patents or patent applications. Furthermore, for applications filed before 16 March 2013 or patents issuing from such applications, an interference proceeding can be provoked by a third-party or instituted by the USPTO to determine who was the first to invent any of the subject matter covered by the patent claims of our applications and patents. As of 16 March 2013, the United States transitioned to a "first-inventor-to-file" system for deciding which party should be granted a patent when two or more patent applications claiming the same invention are filed by different parties. A third-party that files a patent application in the USPTO before us could therefore be awarded a patent covering our invention.

The change to "first-inventor-to-file" from "first-to-invent" is one of the changes to the patent laws of the United States resulting from the Leahy-Smith America Invents Act, signed into law on 16 September 2011. Among some of the other significant changes to the patent laws are changes that limit where a patentee may file a patent infringement suit and provide opportunities for third parties to challenge any issued patent in the USPTO. We have filed patent applications, which are in various stages of prosecution/issuance, and plan to pursue additional applications, covering various aspects of our product candidates (e.g., formulations and bioprocesses). We cannot offer any assurances about which or where, if any, patents will issue, the breadth of any such patent or whether any issued patents will be found invalid and unenforceable or will be threatened or infringed by third parties. Any successful actions by third parties to challenge the validity or enforceability of any patents which may issue to us could deprive us the ability to prevent others from using the technologies claimed in such issued patents. Further, if we encounter delays in regulatory approvals, the period of time during which we could market a product candidate under patent protection could be reduced.

Our business is based primarily on the timing of our biosimilar product launches to occur after the expiration of relevant patents and/or regulatory exclusivity. We file patent applications directed to our proprietary formulations for our

product candidates when we believe securing such patents may afford a competitive advantage. We cannot guarantee that our proprietary formulations will avoid infringement of third-party patents, or that the patent applications filed on our proprietary formulations will be found patentable and/or upheld as valid. Moreover, because competitors may be able to develop their own proprietary product formulations, it is uncertain whether issuance of any of our pending patent applications, would cover the formulations of any competitors.

We do not consider it necessary for us or our competitors to obtain or maintain a proprietary patent position in order to engage in the business of biosimilar development and commercialization. Hence, while our ability to secure patent coverage on our own proprietary developments may improve our competitive position with respect to the product candidates we intend to commercialize, we do not view our own patent filings as a necessary or essential requirement for conducting our business nor do we rely on patent filings or the potential for any commercial advantage they may provide us as a basis for our success.

Obtaining and maintaining our patent protection depends on compliance with various procedural requirements, document submissions, actions within prescribed deadlines, overcoming substantial and procedural examination requirements, fee payments and other requirements imposed by governmental patent agencies. Our patent protection could be reduced or eliminated for non-compliance with these requirements.

The USPTO and various foreign governmental patent agencies require compliance with a number of procedural, documentary, fee payment and other provisions during the patent process. In many cases, an inadvertent lapse can be cured by payment of a late fee or by other means in accordance with the applicable rules. However, there are situations in which noncompliance can result in abandonment or lapse of a patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. In such an event, competitors might be able to enter the market earlier than would otherwise have been the case.

We may not be able to adequately protect our intellectual property rights throughout the world.

Filing, prosecuting, defending and enforcing patents on product candidates in all countries throughout the world would be prohibitively expensive, and our intellectual property rights in some countries outside the United States can be less extensive than those in the United States. In addition, the laws of some countries do not protect intellectual property rights to the same extent as federal and state laws in the United States. Further, licensing partners may choose not to file patent applications in certain jurisdictions in which we may obtain commercial rights (to the extent those partners have a contractual right to do so), thereby precluding the possibility of later obtaining patent protection in these countries. Consequently, we may not be able to prevent third parties from practicing our inventions in all countries outside the United States or importing products made using our inventions into the United States or other jurisdictions. Competitors may use our technologies in jurisdictions where we have not obtained patent protection to develop their own products and may also export infringing products to territories where we have patent protection, but the ability to enforce our patents is not as strong as that in the United States. These products may compete with our products and our patents or other intellectual property rights may not be effective or sufficient to prevent them from competing.

Many companies have encountered significant problems in obtaining, protecting and defending intellectual property rights in certain non-U.S. jurisdictions. The legal systems of certain countries, particularly certain developing countries, do not favor the enforcement of patents, trade secrets and other intellectual property protection, which could make it difficult for us to stop the infringement of our patents or marketing of competing products in violation of our proprietary rights generally. Proceedings to enforce our patent rights in foreign jurisdictions, whether or not successful, could result in substantial costs and divert our efforts and attention from other aspects of our business, could put our patents at risk of being invalidated or interpreted narrowly and our patent applications at risk of not issuing and could provoke third parties to assert claims against us. We may not prevail in any lawsuits that it initiates and the damages or other remedies awarded, if any, may not be commercially meaningful. Governments of some foreign countries may force us to license our patents to third parties on terms that are not commercially reasonable or acceptable to us (not timely or not at all). Accordingly, our efforts to enforce our intellectual property rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we develop or license in certain jurisdictions.

Changes in the patent laws of the United States and other jurisdictions in which we do business could diminish the value of patents obtainable in such jurisdictions, thereby impairing our ability to protect our products.

As is the case with other biopharmaceutical companies, our success for any given product could be heavily dependent on intellectual property, particularly patents. Obtaining and enforcing patents in the biopharmaceutical industry

involves both technological and legal complexity. Therefore, obtaining and enforcing biopharmaceutical patents is costly, time consuming and inherently uncertain.

Depending on future actions by the U.S. Congress, the federal courts and the USPTO, the laws and regulations governing patents could change in unpredictable ways that would weaken our ability to obtain new patents or to enforce our existing patents and patents that we might obtain in the future. Similarly, future actions in non-U.S. jurisdictions may similarly impact laws and regulations governing patents in unpredictable ways.

If we are unable to maintain effective (non-patent) proprietary rights for our product candidates or any future product candidates, we may not be able to compete effectively in our markets.

While we have filed patent applications to protect certain aspects of our own proprietary formulation and process developments, we also rely on trade secret protection and confidentiality agreements to protect proprietary scientific, business and technical information and know-how that is not or may not be patentable or that we elect not to patent. However, confidential information and trade secrets can be difficult to protect. Moreover, the information embodied in our trade secrets and confidential information may be independently and legitimately developed or discovered by third parties without any improper use of or reference to information or trade secrets. We seek to protect the scientific, technical and business information supporting our operations, as well as the confidential information relating specifically to our product candidates by entering into confidentiality agreements with parties to whom we need to disclose our confidential information, for example, our employees, consultants, scientific advisors, board members, contractors, potential collaborators and financial investors. However, we cannot be certain that such agreements have been entered into with all relevant parties, or that any such agreements would not be violated. We also seek to preserve the integrity and confidentiality of our data and trade secrets by maintaining physical security of our premises and physical and electronic security of our information technology systems, but it is possible that these security measures could be breached. While we have confidence in these individuals, organizations and systems, agreements or security measures may be breached, and we may not have adequate remedies for any breach. Further, from time-to-time we may be subject to anonymous Freedom of Information Act ("FOIA"), requests. To the extent the company needs to respond to such requests, our management's attention and the company's resources may be diverted from normal business operations. As a result of either security breaches or FOIA requests, our confidential information and trade secrets thus may become known by our competitors in ways we cannot prevent or remedy.

Although we require all of our employees and consultants to assign their inventions to us, and all of our employees, consultants, advisors and any third parties who have access to our proprietary know-how, information or technology to enter into confidentiality agreements, we cannot provide any assurances that all such agreements have been duly executed. We cannot guarantee that our trade secrets and other confidential proprietary information will not be disclosed or that competitors will not otherwise gain access to our trade secrets or independently develop substantially equivalent information and techniques. For example, any of these parties may breach the agreements and disclose our proprietary information, including our trade secrets, and we may not be able to obtain adequate remedies for such breaches. Misappropriation or unauthorized disclosure of our trade secrets could impair our competitive position and may have a material adverse effect on our business. Additionally, if the steps taken to maintain our trade secrets are deemed inadequate, we may have insufficient recourse against third parties for misappropriating the trade secret. We cannot guarantee that our employees, former employees or consultants will not file patent applications claiming our inventions. Because of the "first-to-file" laws in the United States (and in other jurisdictions), such unauthorized patent application filings may defeat our attempts to obtain patents on our inventions.

We may be subject to claims challenging the inventorship or ownership of our patent filings and other intellectual property.

Although we are not currently aware of any claims challenging the inventorship of our patent applications or ownership of our intellectual property, we may in the future be subject to claims that former employees, collaborators or other third parties have an interest in our patent applications or patents we may be granted or other intellectual property as an inventor or co-inventor. For example, we may have inventorship or ownership disputes arise from conflicting obligations of consultants or others who are involved in developing our product candidates, or which result from an improper assignment of ownership. Litigation may be necessary to defend against these and other claims challenging inventorship or ownership. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights, such as exclusive ownership of or right to use valuable intellectual property. Such an outcome could have a material adverse effect on our business. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management and other employees.

We may not be successful in obtaining or maintaining necessary intellectual property rights to our product candidates through acquisitions and in-licenses.

We currently have or are pursuing rights to certain intellectual property, through licenses from third parties for various technologies relevant to the manufacture and commercialization of biologics. Because we may find that our programs require the use of proprietary rights held by third parties, the growth of our business may depend in part on our ability to acquire, in-license or use these proprietary rights. We may be unable to acquire or in-license compositions, methods of use, processes or other third-party intellectual property rights from third parties that we identify as necessary for our product candidates. The licensing and acquisition of third-party intellectual property rights is a competitive area, and a number of more established companies are also pursuing strategies to license or acquire third-party intellectual property rights that we may consider attractive. These established companies may have a competitive advantage over us due to their size, financial resources and greater clinical development and commercialization capabilities. In addition, companies that perceive us to be a competitor may be unwilling to assign or license rights to us. We also may be unable to license or acquire third-party intellectual property rights on terms that would allow us to make an appropriate return on investment.

If we are unable to successfully obtain rights to required third-party intellectual property rights or maintain the existing intellectual property rights we have, our business and financial condition could suffer.

Our ability to market our products in the United States may be significantly delayed or prevented by the BPCIA patent information exchange mechanism.

The BPCIA created an elaborate and complex, private, pre-litigation patent information exchange mechanism for biosimilars to focus issues for patent litigation and/or facilitate dispute resolution with the reference product sponsor before litigation commences/ends.

The BPCIA provides for a detailed and complex mechanism for exchange of confidential and business-sensitive information between a reference product sponsor and a biosimilar candidate (pre-approval) that is demanding, time-sensitive and, to date, not fully tested and therefore unpredictable. This pre-litigation private information exchange is colloquially known as the "patent dance."

The patent dance requires the biosimilar applicant to disclose not only the regulatory application but also the applicant's manufacturing process before litigation (and therefore significantly earlier than would normally be required in patent litigation), has the potential to afford the reference product sponsor an easier path than traditional infringement litigation for developing any factual grounds they may require to support allegations of infringement. The rules established in the BPCIA's patent dance procedures could place biosimilar firms at a significant disadvantage by affording the reference product sponsor a much easier mechanism for factual discovery, thereby increasing the risk that a biosimilar product could be blocked from the market more quickly than under traditional patent infringement litigation processes and in certain cases could outweigh advantages provided to biosimilar firms by the patent dance.

Preparing for and conducting the patent information exchange, briefing and negotiation process under the BPCIA will require sophisticated legal counseling and extensive planning, all under extremely tight deadlines. We cannot guarantee the outcome of the patent dance will be a successful path to commercialization of our biosimilar products.

It is possible for a biosimilar firm to skip the patent dance before any corresponding patent litigation. But this too could place a biosimilar firm at a significant disadvantage by ceding all control of the number of patents and the timing for the start of litigation to the reference product sponsor, thereby increasing the uncertainty before approval and launch and increasing the chances for possible delays. In certain circumstances, the advantages of participating in the patent dance could outweigh the advantages of skipping the patent dance.

Regardless of whether a biosimilar firm chooses to participate in the patent dance, the BPCIA's information disclosure procedure adds significantly to expense, complexity, uncertainty, and risk. For example, a biosimilar firm may be subject to an allegation of violating the BPCIA independent of the patent issues, given that what could be a violation still has not been fully vetted. Moreover, the complexity of the patent dance and subsequent biosimilar litigation requires highly qualified law firms and the conflict space for such firms is very crowded, with biosimilar firms competing not only with other biosimilar firms but also with reference product sponsors for the engagement of suitable law firms. It may be difficult for us to secure such legal support if large, well-funded references have already entered into engagements with highly qualified law firms or if the most highly qualified law firms choose not to represent biosimilar applicants due to their long-standing relationships with references.

Our Canadian partner, JAMP, is involved in legal proceedings adverse to AbbVie that may have an impact on our AVT02 product in Canada.

While our legal proceedings adverse to AbbVie related to our biosimilar adalimumab product, AVT02, have been settled or otherwise resolved in the United States, the Netherlands, and Japan, and before the European Patent Office, proceedings between our Canadian partner JAMP and AbbVie are pending in Canada.

On 31 March 2021, AbbVie filed four actions in the Federal Court of Canada (T-557-21, T-559-21, T-560-21 and T-561-21, collectively, the "NOC Actions") against JAMP Pharma Corporation ("JAMP Pharma"), which is our exclusive Canadian partner for AVT02 (adalimumab solution for injection). No Alvotech entity is a named party in the NOC Actions. AbbVie is seeking declarations pursuant to the Patented Medicines (Notice of Compliance) Regulations and the Patent Act that JAMP Pharma's adalimumab solution for subcutaneous injection (the "JAMP Pharma Products") would directly or indirectly infringe the asserted claims of Canadian Patent Nos. 2,898,009; 2,904,458; 2,504,868; 2,847,142; 2,801,917 and 2,385,745. JAMP Pharma counterclaimed, in each of the four actions, alleging that the asserted claims of each of the six patents are invalid.

On 6 April 2021, JAMP Pharma commenced four actions in the Federal Court of Canada (T-572-21, T-573-21, T-577-21 and T-581-21, collectively, the "Impeachment Actions") seeking declarations that all claims of Canadian Patent Nos. 2,898,009; 2,904,458; 2,504,868; 2,847,142; 2,801,917 and 2,385,745 are invalid, void and of no force or effect, and declarations that the making, using or selling of the JAMP Pharma Products by JAMP Pharma in Canada will not infringe any valid claim of Canadian Patent Nos. 2,898,009; 2,904,458; 2,504,868; 2,847,142; 2,801,917 and 2,385,745. No Alvotech entity is a named party in the Impeachment Actions.

On 4 June 2021, JAMP Pharma amended its Statements of Claim in the Impeachment Actions to only seek declarations that the specific claims asserted in the NOC Actions are invalid, void and of no force or effect, and declarations that the making, using or selling of the JAMP Pharma Products by JAMP Pharma in Canada will not infringe the asserted claims. AbbVie has counterclaimed for declarations that the asserted claims of the patents are valid and that they will be infringed by JAMP Pharma.

The trial of the Impeachment Actions and the NOC Actions commenced on 14 November 2022, and concluded with closing arguments on 14 December 2022. During the course of the proceedings, the patents-at-issue were limited to Canadian Patent Nos. 2,904,458; 2,504,868; and 2,801,917.

In November 2023, Justice McVeigh issued her trial decision, which invalidated AbbVie's 868 Patent (dosing to treat Crohn's disease and UC) and 917 Patent (dosing to treat HS). While AbbVie's 458 Patent (bufferless formulation) was held to be valid and infringed by JAMP Pharma, Justice McVeigh declined to issue a permanent injunction and instead determined that JAMP Pharma could continue to market AVT02 in Canada and compensate AbbVie by way of a running royalty (to be determined by way of a future trial). AbbVie appealed the trial decision and JAMP Pharma cross-appealed (regarding the validity/infringement of the 458 Patent). The appeal and cross-appeal are in the early stages and are unlikely to be heard before the fourth quarter of 2026. Even if JAMP Pharma is successful in defending against AbbVie's patent infringement claims, litigation could result in substantial cost and distraction to management and other employees.

In the event that an appellate court finds in AbbVie's favor, then market access of SIMLANDI in Canada may be impacted.

Alvotech and our partner Dr. Reddy's Laboratories are involved in legal proceedings adverse to Amgen that may have an impact on our AVT 03 product in the United States.

In November 2025, Amgen brought suit against Alvotech and its commercial partner Dr. Reddy's Laboratories in the United States District Court for the District of New Jersey, alleging that AVT03 infringes several Amgen patents. AVT03 was developed by Alvotech as denosumab products that are biosimilars of Amgen's Prolia and XGEVA products.

Alvotech and Dr. Reddy's Laboratories have answered that the patents asserted by Amgen are not infringed, invalid, or unenforceable. The litigation remains ongoing with trial scheduled to occur in May 2028. Alvotech and Dr. Reddy's Laboratories are vigorously defending the litigation. However, in the event that the court finds in Amgen's favor, then market access of AVT03 in the United States may be impacted.

Patent conflicts regarding AVT06 have been resolved by settlement with Regeneron and Bayer.

In December 2025, Alvotech and Teva reached a settlement and license agreement with Regeneron Pharmaceuticals Inc. concerning the launch of AVT06, Alvotech's proposed biosimilar to Eylea® (aflibercept) in the United States. The settlement grants a license entry date for AVT06 in the United States in the fourth quarter of 2026, or earlier under certain circumstances.

In Japan, in October 2025, Regeneron and Bayer brought a petition for provisional disposition against Alvotech's commercial partner Fuji Pharma based on Japanese patent no. 7733706. Fuji Pharma denied that Regeneron and Bayer were entitled to any relief and vigorously defended itself in the litigation.

In Europe, Alvotech defended itself in several actions brought by Regeneron and Bayer related to AVT06. Regeneron and Bayer brought challenges to Alvotech's SPC waiver requests in Iceland, the United Kingdom, and Belgium. Alvotech obtained decisions in the first instance that those challenges were without merit.

In December 2025, Regeneron brought an action for a preliminary injunction against Alvotech and its commercial partners Advanz Pharma and STADA in the Munich 1 Regional Court. After a hearing that was conducted on January 8, 2026, the court entered an injunction against Alvotech, Advanz Pharma and STADA.

In January 2026, Alvotech entered into a settlement agreement with Regeneron and Bayer to market and sell the biosimilar as of January 1, 2026 in the UK and Canada as well as Japan (excluding the diabetic macular edema indication) starting May 1 in the European Economic Area and all other countries in the world (other than the U.S.), and from November 1, 2026 in Japan with all approved indications. The settlement agreement also resolved all remaining patent disputes related to AVT06 worldwide.

Alvotech has filed a petition for Post Grant Review of U.S. Patent No. 12,168,036 in the USPTO.

In September 2025, Alvotech filed a petition for Post Grant Review of U.S. Patent No. 12,168,036. This patent purports to claim a pharmaceutical formulation that contains at least 8 mg of aflibercept with other additional requirements. Alvotech argued that the patent claims were obvious in view of certain prior art, and that they also lacked written description in the patent's specification. The patent owner argued that the USPTO should exercise its discretion to deny institution of the post grant review, and also submitted a preliminary response arguing that the claims were not invalid. The USPTO has rejected the patent owner's request for discretionary denial. In March 2026, the USPTO instituted the PGR proceeding. In general, a final written decision in the PGR will be rendered no more than one year from the institution of the PGR proceedings.

If the USPTO were to find in the patent owner's favor, then market access to biosimilar versions of Eylea High-Dose, including Alvotech's AVT29 product, in the United States may be impacted.

Alvotech, directly or through our partners, may become involved in legal proceedings adverse to other originators or market participants.

Risks Related to Government Regulations

Our commercial products will remain subject to continuous subsequent regulatory obligations and scrutiny.

If our product candidates are approved, they will be subject to ongoing regulatory requirements for pharmacovigilance, manufacturing, labeling, packaging, storage, advertising, promotion, sampling, record-keeping, conduct of post-marketing studies (if any) and submission of other post-market information, including both federal and state requirements in the United States and equivalent requirements of comparable foreign regulatory authorities.

Manufacturers and manufacturers' facilities are required to comply with extensive FDA, and comparable foreign regulatory authority requirements, including ensuring that quality control and manufacturing procedures conform to current cGMP, regulations. As such, we and our contract manufacturers will be subject to continual review and inspections to assess compliance with cGMP and adherence to commitments made in any marketing authorization application. Accordingly, we and others with whom we work must continue to expend time, money and effort in all areas of regulatory compliance, including manufacturing, production and quality control.

Any regulatory approvals that we or our collaboration partners receive for our product candidates may be subject to limitations on the approved conditions of use for which the product may be marketed or to the conditions of approval or

may contain requirements for potentially costly additional data generation, including clinical studies. We will be required to report certain adverse reactions and production problems, if any, to the FDA and comparable foreign regulatory authorities, and to conduct surveillance to monitor the safety and efficacy of the product candidate. Any new legislation addressing drug safety or biologics or biosimilars issues could result in delays in product development, approval or commercialization or increased costs to assure compliance.

We will have to comply with requirements concerning advertising and promotion for our products. Promotional communications with respect to prescription drugs are subject to a variety of legal and regulatory restrictions that vary throughout the world and must be consistent with the information in the product's approved label. As such, we may not promote our products in ways that are not consistent with FDA-approved labeling, e.g., for indications or uses for which they do not have approval. Equivalent limitations are provided both at EU level and national level in the individual EU Member States.

If our product candidates are approved, the company must submit new or supplemental applications and obtain prior approval for certain changes to the licensed approved, therapeutic indications, product labeling and manufacturing process. These changes may require submission of substantial data packages that may include clinical data.

If a regulatory authority discovers previously unknown problems with a biosimilar product (or with the reference product or related biosimilars) such as adverse events of unanticipated severity or frequency, or if there are problems with the facility where the product is manufactured or the regulatory authority disagrees with the advertising, promotion, marketing or labeling of a product, such regulatory authority may impose restrictions on that product or us. If we fail to comply with applicable regulatory requirements, a regulatory authority such as FDA may, among other things:

- issue warning or untitled letters;
- refer a case to the U.S. Department of Justice, or comparable authorities, to impose civil or criminal penalties;
- begin proceedings to suspend or withdraw regulatory approval;
- issue an import alert;
- suspend our ongoing clinical studies or put our on clinical hold;
- refuse to approve pending applications (including supplements to approved applications) submitted by us;
- ask us to initiate a product recall; or
- refer a case to the U.S. Department of Justice, or comparable authorities, to seize and forfeit products or obtain an injunction imposing restrictions on our operations.

Failure to comply with EU and EU Member State laws that govern conduct of clinical studies, manufacturing approval, marketing authorization of medicinal products and marketing of such products, both before and after grant of the marketing authorization, or with other applicable regulatory requirements may result in administrative, civil or criminal penalties. These penalties could include delays or refusal to authorize the conduct of clinical studies, or to grant marketing authorization, product withdrawals and recalls, product seizures, suspension, withdrawal or variation of the marketing authorization, total or partial suspension of production, distribution, manufacturing or clinical studies, operating restrictions, injunctions, suspension of licenses, fines and criminal penalties.

Any government investigation of alleged violations of law or regulations could require us to expend significant time and resources in response and could generate negative publicity. Any failure to comply with ongoing regulatory requirements may significantly and adversely affect our ability to commercialize and generate revenue from our products. If regulatory sanctions are applied or if regulatory approval is withdrawn, our value and our operating results will be adversely affected.

We may become subject to the sustainability disclosure requirements set out in the EU Corporate Sustainability Reporting Directive and the disclosure requirements set out in the EU Taxonomy Regulation.

As a European public company with limited liability, with our registered office in Luxembourg and securities admitted to trading on an EEA-regulated market, we remain subject to the evolving sustainability reporting and due-diligence framework in the European Union.

Although the Corporate Sustainability Reporting Directive ("CSRD") entered into force in January 2023, the EU adopted the "Stop-the-Clock" Directive in April 2025, which postpones CSRD reporting by two years for companies scheduled to begin reporting in 2026 and 2027 ("wave 2" and "wave 3" entities), and delays the Corporate Sustainability

Due Diligence Directive ("CSDDD") transposition and first-phase application by one year to 2027 and 2028, respectively. Luxembourg has since amended its draft CSRD legislation to align with this EU-level delay and clarified that companies with financial years beginning in 2024 and ending before the law's entry into force are not required to publish sustainability information for that year, unless they elect to do so voluntarily.

In December 2025, European policymakers reached a political agreement to substantially narrow the scope of CSRD to companies that exceed both 1,000 employees and €450 million in net turnover, and to reduce the number of required disclosures under the European Sustainability Reporting Standards ("ESRS").

In parallel, the EU Taxonomy Regulation (Article 8) remains in force, with the Commission issuing new interpretative guidance in 2024 and draft Notice updates in 2025, as well as a 2025 Omnibus Delegated Act aimed at simplifying certain taxonomy-related disclosures and technical screening criteria, all of which may alter required methodologies or KPIs without reducing our obligation to report Taxonomy-eligible and Taxonomy-aligned proportions of turnover, capital expenditure and operational expenditure.

The CSDDD, which entered into force in July 2024, imposes extensive value-chain due-diligence obligations and a climate transition-plan requirement on companies meeting updated thresholds (including ≥1,000 employees and ≥€450 million net worldwide turnover), with application now deferred to July 2028 for the largest companies under the Stop-the-Clock Directive; however, the scope may be further reduced as negotiations on additional amendments continue.

As a result of these ongoing EU and national legislative developments, there remains material uncertainty regarding whether and when we will be required to report under the CSRD, the extent of data we must collect and assure under the ESRS and EU Taxonomy, and whether we will fall within the scope of the CSDDD once final thresholds and Luxembourg transposition measures are adopted.

Even if we ultimately fall outside the scope for certain reporting years, investor expectations, lender requirements and market practice may still require us to provide sustainability disclosures comparable to CSRD or CSDDD standards. Implementing and maintaining systems to collect reliable sustainability data across our operations and value chain, conducting double-materiality assessments, preparing compliant disclosures, and obtaining third-party assurance will continue to require significant investments of time, resources and expertise, and further amendments or delays to EU legislation may require repeated adjustments to our compliance approach. Any failure to comply with applicable sustainability reporting or due-diligence obligations once in force could expose us to regulatory enforcement, administrative penalties, reputational damage, and adverse investor or customer reactions, any of which could materially and adversely affect our business, financial condition and results of operations.

Recently enacted and future legislation, including healthcare legislative reform measures, may have a material adverse effect on our business and results of operations.

In the United States and in a number of foreign jurisdictions, legislative and regulatory initiatives intended to reduce healthcare expenditures continue to evolve and may adversely affect the pricing, reimbursement and market access of biologic and biosimilar medicines. These measures could limit the amounts that public and private payers are willing to reimburse, suppress net prices, restrict coverage, or otherwise reduce the commercial potential of our approved products and product candidates.

More broadly, the policies of regulatory authorities—including the FDA, EMA, European Commission, MHRA and other national authorities—with respect to clinical studies, market authorization procedures, post-approval requirements and exclusivity frameworks continue to evolve. New or amended regulations, including the full implementation of the EU clinical studies Regulation and various modernization initiatives in the UK, may impact the timing, design and cost of our clinical development programs.

If we are slow to adapt to changes in existing requirements, fail to comply with newly adopted requirements, or cannot anticipate how future legislative or policy developments will affect the markets in which we operate, our development plans, commercialization strategy and ability to generate revenue could be adversely affected.

We may be subject to federal and state healthcare laws, including those governing fraud and abuse, false claims, physician payment transparency and health information privacy and security laws, and comparable foreign law equivalents. If we are unable to comply or have not fully complied with such laws, we could face substantial penalties

including administrative, civil and criminal penalties, damages, fines, and exclusion from participation in government health care programs.

Our operations may be subject to various civil and criminal fraud and abuse laws. In the United States, federal fraud and abuse laws include, without limitation, the False Claims Act ("FCA"), the Anti-Kickback Statute ("AKS"), the Exclusions Law, and the Civil Monetary Penalties Law ("CMPL"). Many states have similar state laws. These laws may impact, among other things, our research activities as well as our proposed sales, marketing and education programs. In addition, we may be subject to patient privacy regulation by both the federal government and the states in which we conduct our business. The laws that may affect our ability to operate include:

- the federal AKS Statute, which prohibits, among other things, any individual or entity from knowingly and willfully soliciting, offering or paying remuneration, directly or indirectly, overtly or covertly, in cash or in kind, to induce another individual or entity to : (a) refer an individual to a person for the furnishing (or arranging for the furnishing) of any item or service for which payment may be made under a federal health care program; (b) purchase or order any covered item or service; (c) arrange for the purchase or order of any covered item or service; or (d) recommend the purchase or order of any covered item or service;
- federal civil and criminal false claims laws and civil monetary penalties laws, including the FCA and the CMPL, which prohibit, among other things, individuals or entities from knowingly presenting or causing to be presented false, fictitious, or fraudulent claims for payment to the U.S. government;
- the federal Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), which created new federal criminal statutes that prohibit, among other things, executing a scheme to defraud any healthcare benefit program and making false statements relating to healthcare matters;
- HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act ("HITECH"), and its implementing regulations, which imposes certain requirements relating to the privacy, security and transmission of health information that allows identification of individual patients on covered entities, including certain healthcare providers, health plans, and healthcare clearinghouses, and their business associates, independent contractors of a covered entity that perform certain services involving the use or disclosure of individually identifiable health information, as well as their covered subcontractors;
- Federal and state transparency laws and regulations, such as the federal Physician Payments Sunshine Act. The federal Physician Payment Sunshine Act which requires certain manufacturers of drugs, devices, biologics and medical supplies to report annually to the Centers for Medicare & Medicaid Services information related to payments and other transfers of value made by such manufacturers to physicians (defined to include doctors, dentists, optometrists, podiatrists and chiropractors), other healthcare professionals (such as physicians assistants and nurse practitioners), and teaching hospitals, as well as ownership and investment interests held by physicians and their immediate family members in such manufacturers; and
- state and foreign law equivalents of each of the above federal laws, such as anti-kickback and false claims laws that may apply to items or services reimbursed by any third-party payor, including commercial insurers, state laws that require pharmaceutical companies to comply with the pharmaceutical industry's voluntary compliance guidelines and the relevant compliance guidance promulgated by the national or federal government or otherwise restrict payments that may be made to healthcare providers and other potential referral sources; national or state laws that require drug manufacturers to report information related to payments and other transfers of value to physicians and other healthcare providers or marketing expenditures and national or state laws governing the privacy and security of health information in certain circumstances, many of which differ from each other in significant ways and may not have the same effect, thus complicating compliance efforts.

Outside the United States, interactions between pharmaceutical companies and healthcare professionals are also governed by strict laws, such as national anti-bribery laws of European countries, national sunshine rules, regulations, industry self-regulation codes of conduct and physicians' codes of professional conduct. Failure to comply with these requirements could result in reputational risk, public reprimands, administrative penalties, fines or imprisonment.

Because of the breadth of these laws and the narrowness of the statutory exceptions and safe harbors available, it is possible that some of our business activities could be subject to challenge under one or more of such laws. In addition, health care reform legislation has strengthened these laws. For example, in the United States the PPACA, among other things, amended the intent requirement of the federal anti-kickback and criminal healthcare fraud statutes, such that a person or entity no longer needs to have actual knowledge of this statute or specific intent to violate it. Moreover, the

PPACA provides that the government may assert that a claim including items or services resulting from a violation of the federal anti-kickback statute constitutes a false or fraudulent claim for purposes of the False Claims Act.

If our operations are found to be in violation of any of the laws described above or any other governmental regulations that apply to us, we may be subject to significant penalties, including administrative, civil and criminal penalties, damages, fines, disgorgement, exclusion from participation in government health care programs, such as Medicare and Medicaid, imprisonment, integrity oversight and reporting obligations, and the curtailment or restructuring of our operations, any of which could adversely affect our ability to operate our business and our results of operations. Moreover, one or more of our commercial partners may be subject to the above law and may be investigated or sued for any one or more of the previous concerns which may in turn materially impact us by virtue of our association with such commercial partner(s).

We are subject to anti-corruption laws and regulations, export and import controls, and sanctions laws and regulations of the United States and other countries. Compliance with these legal standards could impair our ability to compete in international markets. We could face criminal liability and other serious consequences for violations, which could harm our business, prospects and financial condition.

We are subject to the U.S. Foreign Corrupt Practices Act of 1977, as amended, the U.S. domestic bribery statute contained in 18 U.S.C. § 201, the U.S. Travel Act, and other state and national anti-bribery laws in jurisdictions in which we may conduct activities. Anti-corruption laws are interpreted broadly and prohibit companies and their employees, agents, CROs, contractors and other collaborators and partners from authorizing, promising, offering, providing, soliciting or receiving, directly or indirectly, improper payments or anything else of value improperly to or from recipients in the public or private sector. We have engaged third parties for clinical studies outside of the United States, to sell our products abroad once we enter a commercialization phase, and/or to obtain necessary permits, licenses, patent registrations and other regulatory approvals. We have direct or indirect interactions with officials and employees of government agencies or government-affiliated hospitals, universities and other organizations. We can be held liable for the corrupt or other illegal activities of our employees, agents, CROs, contractors and other collaborators and partners, even if we do not explicitly authorize or have actual knowledge of such activities. In addition, the FCPA imposes accounting standards and requirements on publicly traded U.S. corporations and their foreign affiliates, which requires such companies to maintain complete and accurate books and records and maintain a system of internal accounting controls.

We are also subject to export control and import laws and regulations, including the U.S. Export Administration Regulations, U.S. Customs regulations, and various economic and trade sanctions regulations administered by the U.S. Treasury Department's Office of Foreign Assets Control, as well as by comparable import, export, and sanctions laws and regulations in other jurisdictions. Compliance with applicable regulatory requirements regarding the import and export of our products may create delays in the introduction of our products in international markets or, in some cases, prevent the export of our products to some countries or persons altogether.

Furthermore, U.S. export control laws and economic sanctions prohibit the shipment of certain products and services to countries, governments, and persons targeted by U.S. sanctions.

Any changes in the laws and regulations described above, shift in the enforcement or scope of existing laws and regulations, or change in the countries, governments, persons, or technologies targeted by such laws and regulations, could result in decreased ability to export our product candidates internationally. Any violations of the laws and regulations described above may result in substantial civil and criminal fines and penalties, imprisonment, the loss of export or import privileges, debarment, tax reassessments, breach of contract and fraud litigation, reputational harm and other consequences.

We and our service providers may be subject to evolving data protection and security laws, regulations, rules, contractual obligations, industry standards, policies, and other obligations regulations, in relation to data privacy and security. The actual or perceived failure to comply with such laws could lead to regulatory investigations or actions, litigations, fines, or penalties, harm our financial condition and operating results and involve distraction from other aspects of our business, or other adverse business consequences.

In the ordinary course of business, we may process personal data and other sensitive data. We are also subject to various laws and regulations globally regarding privacy and data protection, including laws and regulations relating to the collection, storage, handling, use, disclosure, transfer, and security of personal data. The legislative and regulatory environment regarding privacy and data protection is continuously evolving and developing and the subject of significant attention globally. For example, in the EEA we are subject to the EU's General Data Protection Regulation ("EU GDPR"), which became effective in 2018, and in the United Kingdom, to the United Kingdom's GDPR ("UK GDPR"). Both regulations impose strict obligations and restrictions on the ability to collect, analyze and transfer personal data, including

health data from clinical studies and adverse event reporting and which provides for substantial penalties for non-compliance.

In the United States, federal, state, and local governments have enacted numerous data privacy and security laws, including data breach notification laws, personal data privacy laws, consumer protection laws (e.g., Section 5 of the Federal Trade Commission Act), and other similar laws (e.g., wiretapping laws). For example, the federal Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as amended by the Health Information Technology for Economic and Clinical Health Act ("HITECH"), imposes specific requirements relating to the privacy, security, and transmission of individually identifiable protected health information.

Numerous U.S. states have enacted comprehensive privacy laws that impose certain obligations on covered businesses, including providing specific disclosures in privacy notices and affording residents with certain rights concerning their personal data. As applicable, such rights may include the right to access, correct, or delete certain personal data, and to opt-out of certain data processing activities, such as targeted advertising, profiling, and automated decision-making. The exercise of these rights may impact our business and ability to provide our products and services. Certain states also impose stricter requirements for processing certain personal data, including sensitive information, such as conducting data privacy impact assessments. These state laws allow for statutory fines for noncompliance. For example, the California Consumer Privacy Act of 2018 ("CCPA") applies to personal data of consumers, business representatives, and employees who are California residents, and requires businesses to provide specific disclosures in privacy notices and honor requests of such individuals to exercise certain privacy rights. The CCPA provides for fines and allows private litigants affected by certain data breaches to recover significant statutory damages. The CCPA and other comprehensive U.S. state privacy laws exempt some data processed in the context of clinical studies, but these developments may further complicate compliance efforts, and increase legal risk and compliance costs for us, the third parties with whom we work. Similar laws are being considered in several other states, as well as at the federal and local levels, and we expect more states to pass similar laws in the future.

Other jurisdictions where we operate have enacted or proposed similar legislation and/or regulations. Failure to comply with these current and future laws could result in significant penalties, liability for damages incurred by individuals whose privacy is violated, and could have a material adverse effect on our business and results of operations.

Data privacy and security laws are rapidly evolving, becoming increasingly stringent, and creating regulatory uncertainty. Additionally, related obligations may be subject to interpretations which may vary from one country to another. Preparing for and complying with these obligations requires us to devote significant resources, which may necessitate changes to our services, information technologies, systems, and practices and to those of any third parties that process personal data on our behalf.

Although there are currently various mechanisms that may be used to transfer personal data from the EEA and UK to the United States, such as the EEA standard contractual clauses, the UK's International Data Transfer Agreement / Addendum, and the EU-U.S. Data Privacy Framework and the UK extension thereto ("DPF") (which allows for transfers to relevant U.S.-based organizations who self-certify compliance and participate in the DPF), these mechanisms are subject to legal challenges, and there is no assurance that we can satisfy or rely on these measures to lawfully transfer personal data to the United States. If there would be no lawful manner for us to transfer personal data from the EEA, the UK or other jurisdictions to the United States, or if the requirements for a legally-compliant transfer are too onerous, we could face significant adverse consequences, including the interruption or degradation of our operations, the need to relocate part of or all of our business or data processing activities to other jurisdictions at significant expense, increased exposure to regulatory actions, substantial fines and penalties, the inability to transfer data and work with partners, vendors and other third parties, and injunctions against our processing or transferring of personal data necessary to operate our business. Additionally, companies that transfer personal data out of the EEA and UK to other jurisdictions, particularly to the United States, are subject to increased scrutiny from regulators, individual litigants, and activist groups. Some European regulators have ordered companies to suspend or permanently cease certain transfers out of Europe for allegedly violating the EU GDPR's cross-border data transfer limitations.

Additionally, the U.S. Department of Justice issued a rule entitled the Preventing Access to U.S. Sensitive Personal Data and Government-Related Data by Countries of Concern or Covered Persons, which places additional restriction on certain data transactions involving countries of concern (e.g., China, Russia, Iran) and covered persons (i.e., individuals and entities who are designated as such by the U.S. Attorney General or considered "foreign persons" and are majority owned by, organized under the laws of, a primary resident in, or a contractor of, a covered person or country of concern, as applicable) that may impact certain business activities such as vendor engagements, sale or sharing of data, employment of certain individuals, and investor agreements. Violations of the rule could lead to significant civil and criminal fines and penalties. The rule applies regardless of whether data is anonymized, key-coded, pseudonymized, de-identified or encrypted.

We are also bound by contractual obligations related to data privacy and security, and our efforts to comply with such obligations may not be successful. For example, certain privacy laws, such as the GDPR, require our customers to impose specific contractual restrictions on their service providers. We also publish privacy policies, marketing materials, whitepapers, and other statements, such as statements related to compliance with certain certifications or self-regulatory principles, concerning data privacy, and security. Regulators in the United States are increasingly scrutinizing these statements, and if these policies, materials or statements are found to be deficient, lacking in transparency, deceptive, unfair, misleading, or misrepresentative of our practices, we may be subject to investigation, enforcement actions by regulators or other adverse consequences.

In addition, because of the hybrid work policies we implemented, information that is normally protected, including company confidential information, may be less secure. Cybersecurity and data security threats continue to evolve and raise the risk of an incident that could affect our operations or compromise our business information or sensitive personal data.

If we or our third-party partners fail to comply or are alleged to have failed to comply with data protection and privacy laws and regulations, or if we were to experience a data breach involving personal data, we could face significant consequences, including but not limited to: government enforcement actions (e.g., investigations, fines, penalties, audits, inspections, and similar); litigation (including class-action claims) and mass arbitration demands; additional reporting requirements and/or oversight; bans or restrictions on processing personal data; orders to destroy or not use personal data; and/or imprisonment of company officials. In addition, under the GDPR, companies may face private litigation related to processing of personal data brought by classes of data subjects or consumer protection organizations authorized at law to represent their interests. Any associated claims, inquiries, or investigations or other government actions could lead to unfavorable outcomes that have a material impact on our business including through significant penalties or fines, monetary judgments or settlements including criminal and civil liability for us and our officers and directors, increased compliance costs, interruptions or stoppages in our business operations (including clinical studies), delays or impediments in the development of new products, negative publicity, loss of customers, increased operating costs, diversion of management time and attention, or other remedies that harm our business, including orders that we modify or cease existing business practices.

If we fail to comply with environmental, health and safety laws and regulations, we could become subject to fines or penalties or incur costs that could have a material adverse effect on the success of our business.

Our research and development activities and our third-party manufacturers' and suppliers' activities involve the controlled storage, use and disposal of hazardous materials, including the components of our product candidates and other hazardous compounds. We and our manufacturers and suppliers are subject to laws and regulations governing the use, manufacture, storage, handling and disposal of these hazardous materials. In some cases, these hazardous materials and various wastes resulting from their use are stored at our facilities and our manufacturers' facilities pending their use and disposal. We cannot eliminate the risk of contamination, which could cause an interruption of our commercialization efforts, research and development efforts and business operations, environmental damage resulting in costly clean-up and liabilities under applicable laws and regulations governing the use, storage, handling and disposal of these materials and specified waste products. Although we believe that the safety procedures utilized by us and our third-party manufacturers for handling and disposing of these materials generally comply with the standards prescribed by these laws and regulations, we cannot guarantee that this is the case or eliminate the risk of accidental contamination or injury from these materials. In such an event, we may be held liable for any resulting damages and such liability could exceed our resources and state or federal or other applicable authorities may curtail our use of certain materials and/or interrupt our business operations. Furthermore, environmental laws and regulations are complex, change frequently and have tended to become more stringent. We cannot predict the impact of such changes and cannot be certain of our future compliance. We do not currently carry biological or hazardous waste insurance coverage.

Iceland's implementation of EEA rules may not be comprehensive or may be delayed, which may result in certain risks and uncertainty for us and our business.

We have significant assets, including our subsidiary Alvotech hf., in Iceland. Many of our assets and material agreements are therefore governed by Icelandic law and subject to the jurisdiction of the Icelandic courts. As an EEA country, Iceland is obligated to implement important parts of EU law relating to the "four freedoms" within the EU single market. Certain aspects of our operations are subject to laws originating from such implementation. If the Icelandic state fails to draft national legislation which conforms with such EU rules, Icelandic individuals and legal persons may not be able to rely on the relevant EU rules and the Icelandic courts could be restricted from applying them unless the Icelandic legislation can be interpreted in a way which conforms with EU rules. This could negatively affect us or other individuals or legal persons who conduct business with us in Iceland.

We have identified material weaknesses in our internal control over financial reporting. If we are unable to remediate these material weaknesses, or if we experience additional material weaknesses in the future or otherwise are unable to develop and maintain an effective system of internal controls in the future, we may not be able to produce timely and accurate financial statements or comply with applicable laws and regulations, which may adversely affect investor confidence in us and, as a result, the value of ordinary shares.

We previously identified material weaknesses in the operating effectiveness of our internal control over financial reporting {"ICFR"), including weaknesses related to (i) the sufficiency of trained personnel with appropriate internal control knowledge and experience, (ii) consistent and timely execution and documentation of controls, including adequate review procedures and evaluation of the completeness and accuracy of information used in control execution, and (iii) segregation of duties and certain information technology general controls, including user access and monitoring of service organizations. Certain business process controls that relied on these IT general controls were also deemed ineffective.

During 2025, we continued our multi-year remediation efforts and made progress in strengthening our control environment, enhancing documentation and review procedures, and improving our information technology and access-related controls. Although the number and severity of identified deficiencies decreased, the material weaknesses were not fully remediated as of 31 December 2025, and additional time is required to demonstrate sustained, effective operation of certain controls, including in areas such as inventory and human resources/payroll. In addition, while management implemented mitigating procedures and improvements to access governance, certain segregation-of-duties and user access conflicts remained open at year-end.

We continue to implement measures intended to remediate the remaining material weaknesses, including enhancements to the design and execution of controls, improvements to documentation and review processes, strengthened monitoring activities, and ongoing evaluation and refinement of our internal control framework. However, we cannot assure you that the steps we have taken, or expect to take, will be sufficient to remediate the material weaknesses, nor can we assure you that we will not identify additional material weaknesses in the future.

If we are unable to remediate the material weaknesses in a timely manner, or if we are unable to conclude that our internal control over financial reporting is effective, we may be required to devote significant resources to additional remediation efforts, and our independent registered public accounting firm may be unable to issue an unqualified opinion regarding the effectiveness of our ICFR. Any of these outcomes could result in loss of investor confidence in our financial reporting, increased regulatory scrutiny or investigations by the stock exchanges on which our securities are listed, the U.S. Securities and Exchange Commission (the "SEC"), or other regulatory authorities, potential litigation from investors and shareholders, and a decline in the market price of our ordinary shares.

Regulators may challenge our critical accounting estimates which could lead to the need to change our accounting practices and restate our historical financial statements.

Our financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”), which comprise all standards and interpretations approved by the IASB, and as adopted by the European Union. The preparation of IFRS-compliant financial statements requires the use of critical accounting judgments and material estimates to be made by us that involve a high degree of complexity and uncertainty. These estimates and judgments include, but are not limited to, the recognition of revenue, the valuations of derivative financial liabilities, the valuation of restricted share units, and the valuation of deferred tax assets.

Regulatory bodies, including the SEC and the Luxembourg Commission de Surveillance du Secteur Financier (the “CSSF”), regularly review companies’ annual reports and financial statements that are filed in their jurisdictions and, in doing so, will assess the accounting practices and estimates used by companies listed in the United States and European Union. These regulators have the authority to challenge our accounting estimates and judgments if they deem it appropriate to do so.

If the regulators were to challenge our critical accounting estimates, it could lead to:

- Changes in accounting practices: we may be required to adopt different accounting policies or practices, which could affect our reported financial results and may not be in line with our historical accounting practices.
- Restatements of financial statements: such challenges, if concluded to represent misstatements, could lead to restatements of our previously issued financial statements, which may have adverse effects on our financial condition, operating results, and stock price.

- Increased compliance costs: addressing regulatory challenges and implementing changes in accounting practices could lead to increased compliance costs and require additional resources, which could adversely affect our financial performance.
- · Reputational damage: regulatory scrutiny and the resulting changes in accounting practices could negatively impact our reputation and investor confidence, potentially affecting our market value and access to capital.

While we continuously review and update our accounting practices to ensure compliance with applicable regulations and accounting standards, there can be no assurance that we will not face regulatory challenges and that any changes in accounting estimates resulting from such challenges will not have a material adverse effect on our financial condition and results of operations.

Risks Related to our Business Operations, Employee Matters and Managing Growth

We or the third parties upon whom we depend may be adversely affected by earthquakes or other natural disasters, and our business continuity and disaster recovery plans may not adequately protect from a serious disaster. Our manufacturing facility and inventories are located in Reykjavik, Iceland and any severe natural or other disaster or disruption at this site could have a material adverse effect on our financial condition and results of operations.

Our corporate headquarters, manufacturing site and a large part of our research and development ("R&D") division are located in Reykjavik, Iceland. Iceland is geographically isolated and has in the past experienced severe earthquakes and other natural disasters, such as volcanic eruptions. Earthquakes or other natural disasters could severely disrupt our operations or those of our collaboration partners and have a material adverse effect on our business, results of operations, financial condition and prospects. If a natural disaster, power outage or other event occurred that prevented us from using all or a significant portion of our headquarters, that damaged critical infrastructure (such as the manufacturing facilities of our third-party providers of power or water supplies) or that otherwise disrupted operations, it may be difficult or, in certain cases, impossible for us to continue our business for a substantial period of time. The disaster recovery and business continuity plans we have in place currently are limited and are unlikely to prove adequate in the event of a serious disaster or similar event. We may incur substantial expenses as a result of the limited nature of our disaster recovery and business continuity plans, which, particularly when taken together with our current lack of business continuity insurance, could have a material adverse effect on our business.

Moreover, as owners of our manufacturing and research facility in Reykjavik, Iceland, we are responsible for the maintenance, upkeep and improvements of the facility, for obtaining and maintaining all permits related to the facility and activities therein, and a significant disruption at the facility, whether it be due to fire, natural disaster, power loss, intentional acts of vandalism, climate change, war, terrorism, insufficient quality, or cyber-attacks could materially and adversely affect our business. In addition, failure to make timely payments under the loan facility with our financing partners may lead disruptions of our manufacturing facility and to the loss of the facility and equipment therein.

We are subject to a multitude of risks related to manufacturing. Any adverse developments affecting the manufacturing operations of our biosimilar products could substantially increase costs and limit supply.

The process of manufacturing our products is complex, highly regulated and subject to several risks, including but not limited to:

- raw material and/or consumable shortages from external suppliers;
- product loss due to contamination, equipment failure, or operator error;
- equipment installation and qualification failures, equipment breakdowns, labor shortages, natural disasters, power failures and numerous other factors associated with the manufacturing facilities in which our products are produced;
- disruption of supply chains for critical and specialized raw materials, delays in regulatory inspections of supplies, manufacturing and testing facilities; and
- inventory shortages, lack of spare parts, or reduced manufacturing capacities due to local or global events such as disruptions of air traffic, maritime transport, volcanic eruptions, earthquakes, pandemics and international conflict.

Even minor deviations from normal manufacturing processes for any of our products could result in reduced production yields, product defects and other supply disruptions; additionally, FDA will inspect our manufacturing facilities for these issues, and ensure that the processes are satisfactory, before it licenses a BLA made at these facilities. For example, during the last quarter of 2025, FDA issued CRLs for our BLAs for AVT03, AVT05, and AVT06. In these

letters, the agency identified deficiencies associated with the manufacturing facilities that must be resolved before the applications may be approved. If microbial, viral or other contaminations are discovered in our products or in the manufacturing facilities in which our products are made, manufacturing facilities for an extended period of time to investigate and remedy the contamination, and any such findings pre-licensure could impact FDA's ability to license a BLA. Further, any defects or contaminations, or inadequate disclosure relating to the risk of using our products post-approval could lead to recalls or safety alerts, or other enforcement action by regulatory authorities.

Any adverse developments affecting manufacturing operations for our products may result in shipment delays, inventory shortages, lot failures, withdrawals or recalls or other interruptions in the supply of our products. We may also have to take inventory write-offs and incur other charges and expenses for products that fail to meet specifications, undertake costly remediation efforts or seek more costly manufacturing alternatives.

Our failure to obtain or renew certain approvals, licenses, permits and certificates required may result in our inability to continue our operations or may result in enforcement actions with the respective regulatory authorities which would materially and adversely affect our business.

We are required to obtain and maintain various approvals, licenses, permits and certificates from relevant authorities to operate our business. Any failure to obtain any approvals, licenses, permits and certificates necessary for our operations may result in enforcement actions thereunder, including the relevant regulatory authorities ordering us to cease operations, implement potentially costly corrective measures or any other action which could materially disrupt our business operations.

In addition, some of these approvals, permits, licenses and certificates are subject to periodic renewal and/or reassessment by the relevant authorities, and the standards of such renewal and/or reassessment may change from time to time. We cannot give reassurance that we will be able to successfully procure such renewals and/or reassessment when due, and any failure to do so could severely disrupt our business.

Furthermore, if the interpretation or implementation of existing laws and regulations changes or new regulations come into effect requiring us to obtain any additional approvals, permits, licenses or certificates that were previously not required to operate our existing businesses, we cannot provide assurance that we will successfully obtain them, which in turn could restrict the scope of permitted business activities and constrain our drug development and revenue generation capability.

Any of the above developments could have a material adverse effect on our business, financial condition and results of operations.

We are highly dependent on the services of our key executives and personnel, and if we are not able to retain these members of our management or recruit additional management, clinical and scientific personnel, our operations and future performance will suffer.

We are highly dependent on the principal members of our management and scientific and technical staff. The loss of service of any of our management or key scientific and technical staff could harm our business, prospects and financial condition. In addition, we will need to expand and effectively manage our managerial, scientific, operational, financial and other resources in order to successfully pursue our clinical development and commercialization efforts. The pharmaceutical industry has experienced a high rate of turnover of management personnel in recent years. If we are not able to retain our management and to attract, retain and motivate on acceptable terms, additional qualified personnel necessary for the continued development of our business, we may not be able to sustain our operations or grow.

Our future performance will also depend, in part, on our ability to successfully integrate newly hired executive officers into our management team and our ability to develop an effective working relationship among senior management. Our failure to integrate these individuals and create effective working relationships among them and other members of management could result in inefficiencies in the development and commercialization of our product candidates, harming future regulatory approvals, sales of our product candidates and results of operations. Any change in senior leadership, involves uncertainty and may divert management attention during the transition period. Our ability to maintain stability during this transition, to develop effective working relationships between members of senior management, and to ensure continuity across our development and commercialization efforts cannot be assured. Failure to do so could adversely affect

our business, prospects and financial condition. We do not currently maintain "key person" life insurance on the lives of our executives or any of our employees.

Our business could be materially disrupted by strikes, work stoppages or other labor actions in Iceland or elsewhere.

Under applicable Icelandic labor laws, members of a labor union are required to participate in a strike called by the labor union or work stoppage called by an employers association. As many of our employees in Iceland are members of Icelandic labor unions, we may be faced with strikes, work stoppages or other labor actions in Iceland which may materially disrupt our business at our headquarters, manufacturing site, and the local part of our R&D division. Work stoppages, strikes or other labor actions at other companies or industries within Iceland, including international air traffic, could also have an adverse effect on our ability to operate and may impact earnings and other key business metrics. In addition, work stoppages, strikes or other labor actions of our employees outside of Iceland may affect our operations at those sites outside of Iceland, and work stoppages, strikes or other labor actions of employees of our vendors, suppliers or partners may affect the performance of our partners, our supply chain, our ability to sell our products and our operations generally.

We have been and will need to continue to expand our organization, and we may experience difficulties in managing this growth, which could disrupt our operations.

As of 31 December 2025, we had 1,460 employees, including 24 contractors. Additionally, we rely on a number of temporary workers from time to time, as needed. As our development and commercialization plans and strategies develop, we expect to need additional managerial, operational, sales, marketing, financial, legal and other resources. Our management may need to divert a disproportionate amount of its attention away from its day-to-day activities and devote a substantial amount of time to managing these growth activities. We may not be able to effectively manage the expansion of our operations, which may result in weaknesses in our infrastructure, operational mistakes, loss of business opportunities, loss of employees and reduced productivity among remaining employees. In addition, our success depends on our ability to attract and retain a talented workforce with a specialized set of skills. A significant part of our employees are expatriates and may need to obtain work visas in the country of operations. Changes to immigration laws or other restrictions on the movement of persons might make it more difficult for us to attract and retain talented employees. Our expected growth could also require significant capital expenditures and may divert financial resources from other projects, such as the development of our current and potential future product candidates. If our management is unable to effectively manage our growth, our expenses may increase more than expected and our ability to generate and/or grow revenue could be reduced and our ability to implement business strategy may suffer. Our future financial performance and our ability to commercialize product candidates and compete effectively will depend, in part, on our ability to effectively manage any future growth.

A breakdown, cyberattack or information security breach could compromise the confidentiality, integrity and availability of our confidential information in internal systems or those used by third party collaborator partners or other contractors or consultants, could compromise the confidentiality, integrity and availability of our confidential information in information technology systems, network-connected control systems and/or our data, interrupt the operation of our business, result in regulatory investigations or actions, litigation, fines, or penalties, and/or affect our reputation.

To achieve our business objectives, we rely on information technology systems, including software, mobile applications, cloud services and network-connected control systems, some of which are managed, hosted, provided, or serviced by third parties. Internal or external events that compromise the confidentiality, integrity and availability of our systems and data can significantly interrupt the operation of our business, result in significant costs, result in government enforcement actions (for example, investigations, fines, penalties, audits, and inspections), result in restrictions on processing sensitive information (including personal data); result in litigation (including class claims); indemnification obligations; and/or adversely affect our reputation and/or place us at a competitive disadvantage resulting from the improper disclosure or theft of confidential information or intellectual property.

Our information technology systems are highly integrated into our business, including our R&D efforts, our clinical and commercial manufacturing processes and our product sales and distribution processes. Further, as certain employees are working remotely, our reliance on our and third-party information technology systems has increased substantially and is expected to continue to increase. The complexity and interconnected nature of our systems make them potentially

vulnerable to breakdowns or other service interruptions. Our systems are subject to frequent attempted cyberattacks. As the cyber-threat landscape evolves, these attacks are growing in frequency, sophistication and intensity and are becoming increasingly difficult to detect. Such attacks could include the use of malware, including ransomware or other denials of service, that can be deployed through various means, including the software supply chain, e-mail, malicious websites and/or the use of social engineering. In particular, severe ransomware attacks are becoming increasingly prevalent and can lead to significant interruptions in our operations, ability to provide our products or services, loss of sensitive data and income, reputational harm, and diversion of funds. Extortion payments may alleviate the negative impact of a ransomware attack, but we may be unwilling or unable to make such payments due to, for example, applicable laws or regulations prohibiting such payments. In addition, supply-chain attacks have increased in frequency and severity, and we cannot guarantee that third parties' infrastructure in our supply chain or that of the third parties with whom we work have not been compromised. Attacks such as those experienced by governmental entities (including those that approve and/or regulate our products, such as the FDA, the European Commission or EMA) and other multi-national companies, including some of our peers, could leave us unable to utilize key business systems or access or protect important data, and could have a material adverse effect on our ability to operate our business, including developing, gaining regulatory approval for, manufacturing, selling and/or distributing our products.

Our systems and possibly those of permissible third parties also collect, receive, contain, process, generate, utilize, transfer, disclose, make accessible, protect, secure, dispose of, transmit, and share (collectively, "process") a high volume of sensitive data, including intellectual property, trade secrets, financial information, regulatory information, strategic plans, sales trends and forecasts, litigation materials and/or personal information (such as health related data) belonging to us, our staff, customers and/or other parties. In some cases, we and/or permissible third parties use third-party service providers to process, store, manage or transmit such data, which may increase our risk. Intentional or inadvertent data privacy or security breaches (including cyberattacks) or lapses by employees, service providers (including providers of information technology-specific services), nation states (including groups associated with or supported by foreign intelligence agencies), organized crime organizations, "hacktivists" or others, could result in a security incident and cause misuse, disclosure, access, acquisition, loss, or damage to sensitive data, information systems, or other nosiness interruptions.

We rely on third parties to operate critical business systems to process sensitive information in a variety of contexts, including, without limitation, cloud services, data center facilities, employee email, content delivery to customers, and other functions. Further, Domestic and global government regulators, our business partners, suppliers with whom it does business, vendors and law firms that host our documents and information in connection with transactions or proceedings, companies that provide us or our partners with business services and companies that we may acquire may face similar risks, and security breaches of their systems could adversely affect our security, leave us without access to important systems, products, raw materials, components, services or information or expose our confidential data. As a part of our business, we share confidential information with third parties, such as commercial partners, consultants, advisors, and vendors. We are at risk of our confidential data being disclosed without our consent or lost if these third parties' servers or databases experience security breaches of their systems. Our ability to monitor these third parties' information security practices is limited, and these third parties may not have adequate information security measures in place. If the third parties with whom we work experience a security incident or other interruption, we could experience adverse consequences. While we may be entitled to damages if the third parties with whom we work fail to satisfy their privacy or security-related obligations to us, any award may be insufficient to cover our damages, or we may be unable to recover such award.

Future or past business transactions (such as acquisitions or integrations) could expose us to additional cybersecurity risks and vulnerabilities, as our systems could be negatively affected by vulnerabilities present in acquired or integrated entities' systems and technologies. Furthermore, we may discover security issues that were not found during due diligence of such acquired or integrated entities, and it may be difficult to integrate companies into our information technology environment and security program.

We have experienced system downtime and attacks, but we do not believe such downtime and attacks have had, either individually or in the aggregate, a material adverse effect on our business or results of operations. We continue to invest in the monitoring, protection, and resilience of our critical and/or sensitive data and systems and have a Security Operations Center ("SOC") provider and 24/7 monitoring of our systems. However, there can be no assurances that our efforts will detect, prevent or fully recover systems or data from all breakdowns, service interruptions, attacks, and/or breaches of our systems that could adversely affect our business and operations and/or result in the loss or exposure of critical, proprietary, private, confidential or otherwise sensitive data, which could result in material financial, legal, business or reputational harm or negatively affect our share price. While we maintain cyber-liability insurance, our insurance is not sufficient to cover it against all losses that could potentially result from a service interruption, breach of our systems or loss of critical or sensitive data. We also cannot be sure that such coverage will continue to be available on commercially reasonable terms or at all or that such coverage will pay future claims.

In addition to experiencing a security incident, third parties may gather, collect, or infer sensitive information about us from public sources, data brokers, or other means that reveals competitively sensitive details about our organization and could be used to undermine our competitive advantage or market position. Additionally, our sensitive data could be leaked, disclosed, or revealed as a result of or in connection with our employees', personnels', or vendors' use of generative artificial intelligence ("AI") technologies.

Our IT Governance ("ITG") and Information Security Management System ("ISMS") may not be sufficient to ensure the effective and efficient use of IT in enabling the organization to achieve business objectives and secure the confidentiality, integrity and availability of critical information technology systems and data.

We take steps designed to detect, mitigate, and remediate vulnerabilities in our information technology systems (such as our hardware and/or software, including that of third parties with whom we work), including through our ITG and ISMS. We may not, however, detect and remediate all such vulnerabilities including on a timely basis. Further, we may experience delays in developing and deploying remedial measures and patches designed to address identified vulnerabilities. Vulnerabilities could be exploited and result in a security incident.

We have established procedures for IT business continuity and disaster management, with restore tests conducted quarterly. However, there is no guarantee that our business continuity and disaster management procedures will be effective in the event of an actual disaster.

Some of our critical systems and data are hosted on premises in one data center, without a secondary data center for redundancy. Force majeure events impacting the data center such as fire, flood, earthquake, or power outage can therefore pose a risk to our operation and may compromise the confidentiality, integrity and availability of those systems and data.

While we have invested, and continue to invest, in ITG and ISMS, there can be no assurance that our efforts will be sufficient to ensure the effective and efficient use of IT, which could adversely affect our business and operations and/or result in the loss of critical or sensitive data, which could result in financial, legal, business or reputational harm.

Our ISMS may be subject to security breaches or other incidents that could result in misappropriation of funds, disruption to operations, disclosure of commercially or personally sensitive information, legal or regulatory breaches and liability, as well as other costs and reputational damage. Given the increasing sophistication and evolving nature of these threats, the possibility of security breaches occurring in the future cannot be ruled out. An extended failure of critical system components, caused by accidental or malicious actions, including those resulting from a cybersecurity attack, could result in a significant commercial loss, interruption to operations, loss of access to critical data or systems, unfavorable publicity, damage to reputation, regulatory investigations, fines or penalties, litigation or other claims by affected parties and possible financial obligations for liabilities and damages related to the theft or misuse of our information and other business delays or disruptions, any of which could have an adverse effect on our business, financial condition, results of operations and reputation. Further, we may be forced to expend significant financial and operational resources in response to a security breach, including repairing system damage, increasing security protection costs by deploying additional personnel and modifying or enhancing protection technologies, investigating and remediating any information security vulnerabilities and defending against and resolving legal and regulatory claims, all of which could divert resources and the attention of management and key personnel away from business operations and adversely affect our business, financial condition and results of operations. See also "*A breakdown, cyberattack or information security breach could compromise the confidentiality, integrity and availability of our confidential information in internal systems or those used by third party collaborator partners or other contractors or consultants, could compromise the confidentiality, integrity and availability of our confidential information in information technology systems, network-connected control systems and/or our data, interrupt the operation of our business, result in regulatory investigations or actions, litigation, fines, or penalties, and/or affect our reputation.*"

The international aspects of our business expose us to business, regulatory, political, operational, financial and economic risks.

We conduct operations and maintain collaborations in multiple jurisdictions, which exposes us to a range of risks that could adversely affect our business, financial condition and results of operations. Accordingly, our future results could be harmed by a variety of factors, including:

- economic weakness, including inflation, or political instability in particular non-U.S. economies and markets;

- differing and changing regulatory requirements for product approvals;
- differing jurisdictions could present different issues for securing, maintaining or obtaining freedom to operate in such jurisdictions;
- potentially reduced protection for intellectual property and proprietary rights;
- difficulties in compliance with different, complex and changing laws, regulations and court systems of multiple jurisdictions and compliance with a wide variety of foreign laws, treaties and regulations;
- changes in global regulations and customs, tariffs and trade barriers;
- foreign-exchange fluctuations, particularly in EUR, GBP, ISK and CHF, and currency controls;
- changes in a specific country's or region's political or economic environment;
- trade protection measures, import or export licensing requirements or other restrictive actions by governments;
- differing reimbursement regimes and price controls in certain non-U.S. markets;
- negative consequences from changes in tax laws;
- compliance with tax, employment, immigration and labor laws for employees living or traveling abroad, including, for example, the variable tax treatment in different jurisdictions of options or restricted share units granted under our share option schemes or equity incentive plans;
- workforce uncertainty in countries where labor unrest is more common than in the United States;
- litigation or administrative actions resulting from claims against us by current or former employees or consultants individually or as part of class actions, including claims of wrongful terminations, discrimination, misclassification or other violations of labor law or other alleged conduct;
- difficulties associated with staffing and managing international operations, including differing labor relations;
- production shortages resulting from any events affecting raw material supply or manufacturing capabilities abroad; and
- business interruptions resulting from geo-political actions, including war and terrorism, or natural disasters including earthquakes, typhoons, floods and fires.

International activities further subject us to compliance risks under anti-corruption, sanctions and trade-control laws, as well as exposure to tariffs, trade restrictions and other protectionist measures. Since August 2025, the United States has implemented a 15% import tariff on goods originating from Iceland, but all pharmaceuticals remain exempt including our biosimilars.

Any of these international risks, individually or in combination, could materially and adversely affect our operations, increase our costs, or limit our ability to commercialize our products globally.

Risks Related to Ownership of our ordinary shares and Warrants and our Status as a Public Company

The market price and trading volume of our ordinary shares and warrants may be volatile and could decline significantly.

The stock markets, including Nasdaq on which ordinary shares and Warrants are listed under the symbols ALVO and ALVOW, respectively, have from time to time experienced significant price and volume fluctuations. The market price of ordinary shares and Warrants may be volatile and could decline significantly. In addition, the trading volume in ordinary shares and warrants may fluctuate and cause significant price variations to occur. Additionally, any substantial amount of trading or sales in ordinary shares could make it difficult for us to raise capital through the issuance of debt or equity securities in the future. Generally, securities of biopharmaceutical companies tend to be volatile and experience significant price and volume fluctuations. We cannot guarantee that the market price of ordinary shares and Warrants will not fluctuate widely or decline significantly in the future in response to a number of factors, including, among others, the following:

- the realization of any of the risks presented in this Annual Report;
- actual or anticipated differences in our estimates, or in the estimates of analysts, for our revenues, results of operations, liquidity or financial condition;
- regulatory decisions with respect to our product candidates;

- additions and departures of key personnel;
- failure to comply with the requirements of Nasdaq U.S., Nasdaq Iceland Main Market, and Nasdaq Stockholm Market;
- announcements of regulatory approval or a complete response letter to our product candidates, or specific label indications or patient populations for use, or changes or delays in the regulatory review process;
- failure to comply with the Sarbanes-Oxley Act or other laws or regulations in the United States, Luxembourg, Iceland, and Sweden;
- future issuances, sales or resales, or anticipated issuances, sales or resales, of ordinary shares;
- publication of research reports about us;
- the performance and market valuations of other similar companies;
- broad disruptions in the financial markets, including sudden disruptions in the credit markets;
- material and adverse impact of public health emergencies and other world emergencies on the markets and the broader global economy;
- speculation in the press or investment community;
- actual, potential or perceived control, accounting or reporting problems; and
- changes in accounting principles, policies and guidelines.

In the past, securities class-action litigation has often been instituted against companies following periods of volatility in the market price of their shares. This type of litigation could result in substantial costs and divert our management's attention and resources, which could have a material adverse effect on us.

The dual listing of ordinary shares may adversely affect the liquidity and value of those ordinary shares.

Our ordinary shares are listed on both the Nasdaq in the United States and Nasdaq Iceland Main Market in Iceland, and our SDRs are listed on the Nasdaq Stockholm Main Market in Sweden. The trading of ordinary shares and SDRs in these markets takes place in different currencies (U.S. dollars on Nasdaq, Icelandic Krona on Nasdaq Iceland Main Market, and Swedish Crona on Nasdaq Stockholm Main Market), at different times (resulting from different time zones, different trading days and different public holidays in the United States, Iceland, and Sweden) and with different settlement mechanics. The trading prices of ordinary shares and SDRs on these markets may differ due to these and other factors. Any decrease in the price of ordinary shares on Nasdaq Iceland Main Market could cause a decrease in the trading price of ordinary shares on Nasdaq, or the trading price of SDRs on Nasdaq Stockholm Main Market, and vice versa. Investors could seek to sell or buy ordinary shares or SDRs to take advantage of any price differences between the markets through a practice referred to as arbitrage. Any arbitrage activity could create unexpected volatility in both the trading prices on one exchange and ordinary shares or SDRs available for trading on the other exchange. Further, the triple listing of ordinary shares and SDRs may reduce the liquidity of these securities in one or both markets and may adversely affect the development of an active trading market for ordinary shares in the United States.

The listing of ordinary shares on Nasdaq Iceland Main Market and SDRs on Nasdaq Stockholm Main Market in addition to our listing in the United States on Nasdaq may result in increased additional compliance risk or may delay or discourage a takeover attempt.

Our ordinary shares are listed on both the Nasdaq and Nasdaq Iceland Main Market, and our SDRs are listed on Nasdaq Stockholm Main Market. Nasdaq Iceland Main Market is a regulated market in Iceland operated by Nasdaq Iceland, the Icelandic stock exchange. Nasdaq Stockholm Main Market is a regulated market in Sweden operated by Nasdaq Stockholm AB, the Swedish stock exchange. Issuers on Nasdaq Iceland Main Market and on Nasdaq Stockholm Main Market are subject to the rules of Nasdaq Iceland Main Market and the rules of Nasdaq Stockholm Main Market, respectively, and the relevant rules and regulations given the fact that the securities of the issuer are admitted to trading on a regulated market.

As a triple-listed Luxembourg company listed on Nasdaq, Nasdaq Iceland Main Market, and Nasdaq Stockholm Main Market, we are subject to reporting requirements and certain other applicable requirements under Luxembourg law, U.S. law, Icelandic law, and Swedish law, including, but not limited to, Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014, on market abuse, as amended ("MAR"), the Directive 2004/109/EC of the European Parliament and of the Council of 15 December 2004 on the harmonization of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market, as amended (the

"Transparency Directive"), the Luxembourg law of 23 December 2016, on market abuse, as amended ("Luxembourg Market Abuse Law"), the Luxembourg law of 11 January 2008 on transparency requirements for issuers, as amended (the "Luxembourg Transparency Law"), the Grand-Ducal regulation of 11 January 2008, on transparency requirements for issuers of securities, as amended (the "Luxembourg Transparency Regulation"), Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004, on takeover bids, as amended (the "Takeover Directive") and the Luxembourg law of 19 May 2006, on takeover bids, as amended (the "Luxembourg Takeover Law").

Transparency Regime

Holders of shares and other financial instruments may be subject to notification obligations pursuant to the Luxembourg Transparency Law. The following description summarizes these obligations. Holders are advised to consult with their own legal advisors to determine whether the notification obligations apply to them.

The Luxembourg Transparency Law and Luxembourg Transparency Regulation provide that, once the shares are admitted to listing and trading on Nasdaq Iceland Main Market, if a person acquires or disposes of a shareholding in the Company, and if following the acquisition or disposal the proportion of voting rights held by the person reaches, exceeds or falls below one of the thresholds of 5%, 10%, 15%, 20%, 25%, 33 1/3%, 50% and 66 2/3% (each a "Relevant Threshold") of the total voting rights existing when the situation giving rise to a declaration occurs, such person must simultaneously notify the Company and the CSSF of the proportion of voting rights held by it further to such event.

A person must also notify the Company and the CSSF of the proportion of his or her voting rights if that proportion reaches, exceeds or falls below a Relevant Threshold as a result of events changing the breakdown of voting rights and on the basis of the information disclosed by the Company.

The same notification requirements apply to a natural person or legal entity to the extent he/she/it is entitled to acquire, to dispose of, or to exercise voting rights in any of the cases or a combination of them stated in Article 9 of the Luxembourg Transparency Law. The notification requirements set out above also apply to a natural person or legal entity that holds, directly or indirectly: (i) financial instruments that, on maturity, give the holder, under a formal agreement, either the unconditional right to acquire or the discretion as to his or her right to acquire the ordinary shares, to which voting rights are attached, already issued by the Company; or (ii) financial instruments which are not included in point (i) but which are referenced to the ordinary shares referred to in that point and with an economic effect similar to that of the financial instruments referred to in that point, whether or not they confer a right to a physical settlement.

The number of voting rights shall be calculated as specified in Article 12 and 12a of the Luxembourg Transparency Law.

The notification to the Company and the CSSF must be effected promptly, but not later than four trading days after the date on which the shareholder, or the natural person or legal entity referred to above learns of the acquisition or disposal or of the possibility of exercising voting rights, or on which, having regard to the circumstances, should have learned of it, regardless of the date on which the acquisition, disposal or possibility of exercising voting rights takes effect, as specified in the Luxembourg Transparency Law and the related guidelines of the CSSF. Upon receipt of the notification, but not later than three trading days thereafter, the Company must make public all the information contained in the notification as regulated information within the meaning of the Luxembourg Transparency Law.

As long as the notifications have not been made to the Company in the manner prescribed, the exercise of voting rights relating to the shares exceeding the fraction that should have been notified is suspended. The suspension of the exercise of voting rights is lifted as of the moment the shareholder makes the notification.

Where within the fifteen days preceding the date for which the general meeting has been convened, the Company receives a notification or becomes aware of the fact that a notification has to be or should have been made in accordance with the Luxembourg Transparency Law, the board of directors may postpone the general meeting.

Market Abuse Regime

The rules on preventing market abuse set out in the MAR and the Luxembourg Market Abuse Law are applicable to the Company, persons discharging managerial responsibilities within the Company (including the members of the board of directors) (the "PDMRs"), persons closely associated with PDMRs, other insiders and persons performing or conducting

transactions in the Company's financial instruments. Certain important market abuse rules set out in the MAR and the Luxembourg Market Abuse Law that are relevant for investors are described hereunder.

The Company is required to make inside information public. Pursuant to the MAR, inside information is information of a precise nature, which has not been made public, relating, directly or indirectly, to the Company or to one or more financial instruments, and which, if it were made public, would be likely to have a significant effect on the prices of those financial instruments or on the price of related derivative financial instruments. Unless an exception applies, the Company must without delay publish the inside information by means of a press release and post and maintain it on its website for at least five years. The Company must also provide Nasdaq Iceland and the CSSF with its press release that contains inside information at the time of publication.

It is prohibited for any person to make use of inside information by acquiring or disposing of, for its own account or for the account of a third party, directly or indirectly, financial instruments to which that information relates, as well as an attempt thereto (insider dealing). In addition, it is prohibited for any person to disclose inside information to anyone else (except where the disclosure is made in the normal exercise of an employment, profession or duties) or, whilst in possession of inside information, to recommend or induce anyone to acquire or dispose of financial instruments to which the information relates. Furthermore, it is prohibited for any person to engage in or attempt to engage in market manipulation, for instance by conducting transactions which give, or are likely to give, false or misleading signals as to the supply of, the demand for or the price of a financial instrument.

Non-compliance with the notification obligations under the Market Abuse Regulation, set out in the paragraphs above, is an economic offense and could lead to the imposition of criminal prosecution, administrative fines, imprisonment or other sanctions. Nasdaq Iceland Main Market may impose administrative penalties or a cease-and-desist order under penalty for non-compliance. If criminal charges are pressed, Nasdaq Iceland Main Market is no longer allowed to impose administrative penalties and vice versa, Nasdaq Iceland Main Market is no longer allowed to seek criminal prosecution if administrative penalties have been imposed.

Pursuant to Article 19 of the MAR and the Luxembourg Market Abuse Law, PDMRs must notify the CSSF and the Company of any transactions conducted for his or her own account relating to shares or any debt instruments of the Company or to derivatives or other financial instruments linked thereto.

A PDMR within the Company shall not conduct any transactions on its own account or for the account of a third party, directly or indirectly, relating to the ordinary shares or debt instruments of the Company or to derivatives or other financial instruments linked to them during a closed period of 30 calendar days before the announcement of an interim financial report or a year-end report which must be made publicly available.

In addition, pursuant to the MAR and the regulations promulgated thereunder as well as the Luxembourg Market Abuse Law, certain persons who are closely associated with persons discharging managerial responsibilities (PDMRs) as defined in Article 1 (26) of the MAR, are also required to notify the CSSF and the Company of any transactions conducted for their own account relating to shares or any debt instruments of the Company or to derivatives or other financial instruments linked thereto in accordance with MAR.

Takeover Regime and Squeeze-out and Sell-out Procedures

The Takeover Directive has been implemented in Luxembourg in the Luxembourg Takeover Law. The Luxembourg Takeover Law provides that if a person, acting alone or in concert, acquires shares in a company which, when added to any existing holdings of a company's shares, result in such person having voting rights representing at least 33 1/3% of all of the voting rights attached to the issued and outstanding shares in a company, this person is obliged to make a mandatory takeover bid, at a fair price, for the remaining shares in the company. Where the aforementioned percentage-threshold is met, the person acquiring such voting rights will be deemed to have control over the Issuer in accordance with Luxembourg Takeover Law.

The Luxembourg Takeover Law provides that, when a mandatory or voluntary takeover offer is made to all holders of voting shares in a company and after such offer the offeror holds at least 95% of the capital of that company carrying voting rights and 95% of the voting rights of the company, the offeror may require the holders of the remaining shares to sell those shares to the offeror. The price offered for such shares must be a fair price. The price offered in a voluntary offer would be considered a fair price in the squeeze-out proceedings if 90% of the shares of the company carrying voting rights were acquired in such a voluntary offer, in accordance with Luxembourg Takeover Law. The price paid in a mandatory takeover offer is deemed to be a fair price pursuant to Luxembourg Takeover Law.

The Luxembourg Takeover Law provides that, when a mandatory or voluntary takeover bid is made to all holders of voting shares in a company and if after such offer the offeror (together with any person acting in concert with the offeror) holds shares carrying more than 90% of the voting rights, the remaining shareholders may require that the offeror purchase the remaining shares. The price offered in a voluntary offer would be considered a fair price in the sell-out proceedings if 90% of the shares of the company carrying voting rights were acquired in such a voluntary takeover offer, in accordance with Luxembourg Takeover Law. Where the offeree company has issued more than one class of shares, the right of squeeze-out and sell-out referred to above can be exercised only in the class in which the relevant threshold has been reached.

Even if there has not been an offer pursuant to the Luxembourg Takeover Law, the Luxembourg law of 21 July 2012 on the squeeze-out and sell-out of securities of companies admitted or having been admitted to trading on a regulated market or which have been subject to a public offer (the "Luxembourg Mandatory Squeeze-Out and Sell-Out Law") provides that if any individual or legal entity, acting alone or in concert with another, becomes the direct or indirect holder (otherwise than by way of a voluntary or mandatory takeover bid pursuant to the Luxembourg Takeover Law) of shares or other voting securities representing at least 95% of the voting share capital and 95% of the voting rights of a company, (i) such shareholder may require the holders of the remaining shares or other voting securities to sell those remaining securities; and (ii) the holders of the remaining shares or securities may require such shareholder to purchase those remaining shares or other voting securities (the "Mandatory Sell-Out"). The Mandatory Squeeze-Out and the Mandatory Sell-Out must be exercised at a fair price according to objective and adequate methods applying to asset disposals in accordance with the Luxembourg Mandatory Squeeze-Out and Sell-Out Law.

Adherence to the requirements of these rules and regulations may increase our legal, accounting and financial compliance costs, make certain activities more difficult, time consuming and costly, place additional strain on resources and divert management's attention away from other business matters.

In addition, the applicable legal requirements or the interpretation of such requirements by regulators and courts in each of these jurisdictions may differ or conflict which could expose us to additional costs, sanctions and/or fines. Any of these factors could have a material effect on our business, results of operations and financial condition.

The issuance or resale of a substantial number of ordinary shares in the public market could occur at any time. These issuances and sales, or the perception in the market that these issuances or sales may occur, could increase the volatility of the market price of ordinary shares or result in a significant decline in the public trading price of ordinary shares.

The sale and issuance of our ordinary shares to investors, holders of warrants or convertible bonds will cause dilution to our existing shareholders, and the sale of ordinary shares acquired by them, or the perception that such sales may occur, could cause the price of our ordinary shares to drop.

In December 2025, we issued $108 million of the 2025 Convertible Bonds. These bonds are due 2030, carry a 6.875% coupon and include a conversion right into SDRs at an initial conversion price of $5.9224 per share, subject to antidilution adjustments and a one-time conversion price reset in connection with certain qualifying equity raises. If the holders of the 2025 Convertible Bonds elect to convert their bonds, we will be required to issue a variable number of additional ordinary shares, resulting in dilution to existing shareholders.

In connection with the Convertible Bonds, a concurrent "Delta Placement" of approximately $56 million of existing SDRs was undertaken to facilitate hedging activity by bondholders. In addition, a stock-lending facility was established to provide shares for hedging purposes for the duration of the bonds. Although we did not receive proceeds from the Delta Placement, these arrangements increase the number of shares available for trading, which may place downward pressure on the price of our ordinary shares or increase share-price volatility.

Given the number of ordinary shares underlying SDRs expected to be issued to bondholders in connection with the conversion of the Convertible Bonds, the sale of shares by the bondholders, or the perception in the market that the holders of a large number of shares intend to sell their shares, could increase the volatility of the market price of ordinary shares or result in a significant decline in the public trading price of ordinary shares.

Our Warrants are exercisable for ordinary shares, the exercise of which would increase the number of shares eligible for future resale in the public market and result in dilution to our shareholders.

As a result of the business combination between Alvotech Holdings S.A., Oaktree Acquisition Corp. II and Alvotech (the "Business Combination") on 15 June 2022 (the "Closing Date"), we have outstanding Warrants to purchase an aggregate of 10,916,647 ordinary shares that are exercisable in accordance with the terms of the warrant agreement, dated 21 September 2020 by and between Oaktree Acquisition Corp. II ("OACB") and Continental Stock Transfer & Trust Company, as warrant agent, governing OACB's outstanding warrants, which was assigned to and assumed by Alvotech pursuant to that certain Assignment, Assumption and Amendment Agreement dated as of 15 June 2022 (the "Warrant Agreement").

These warrants became exercisable on 15 July 2022. The exercise price of these warrants is $11.50 per share, or approximately $125.5 million, assuming none of the warrants are exercised through "cashless" exercise. To the extent such warrants are exercised, additional ordinary shares will be issued, which will result in dilution to the holders of ordinary shares and increase the number of shares eligible for resale in the public market. On 2 March 2026, there were 9,943,434 warrants entitling the holders to acquire one ordinary share at a price of $11.50 (the "Warrants") outstanding, the last reported sales price of our ordinary shares was $3.96 per share and the last reported sales price of our Warrants was $0.56 per warrant. Sales of substantial numbers of such shares in the public market or the fact that such warrants may be exercised could adversely affect the market price of ordinary shares. See "*—The Warrants may never be in the money, and they may expire worthless and the terms of the Warrants may be amended in a manner adverse to a holder if holders of at least 50% of the then outstanding Warrants approve of such amendment.*"

The Warrants may never be in the money, and they may expire worthless and the terms of the Warrants may be amended in a manner adverse to a holder if holders of at least 50% of the then outstanding Warrants approve of such amendment.

There is no guarantee that the warrants will ever be in the money and, as such, the Warrants may expire worthless. For example, between 1 January 2025 and 2 March 2026, the last reported sales prices of our ordinary shares on Nasdaq fluctuated between $13.52 on 10 January 2025 and $3.96 on 2 March 2026.

The Warrant Agreement provides that the terms of the Warrants may be amended without the consent of any holder to cure any ambiguity, correct any defective provision or correct any mistake, amend the definition of "Ordinary Cash Dividend" or add or change any provisions with respect to matters or questions arising under the Warrant as the parties may deem necessary or desirable and that the parties deem shall not adversely affect the rights of the warrant holders, but requires the approval by the holders of at least 50% of the then-outstanding Warrants, other than the private placement warrants so long as they are held by Oaktree Acquisition Holdings II, L.P. (the "Private Placement Warrants"), to make any change that adversely affects the interests of the registered holders of Warrants. Accordingly, we may amend the terms of the Warrants in a manner adverse to a holder if holders of at least 50% of the then-outstanding Public Warrants approve of such amendment and, solely with respect to any amendment to the terms of the Private Placement Warrants or any provision of the warrant agreement with respect to the Private Placement Warrants, 50% of the number of the then outstanding Private Placement Warrants. Although our ability to amend the terms of the Warrants with the consent of at least 50% of the then-outstanding warrants is unlimited, examples of such amendments could be amendments to, among other things, increase the exercise price of the Warrants, convert the Warrants into cash, shorten the exercise period or decrease the number of ordinary shares purchasable upon exercise of a Warrant.

We may redeem the Warrants prior to their exercise at a time that is disadvantageous to the holder, thereby making such warrants worthless.

We may redeem the Warrants prior to their exercise at a time that is disadvantageous to the holder, thereby making such Warrants worthless. We have the ability to redeem outstanding Warrants at any time after they become exercisable and prior to their expiration, at a price of $0.01 per warrant, provided that the closing price of ordinary shares equals or exceeds $18.00 per share (as adjusted for share subdivisions, share capitalizations, reorganizations, recapitalizations and the like) for any 20 trading days within a 30 trading day period ending on the third trading day prior to the date on which a notice of redemption is sent to the warrant holders. We will not redeem the Warrants as described above unless a registration statement under the Securities Act covering ordinary shares issuable upon exercise of such Warrants is effective and a current prospectus relating to those ordinary shares is available throughout the 30-day redemption period. If and when the Warrants become redeemable by us, we may exercise our redemption right even if we are unable to register or qualify the underlying securities for sale under all applicable state securities laws. Redemption of the outstanding Warrants could force holders (i) to exercise the Warrants and pay the exercise price therefor at a time when it may be disadvantageous to do so, (ii) to sell the Warrants at the then-current market price when holders might otherwise wish to hold the Warrants, or (iii) to accept the nominal redemption price which, at the time the outstanding warrants are called for redemption, is likely to be substantially less than the market value of the Warrants.

In addition, we will have the ability to redeem the outstanding Warrants at any time after they become exercisable and prior to their expiration, at a price of $0.10 per warrant if, among other things, the closing price of ordinary shares equals or exceeds $10.00 per share (as adjusted for share sub-divisions, share dividends, rights issuances, subdivisions, reorganizations, recapitalizations and the like) on the trading day prior to the date on which a notice of redemption is sent to the warrant holders. Recent trading prices for ordinary shares have exceeded the $10.00 per share threshold at which the Warrants would become redeemable. In such a case, the holders will be able to exercise their Warrants prior to redemption for a number of ordinary shares determined based on the redemption date and the fair market value of ordinary shares.

The value received upon exercise of the Warrants (1) may be less than the value the holders would have received if they had exercised their Warrants at a later time when the underlying share price is higher and (2) may not compensate the holders for the value of the Warrants.

Risks Related to Investment in a Luxembourg Company and Our Status as a Foreign Private Issuer

As a foreign private issuer, we are exempt from a number of U.S. securities laws and rules promulgated thereunder and is permitted to publicly disclose less information than U.S. public companies must. This may limit the information available to holders of ordinary shares.

We qualify as a "foreign private issuer," as defined in the SEC's rules and regulations, and, consequently, we are not subject to all of the disclosure requirements applicable to public companies organized within the United States. For example, we are exempt from certain rules under the Exchange Act that regulate disclosure obligations and procedural requirements related to the solicitation of proxies, consents or authorizations applicable to a security registered under the Exchange Act. In addition, our officers and directors are exempt from the "short-swing" profit recovery provisions of Section 16 of the Exchange Act and related rules with respect to their purchases and sales of our securities.

Moreover, we are not required to file periodic reports and financial statements with the SEC as frequently or as promptly as U.S. public companies. We are also not subject to Regulation FD under the Exchange Act, which prohibits companies from selectively disclosing material nonpublic information to certain persons without concurrently making a widespread public disclosure of such information. Accordingly, as the exemptions might suggest, there may be less publicly available information concerning Alvotech than there is for U.S. public companies but the European rules have independent requirements for disclosure and, in most cases, result in similar disclosure as a U.S. public company.

As a foreign private issuer, we will file an Annual Report on Form 20-F within four months of the close of each fiscal year ended December 31 and furnish reports on Form 6-K relating to certain material events promptly after we publicly announce these events. However, because of the above exemptions for foreign private issuers, which we rely on, our shareholders are not afforded the same information generally available to investors holding shares in public companies that are not foreign private issuers.

As a foreign private issuer, we are also permitted to follow home country practice in lieu of certain corporate governance rules of the Nasdaq, including those that require listed companies to have a majority of independent directors and independent director oversight of executive compensation, nomination of directors and corporate governance matters. As of 31 December 2025, four of our seven directors are independent as defined in Nasdaq listing standards and applicable SEC rules. As long as we rely on the foreign private issuer exemption, a majority of our board of directors will not be required to be independent directors and our compensation committee will not be required to be composed entirely of independent directors. Accordingly, holders of our securities may not have the same protections afforded to shareholders of listed companies that are subject to all of the applicable corporate governance requirements.

We may lose our foreign private issuer status in the future, which could result in significant additional costs and expenses. This would subject us to U.S. GAAP reporting requirements which may be difficult for us to comply with.

As a "foreign private issuer," we are not required to comply with all of the periodic disclosure and current reporting requirements of the Exchange Act and related rules and regulations. Under those rules, the determination of foreign private issuer status is made annually on the last business day of an issuer's most recently completed second fiscal quarter, and, accordingly, the next determination will be made with respect to our status on 30 June 2026.

In the future, we could lose our foreign private issuer status if a majority of our ordinary shares are held by residents in the United States and any of the following three circumstances applies: (1) the majority of our executive officers or directors are U.S. citizens or residents; (2) more than 50% of our assets are located in the United States; or (3) our business is administered principally in the United States. Although we intend to follow certain practices that are consistent with U.S.

regulatory provisions applicable to U.S. companies, our loss of foreign private issuer status would make such provisions mandatory. The regulatory and compliance costs to us under U.S. securities laws if we are deemed a U.S. domestic issuer may be significantly higher. If we are not a foreign private issuer, we will be required to file periodic reports on U.S. domestic issuer forms with the SEC, which are more detailed and extensive than the forms available to a foreign private issuer. For example, we would become subject to the Regulation FD, aimed at preventing issuers from making selective disclosures of material information.

We also may be required to modify certain policies to comply with good governance practices associated with U.S. domestic issuers. Such conversion and modifications will involve additional costs. In addition, we may lose our ability to rely upon exemptions from certain corporate governance requirements of Nasdaq that are available to foreign private issuers. For example, Nasdaq's corporate governance rules require listed companies to have, among other things, a majority of independent board members and independent director oversight of executive compensation, nomination of directors, and corporate governance matters. As a foreign private issuer, we are permitted to follow home country practice in lieu of the above requirements. We intend to follow Luxembourg practice with respect to quorum requirements for shareholder meetings in lieu of the requirement under Nasdaq Listing Rules that the quorum be not less than 33 1/3% of the outstanding voting shares. Under our articles of association, at an ordinary general meeting, there is no quorum requirement and resolutions are adopted by a simple majority of validly cast votes. In addition, under our articles of association, for any resolutions to be considered at an extraordinary general meeting of shareholders, the quorum shall be at least one half of our issued share capital unless otherwise mandatorily required by law and resolutions are adopted with a majority of at least two thirds of the validly cast votes. As long as we rely on the foreign private issuer exemption to certain of Nasdaq's corporate governance standards, a majority of the directors on our board of directors are not required to be independent directors, our remuneration committee is not required to be comprised entirely of independent directors, and we will not be required to have a nominating and corporate governance committee. Also, we would be required to change our basis of accounting from IFRS to United States generally accepted accounting principles ("U.S. GAAP"), which may be difficult and costly for us to comply with. If we lose our foreign private issuer status and fail to comply with U.S. securities laws applicable to U.S. domestic issuers, we may have to de-list from Nasdaq and could be subject to investigation by the SEC, Nasdaq and other regulators, among other materially adverse consequences.

We are organized under the laws of Luxembourg and a substantial amount of our assets are not located in the United States. It may be difficult to obtain or enforce judgments or bring original actions against us or the members of our board of directors in the United States.

We are organized under the laws of Luxembourg. In addition, a substantial amount of our assets are located in Iceland and elsewhere outside the United States.

Furthermore, some of the members of our board of directors and officers reside outside the United States and a substantial portion of our assets are located in Iceland and elsewhere outside the U.S. Investors may not be able to effect service of process within the United States upon us or these persons or enforce judgments obtained against us or these persons in U.S. courts, including judgments in actions predicated upon the civil liability provisions of the U.S. federal securities laws. Likewise, it also may be difficult for an investor to enforce in U.S. courts judgments obtained against us or these persons in courts located in jurisdictions outside the United States, including judgments predicated upon the civil liability provisions of the U.S. federal securities laws. Awards of punitive damages in actions brought in the United States or elsewhere are generally not enforceable in Luxembourg.

As there is no treaty in force on the reciprocal recognition and enforcement of judgments in civil and commercial matters between the United States and Luxembourg other than arbitral awards rendered in civil and commercial matters, courts in Luxembourg will not automatically recognize and enforce a final judgment rendered by a U.S. court. A valid judgment obtained from a court of competent jurisdiction in the United States may be entered and enforced through a court of competent jurisdiction in Luxembourg, subject to the applicable enforcement procedures (*exequatur*) as set out in the relevant provisions of the Luxembourg New Civil Procedure Code and in Luxembourg case law. Pursuant to Luxembourg case law, the granting of *exequatur* is subject to the following requirements:

- the judgment of the U.S. court is final and enforceable (*exécutoire*) in the United States and has not been fully enforced in the United States and/or in any other jurisdiction;
- the U.S. court had full jurisdiction over the subject matter leading to the judgment (that is, its jurisdiction was in compliance both with Luxembourg private international law rules and with the applicable domestic U.S. federal or state jurisdictional rules);
- the U.S. court applied to the dispute the substantive law which is designated by the Luxembourg conflict of laws rules or, at least, such court's order must not contravene the principles underlying those rules (based on

recent case law and legal doctrine, it is not certain that this condition would still be required for an exequatur to be granted by a Luxembourg court);

- the judgment was granted following proceedings where the counterparty had the opportunity to appear and, if it appeared, to present a defense, and the decision of the foreign court must not have been obtained by fraud, but in compliance with the rights of the defendant;
- the U.S. court acted in accordance with its own procedural laws;
- the judgment of the U.S. court does not contradict an already issued judgment of a Luxembourg court, and
- the decisions and the considerations of the U.S. court must not be contrary to Luxembourg international public policy rules (as such term is interpreted under the laws of Luxembourg) or have been given in proceedings of a tax or criminal nature or rendered subsequent to an evasion of Luxembourg law (*fraude à la loi*). Awards of damages made under civil liabilities provisions of the U.S. federal securities laws, or other laws, which are classified by Luxembourg courts as being of a penal or punitive nature (for example, fines or punitive damages), might not be recognized by Luxembourg courts. Ordinarily, an award of monetary damages would not be considered as a penalty, but if the monetary damages include punitive damages, such punitive damages may be considered a penalty and therefore not enforceable in Luxembourg.

Similarly, as Alvotech hf., a subsidiary of Alvotech, has significant assets in Iceland, investors may seek to enforce judgments obtained in the United States against Alvotech in Iceland. As there is no treaty in force on the reciprocal recognition and enforcement of judgments in civil and commercial matters between the United States and Iceland other than arbitral awards entered in civil and commercial matters, courts in Iceland will not automatically recognize and enforce a final judgment rendered by a U.S. court. Based on recent Icelandic case law, a valid judgment obtained from a court of competent jurisdiction in the United States will not be directly recognized and enforceable in Iceland. Instead, the judgment creditor would need to issue fresh legal proceedings against the judgment debtor in Iceland in which the U.S. judgment would serve as evidence, in addition to other evidence and legal arguments regarding the merits of the case, which will be adjudicated by the Icelandic courts.

If an original action is brought in Luxembourg or Iceland, without prejudice to specific conflict of law rules, Luxembourg courts or Icelandic courts may refuse to apply the designated law (i) if the choice of such foreign law was not made bona fide or (ii) if the foreign law was not pleaded and proved or (iii) if pleaded and proved, such foreign law is contrary to mandatory Luxembourg or Icelandic laws or incompatible with Luxembourg or Icelandic public policy rules. In an action brought in Luxembourg or Iceland on the basis of U.S. federal or state securities laws, Luxembourg courts or Icelandic courts may not have the requisite power to grant the remedies sought. Also, an *exequatur* may be refused by a Luxembourg court in respect of punitive damages.

In practice, Luxembourg courts tend not to review the merits of a foreign judgment, although there is no clear statutory prohibition of such review. A contractual provision allowing the service of process against a party to a service agent could be overridden by Luxembourg or Icelandic statutory provisions allowing the valid serving of process against a party in accordance with applicable laws at the domicile of the party. Further, in the event any proceedings are brought in a Luxembourg court in respect of a monetary obligation payable in a currency other than the Euro, a Luxembourg court would have the power to give judgment as an order to pay the obligation in a currency other than the Euro. However, enforcement of the judgment against any party in Luxembourg would be available only in Euros and, for such purposes, all claims or debts would be converted into Euros. Similarly, in the event any proceedings are brought in an Icelandic court in respect of a monetary obligation payable in a currency other than the Icelandic Krona, an Icelandic court would have the power to give judgment as an order to pay the obligation in a currency other than the Icelandic Krona.

In addition, actions brought in a Luxembourg court against Alvotech, the members of our board of directors, our officers, or the experts named herein to enforce liabilities based on U.S. federal securities laws may be subject to certain restrictions. In particular, Luxembourg courts generally do not award punitive damages. Litigation in Luxembourg also is subject to rules of procedure that differ from the U.S. rules, including, with respect to the taking and admissibility of evidence, the conduct of the proceedings and the allocation of costs. Proceedings in Luxembourg would have to be conducted in the French or German language, and all documents submitted to the court would, in principle, have to be translated into French or German. For these reasons, it may be difficult for a U.S. investor to bring an original action in a Luxembourg court predicated upon the civil liability provisions of the U.S. federal securities laws against Alvotech, the members of our board of directors, our officers, or the experts named herein. In addition, even if a judgment against Alvotech, the non-U.S. members of our board of directors, our officers, or the experts named in this Annual Report based on the civil liability provisions of the U.S. federal securities laws is obtained, a U.S. investor may not be able to enforce it in United States or Luxembourg courts.

Our directors and officers might enter into indemnification agreements with Alvotech. Under such agreements, the directors and officers could be entitled to indemnification from Alvotech to the fullest extent permitted by Luxemburg law against liability and expenses reasonably incurred or paid by him or her in connection with any claim, action, suit, or proceeding in which he or she would be involved by virtue of his or her being or having been a director or officer and against amounts paid or incurred by him or her in the settlement thereof. Luxembourg law permits us to keep directors indemnified against any expenses, judgments, fines and amounts paid in connection with liability of a director towards Alvotech or a third-party for management errors i.e., for wrongful acts committed during the execution of the mandate (*mandat*) granted to the director by Alvotech, except in connection with criminal offenses, gross negligence or fraud. The rights to and obligations of indemnification among or between Alvotech and any of our current or former directors and officers are generally governed by the laws of Luxembourg and subject to the jurisdiction of the Luxembourg courts, unless such rights or obligations do not relate to or arise out of such persons' capacities listed above. Although there is doubt as to whether U.S. courts would enforce this indemnification provision in an action brought in the United States under U.S. federal or state securities laws, this provision could make it more difficult to obtain judgments outside Luxembourg or from non-Luxembourg jurisdictions that would apply Luxembourg law against our assets in Luxembourg.

Luxembourg, Icelandic and European Union insolvency and bankruptcy laws are substantially different from U.S. insolvency and bankruptcy laws and may offer our shareholders less protection than they would have under U.S. insolvency and bankruptcy laws.

As a company organized under the laws of Luxembourg and with its registered office in Luxembourg, we are subject to Luxembourg insolvency and bankruptcy laws in the event any insolvency proceedings are initiated against us including, among other things, Council and European Parliament Regulation (EU) 2015/848 of May 20, 2015, on insolvency proceedings (recast). Should courts in another EU Member State determine that the insolvency and bankruptcy laws of that country apply to us in accordance with and subject to such EU regulations, the courts in such EU Member State could have jurisdiction over the insolvency proceedings initiated against us.

We are the parent company of Alvotech hf., our main operating subsidiary. As a company organized under the laws of Iceland and with its registered office in Iceland, Alvotech hf. is subject to Icelandic insolvency and bankruptcy laws in the event any insolvency proceedings are initiated against it.

Insolvency and bankruptcy laws in Luxembourg, Iceland or the relevant other EU Member State, if any, may offer our shareholders less protection than they would have under U.S. insolvency and bankruptcy laws and make it more difficult for them to recover the amount they could expect to recover in a liquidation under U.S. insolvency and bankruptcy laws.

The rights of our shareholders and responsibilities of our directors and officers are governed by Luxembourg or Icelandic law and differ in some respects from the rights and responsibilities of shareholders under other jurisdictions, including jurisdictions in the United States or Iceland.

Our corporate affairs are governed by our articles of association, and by the laws governing companies incorporated in Luxembourg, including the Luxembourg law of 10 August 1915 on commercial companies, as amended (the "Luxembourg Company Law"). The rights of our shareholders and the responsibilities of our directors and officers under Luxembourg law differ in some respects from those of a company incorporated under other jurisdictions, including jurisdictions in the U.S. corporate laws governing Luxembourg companies may not be as extensive as those in effect in U.S. jurisdictions and the Luxembourg Company Law in respect of corporate governance matters might not be as protective of shareholders as the corporate law and court decisions interpreting the corporate law in Delaware, where the majority of U.S. public companies are incorporated. Further, under Luxembourg law there may be less publicly available information about us than would otherwise be published by or about U.S. issuers. In addition, we anticipate that all of our shareholder meetings will take place in Luxembourg. Our shareholders may have more difficulty in protecting their interests in connection with actions taken by our directors and officers or our principal shareholders than they would as shareholders of a corporation incorporated in a jurisdiction in the United States.

If securities or industry analysts do not publish or cease publishing research or reports about us, our business, or our market, or if they change their recommendations regarding ordinary shares and warrants adversely, then the price and trading volume of ordinary shares and warrants could decline.

The trading market for ordinary shares and warrants is influenced by the research and reports that industry or securities analysts may publish about us, our business, our market, or our competitors. If any of the analysts who may cover us change their recommendation regarding ordinary shares and Warrants adversely, cease to provide coverage or

provide more favorable relative recommendations about our competitors, the price of ordinary shares and warrants would likely decline.

Only two majority shareholders may have significant influence over the outcome of matters submitted to shareholders for approval, which may prevent us from engaging in certain transactions.

As of the date hereof, our two largest shareholders, Alvogen Lux Holdings S.à r.l. ("Alvogen") and Aztiq Pharma Partners SARL ("Aztiq"), own approximately 62.2% of our ordinary shares. As a result of their ownership interest and other contractual rights, these shareholders exercise significant influence over all matters requiring shareholder approval, including the appointment of directors and the approval of significant corporate transactions. Such corporate action might be taken even if other shareholders oppose them. This ownership and control may also have the effect of delaying or preventing a future change in control, impeding a merger, consolidation, takeover or other business combination that may be in the best interest of us and any other shareholder. This ownership and control may be used to prevent us from raising additional funds through the sale of equity which may make it more difficult for us to finance our operations.

Risks Related to Taxation

If we are treated as a "passive foreign investment company" for any taxable year, U.S. investors could be subject to adverse U.S. federal income tax consequences.

A non-U.S. corporation generally will be treated as a "passive foreign investment company" ("PFIC") for U.S. federal income tax purposes if either (i) at least 75% of its gross income in a taxable year, including its pro rata share of the gross income of any corporation in which it is considered to own at least 25% of the shares by value, is passive income or (ii) at least 50% of its assets in a taxable year (ordinarily determined based on fair market value and averaged quarterly over the year), including its pro rata share of the assets of any corporation in which it is considered to own at least 25% of the shares by value, are held for the production of, or produce, passive income. Passive income generally includes dividends, interest, rents and royalties (other than rents or royalties derived from the active conduct of a trade or business), and gains from the disposition of passive assets.

Based on our analysis of our income, assets, activities and market capitalization, we believe that we were not treated as a PFIC for our taxable year ended 31 December 2025. However, the determination of whether a non-U.S. corporation is a PFIC is a fact-intensive determination made on an annual basis and the applicable law is subject to varying interpretation. In particular, the characterization of our assets as active or passive may depend in part on our current and intended future business plans, which are subject to change. In addition, the total value of our assets for PFIC testing purposes may be determined in part by reference to the market price of ordinary shares from time to time, which may fluctuate considerably. As a result, there can be no assurance with respect to our status as a PFIC for any taxable year, and our U.S. counsel expresses no opinion with respect to our PFIC status for any taxable year.

If we are treated as a PFIC, U.S. investors may be subject to certain adverse U.S. federal income tax consequences, including additional reporting requirements. For further discussion of the PFIC rules and the adverse U.S. federal income tax consequences in the event we are classified as a PFIC, as well as certain elections that may be available to U.S. investors, see "*Item 10.E Taxation-Material U.S. Federal Income Tax Considerations for U.S. Holders*." U.S. investors should consult their tax advisors regarding the application of the PFIC rules in their particular circumstances.

Changes in tax laws and unanticipated tax liabilities could adversely affect us.

We are subject to tax in Luxembourg and in other jurisdictions, and significant judgment is required in determining our provision for income taxes. Likewise, we are subject to audit by tax authorities in various jurisdictions. In such audits, our interpretation of tax legislation may be challenged and there would be a potential risk of an adverse effect on our consolidated financial statements.

The integrated nature of our worldwide operations can produce conflicting claims from tax authorities in different countries as to the profits to be taxed in the individual countries, including potential disputes relating to the prices our subsidiaries charge one another for intercompany transactions, known as transfer pricing. Most of the jurisdictions in which we operate have double tax treaties with other foreign jurisdictions, which provide a framework for mitigating the impact of double taxation, although such mechanisms for resolving such conflicting claims can be expected to be very lengthy.

Our tax liabilities could be adversely affected in the future by a number of factors, including changes in accounting standards, changes in the valuation of deferred tax assets and liabilities, and changes in tax laws such as corporate income tax rates and changes in tax treatment of specific items.

New income, sales, use or other tax laws, statutes, rules, regulations or ordinances could be enacted at any time, which could affect the tax treatment of our domestic and foreign earnings. The One Big Beautiful Bill Act enacted in 2025 (the "OBBBA"), the IRA, the Coronavirus Aid, Relief, and Economic Security Act enacted in 2020 (the "CARES Act"), and the Tax Cuts and Jobs Act enacted in 2017 (the "TCJA") made many significant changes to the U.S. Internal Revenue Code of 1986, as amended. Future guidance from the Internal Revenue Service and other tax authorities with respect to any legislation may affect us, and certain aspects of such legislation could be repealed or modified in future legislation or sunset in future years. Changes in or interpretations under the OBBBA, the TCJA, the IRA, or other tax legislation, or the enactment of new tax legislation, could increase our future tax liability, which could in turn adversely impact our business and future profitability.

Other international tax measures, such as the Organization for Economic Cooperation and Development's ("OECD") base erosion and profit shifting ("BEPS") project and the global minimum taxation regime ("Pillar two") contribute to increased uncertainty and may adversely affect our tax provision. The BEPS project contemplates changes to numerous international tax principles, as well as national tax incentives, and these changes, when adopted by individual countries, could adversely affect our provision for income taxes. Pillar two, was announced by the EU Council on 12 December 2022, and introduces the minimum taxation component of 15% as part of the OECD's reform of international taxation. Multinational groups are subjected to these rules upon meeting certain criteria, and we continuously monitor whether compliance with these rules becomes applicable. These rules are fairly new and further guidance is progressively sought, as a result of which it remains difficult to predict the magnitude of the eventual effect of such new rules on our financial results.

We may not be able to fully utilize some of our Icelandic NOL carryforwards.

As of 31 December 2025, Alvotech hf., the Icelandic operational entity, had net operating loss ("NOL") carryforwards. There can be no certainty that we will generate revenues, in the foreseeable future, if ever, and we may never achieve profitability. These NOL carryforwards could expire unused and be unavailable to offset future income tax liabilities. In the absence of their utilization, any increased liabilities could adversely affect our business, results of operations, financial position and cash flows.

Termination or expiration of governmental programs or tax benefits, could adversely affect us.

Some entities forming part of the group benefit from governmental programs or tax benefits. The termination, change or expiration of governmental programs or tax benefits, or a change in our business, could adversely affect our overall effective tax rate.

Item 4. Information on the Company.

A. History and Development of the Company

Alvotech hf. was founded in 2013 in Reykjavik, Iceland with the aim of creating a highly integrated platform company focused exclusively on developing and manufacturing biosimilars for the global market. Our mission is to improve patient lives and the sustainability of the global healthcare ecosystem by broadening the availability and accessibility of biosimilars.

Alvotech, previously known as Alvotech Lux Holdings S.A.S., was incorporated under the laws of the Grand Duchy of Luxembourg on August 23, 2021, as a simplified joint stock company. On 15 June 2022, the legal form of Alvotech changed from a simplified joint stock company (*société par actions simplifiée*) to a public limited liability company (*société anonyme*) under Luxembourg law. We own no material assets other than our interests in Alvotech hf. and other subsidiaries and do not operate any business. Our business is conducted through Alvotech hf., our direct, wholly-owned subsidiary and its subsidiaries.

Our principal place of business is at 9, Rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg. The mailing address of our group's principal executive office is Sæmundargata 15-19, 102 Reykjavík, Iceland, and our telephone number is +354 422 4500. Our principal website address is www.alvotech.com. The information contained on, or accessible through, our websites is not incorporated by reference into this Annual Report, and you should not consider it a part of this Annual Report. The SEC maintains an Internet site that contains reports, proxy information statements and other information regarding issuers that file electronically with the SEC. The address of that site is http://www.sec.gov. Our agent for service of process in the United States is Alvotech USA Inc., 1602 Village Market Blvd., Suite 280, Leesburg, Virginia 20175.

Our actual capital expenditures for the years ended 31 December 2025, 2024, and 2023 amounted to $64.5 million, $53.7 million and $33.2 million, respectively. These capital expenditures primarily consisted of property, plant and equipment, leasehold improvements, lab equipment, and computer equipment in Iceland.

B. Business Overview

Company Overview

We are a vertically integrated biotechnology company focused solely on the development and manufacture of biosimilar medicines for patients worldwide. Our mission is to improve the health and quality of life of patients around the world by broadening the availability and accessibility of proven treatments for various diseases. Since our inception, we have built our company with key characteristics we believe will help us capture the substantial global market opportunity in biosimilars: a leadership team that has brought numerous successful biologics and biosimilars to market around the world; a purpose-built biosimilars R&D and manufacturing platform; commercial partnerships in global markets; and a diverse, expanding portfolio and pipeline addressing many of the largest disease areas and health challenges globally.

A biosimilar is a biological medicine made with living cells, taken from plants, animals or bacteria, that is highly similar to and has no clinically meaningful differences from an existing approved biological, or reference product. Much as generics do for off-patent small-molecule drugs, biosimilars provide a cost-effective alternative with no clinically meaningful difference to biologic medicines whose patent exclusivity has expired. Many patient, policy, industry and regulatory organizations share our view that the availability of quality, affordable biosimilars is critical to the long-term sustainability of health systems and medical innovation globally. Cost savings generated by biosimilars can be used to treat more people and to sustain the cost of investment in the next generations of innovative therapies.

We aim to improve the health and quality of life of patients around the world, broadening the availability and accessibility of biosimilars by becoming a leading supplier of biosimilars globally. To do this, we have invested over $2 billion to build a comprehensive platform for developing and manufacturing biosimilars at scale. Our vertically integrated platform is designed to enable us to execute the product development and scale-up process in-house: from identifying therapeutic areas and target product candidates with significant unmet patient and market need through R&D, leveraging gold-standard host cell lines, cell-culture processes and cGMP manufacturing, clinical testing, and regulatory approvals. In order to give our products global reach with local expertise, we have formed strategic commercialization partnerships with leading pharmaceutical companies covering global markets. We license our biosimilars intellectual property to our commercialization partners in exchange for development and commercialization milestone payments and royalties on sales.

Developing and manufacturing biosimilars is a time-consuming, capital intensive, complex and historically uncertain undertaking. We currently have five approved products and an additional thirty product candidates in our pipeline targeting various serious diseases with unmet patient and market need treating autoimmune, eye, respiratory and hematological disease, as well as cancer.

Our Pipeline

Product selection

We believe that the nature and quality of our platform enable us to innovate and systematically produce high quality biosimilars for treating a broad range of serious diseases. We believe that our ability to generate and capture efficiencies across research and development, manufacturing and commercialization gives us key advantages in quality, cost and speed to market when competing with both originator and other biosimilar companies.

Our fully integrated capabilities provide us wide breadth and flexibility in deciding which biosimilar opportunities to pursue, optimizing the commercial, scientific and medical impact of each program as part of our portfolio. We evaluate a rigorous set of six criteria to select our candidates:

- *Competitive situation*: Evaluates originator value, brand and longevity, as well as competition from biosimilars and originators alike, on an ongoing basis.
- *Launch timing*: Aims to be among the first wave of biosimilars to every reference product.
- *Portfolio fit*: Seeking balance across the portfolio, assesses volume/price ratio and the ability to leverage the breadth of our R&D and manufacturing capabilities.
- *Differentiation*: Seeks opportunities where platform differentiation can be applied and exploited, for example, in potential for interchangeability (for the U.S. market), delivery device and product presentations.

- *Feasibility and cost*: Ongoing assessment for technical, clinical, intellectual property and regulatory issues as well as cost and time analysis for CMC, clinical and potential for interchangeability.
- *Partner insights*: Strategic input from commercial partners taken into account at every stage.

In addition to the above, our platform is built for flexibility that may allow us to expand into other healthcare products areas such as respiratory and primary care products.

We have five commercialized products approved in major markets.

AVT02, our biosimilar to Humira (adalimumab)

Our biosimilar to Humira (adalimumab) has been approved in various major markets including the U.S., Canada, UK and European Economic Area. Adalimumab is a TNF-alpha inhibitor, and is indicated for patients with Rheumatoid Arthritis, Psoriatic Arthritis, Ankylosing Spondylitis, Ulcerative Colitis and Crohn's Disease.

AVT04, our biosimilar to Stelara (ustekinumab)

Our biosimilar to Stelara (ustekinumab) has been approved for marketing in various major markets including the U.S., Canada, UK, European Economic Area, and Japan. Ustekinumab is a human interleukin-12 (IL-12) and IL-13 antagonist, and is indicated for patients with Plaque Psoriasis, Psoriatic Arthritis, Crohn's Disease and Ulcerative Colitis.

AVT05, our biosimilar to Simponi (golimumab) and biosimilar candidate for Simponi Aria (golimumab)

Our biosimilar to Simponi (golimumab) has been approved for marketing in the UK, European Economic Area and Japan. Golimumab is a TNF inhibitor indicated for the treatment of patients with Rheumatoid Arthritis, Psoriatic Arthritis, Ankylosing Spondylitis and Ulcerative Colitis. Simponi refers to the originator biologic in a prefilled syringe or autoinjector presentation, while Simponi Aria refers to the originator biologic in a vial presentation.

AVT06, our biosimilar to Eylea (aflibercept)

Our biosimilar to Eylea (aflibercept) has been approved for marketing in the UK, European Economic Area and Japan. Aflibercept is a vascular endothelial growth factor (VEGF) inhibitor indicated for the treatment of patients with Neovascular (Wet) Age-Related Macular Degeneration (AMD), Macular Edema following Retinal Vein Occlusion (RVO), Diabetic Macular Edema (DME) and Diabetic Retinopathy (DR).

AVT03, our biosimilar to Prolia/Xgeva (denosumab)

Our biosimilar to Prolia and Xgeva, which both contain denosumab, has been approved in the UK, European Economic Area and Japan. Denosumab is a RANK ligand inhibitor. Prolia refers to the originator in a pre-filled syringe and Xgeva refers to the originator in a single-dose vial presentation. Prolia is indicated for the treatment of postmenopausal women and men with osteoporosis at a high risk for fracture, glucocorticoid-induced osteoporosis in men and women at high risk for fracture, and to increase bone mass in men and women at high risk for fracture receiving therapy for cancer while Xgeva is indicated for the prevention of skeletal-related events in patients with multiple myeloma and in patients with bone metastases from solid tumors, treatment of hypercalcemia of malignancy refractory to bisphosphonate therapy as well as for the treatment of adults and skeletally mature adolescents with giant cell tumor of bone.

Our Pipeline

AVT16 and AVT80, our proposed biosimilars to Entyvio (vedolizumab)

Entyvio (vedolizumab) is indicated for the treatment of adult patients with moderate to severe ulcerative colitis and moderate to severely active Crohn's disease. Vedolizumab targets and binds specifically to the alpha-4-beta-7 protein, which is preferentially expressed on T helper lymphocytes (white blood cells) which migrate into the gastrointestinal tract and cause inflammation characteristic of ulcerative colitis and Chron's disease.

ATV16 is a proposed biosimilar to Entyvio in a formulation for intravenous injection, while AVT80 is a proposed biosimilar in a prefilled syringe for subcutaneous injection. We have conducted a pharmacokinetic study comparing the pharmacokinetics, safety and immunogenicity of AVT80 to Entyvio in healthy participants.

AVT23, our proposed biosimilar to Xolair (omalizumab)

Xolair (omalizumab) contains an antibody that targets free IgE and is used to treat patients with allergic asthma, chronic spontaneous urticaria (CSU) and nasal polyps. In 2023, we announced an agreement with Kashiv Biosciences LLC ("Kashiv") to in-license AVT23. The agreement covers all 27 countries of the European Union, plus the UK, Australia, Canada, and New Zealand. Under terms of the agreement, has an exclusive license to commercialize AVT23, which will be developed and manufactured by Kashiv.

Marketing approval applications for AVT23 are currently pending both with authorities in the European Union and the UK . A pharmacokinetic (PK) comparability study has been completed, with results demonstrating that AVT23's bioavailability, safety, tolerability and immunogenicity are comparable to those of Xolair.

AVT29, our proposed biosimilar to Eylea HD (8 mg aflibercept)

Eylea HD (8 mg aflibercept) is a high-dose version of Eylea (2 mg aflibercept), the reference product for our approved biosimilar AVT06. Aflibercept binds vascular endothelial growth factors (VEGF), inhibiting the binding and activation of VEGF receptors, neovascularization, and vascular permeability. It is indicated for neovascular (wet) age-related macular degeneration (AMD), visual impairment due to macular oedema secondary to retinal vein occlusion (branch RVO or central RVO), diabetic macular oedema (DME) and diabetic retinopathy (DR). AVT29 is in pre-clinical development.

AVT32, our proposed biosimilar to Keytruda (pembrolizumab)

Keytruda (pembrolizumab) is indicated for the treatment of various cancers. Pembrolizumab is a humanized monoclonal antibody that binds to the PD-1 receptor, releasing PD-1 pathway-mediated inhibition of the immune response, including the anti-tumor immune response. In 2025, we announced that Alvotech had entered into a collaboration and license agreement with Dr. Reddy's Laboratories Ltd. ("Dr. Reddy's") to co-develop, manufacture and commercialize a biosimilar to Keytruda for global markets. Under the terms of the agreement, the parties will be jointly responsible for developing and manufacturing the biosimilar candidate and sharing costs and responsibilities. Subject to certain exceptions, each party will have the right to commercialize the product globally. AVT32 is currently in pre-clinical development.

AVT10, our proposed biosimilar to Cimzia (certolizumab pegol)

Cimzia (certolizumab pegol) is a TNF-alpha inhibitor indicated for a variety of inflammatory diseases. In 2025 acquired all IP related to the development of the biosimilar candidate to Cimzia as part of the acquisition of the R&D operation of Xbrane Biopharma AB. Pre-clinical development by Alvotech continues under the program name AVT10.

Additional disclosed programs in our pre-clinical pipeline

In addition to a number of undisclosed biosimilar candidates in early stage development, Alvotech has disclosed that it is developing AVT19, a proposed biosimilar to Dupixent (dupilumab), AVT28, a proposed biosimilar to Taltz (ixekizumab), AVT34, a proposed biosimilar to Imfinzi (durvalumab), AVT41, a proposed biosimilar to Tremfya (guselkumab), AVT48, a proposed biosimilar to Ilaris (canakinumab), AVT65, a proposed biosimilar to Kesimpta (ofatumumab) and AVT87, a proposed biosimilar to Hemlibra (emicizumab).

Our Market Opportunity

Background on Biologics

Biologic medicines (biologics) are complex pharmaceutical products that typically contain one or more active substances made by or derived from a biological source. Conventional medicines are typically chemically synthesized small molecules that are easily identified and characterized; in contrast, biologics are large, complex molecules that require

unique characterization techniques and generally tend to be sensitive to heat and microbial contamination. The creation, innovation, and advancement of biologics are the result of cutting-edge research and these medicines have provided novel treatments for a variety of illnesses such as rheumatoid arthritis, Crohn's disease, ulcerative colitis, psoriasis, multiple sclerosis, age-related macular degeneration, diabetic macular edema and numerous types of cancer. Biologics are designed to have very specific effects and to interact with specific targets in the patient's body, mainly on the outside of cells. A more targeted mechanism of action leads to a greater chance of the medicine having the desired effect against the disease and results in fewer side effects compared to traditional medicines. The effectiveness of biologics has led to an increase of investment in R&D within the pharmaceutical sector for biologic medicines.

Background on Biosimilars

A biosimilar is a biological medicine that is highly similar to and has no clinically meaningful differences from an existing approved biological, or reference product. Biosimilars are approved according to the same standards of pharmaceutical quality, safety and efficacy that apply to all biological medicines and typically have the same amino acid sequence.

Biosimilars offer a lower cost alternative to their name-brand reference products, and have no clinically meaningful difference in terms of safety, purity or potency when compared to reference products. Because they are designed to be highly similar to already approved biologics, the success rate for developing biosimilars is considerably higher, and the R&D cost proportionally much lower. While the average originator biologic takes an average of 12 years to develop at a cost of more than $2.5 billion, the average biosimilar can usually be developed six to nine years and at a cost of between $100.0 to 200.0 million. Further, this is significantly different to generics, which are simpler to manufacture, can typically developed in two years or less at a cost of less than $10 million, and without needing clinical studies.

The availability of biologics and their rapidly increasing prices have forced healthcare systems and payors around the world, public and private alike, into difficult tradeoffs in the effort to balance the best quality of care, accessibility, sustainability and cost. As biosimilars provide a more affordable alternative to payors and patients, they offer the potential to improve the accessibility of many life-altering treatments to many more patients. More broadly, lower costs for existing treatments can make healthcare systems more sustainable and free up resources to pay for the next generation of innovative brand-name therapies, and the R&D infrastructure that sustains future drug discovery. In this way, we believe that biosimilars can also help to sustain the global biomedical innovation ecosystem as a whole.

While biosimilars share similarities with generics, there are significant differences, including the complexity of development and manufacturing. For traditional medications, generic products can generally be considered identical to the branded product in form and function. In the case of biologics and biosimilars, the complexity of a biologic molecule means that the biosimilar product is not identical in form to the branded product, and some variability from the branded reference product is considered inherent to the process. However, there is no clinically meaningful functional difference between a biosimilar and the reference product in safety, purity or potency.

Our Strategy

Our strategy is to leverage our integrated platform to develop and manufacture high quality biosimilars and to then work with our global network of partners to commercialize the portfolio and pipeline into markets around the world. We are advancing multiple product candidates towards regulatory approval and intend to launch our portfolio and pipeline into over 90 markets around the world. Our strategy can be summarized by the following;

- *Platform*: At the heart of our strategy is our fully integrated biosimilars platform. We have a purpose-built facility with a footprint of approximately 280,000 square feet that includes R&D, process, quality, manufacturing and headquarters in Reykjavik, Iceland. In 2025, we acquired the R&D operations of Xbrane, Biopharma AB and started building out an additional R&D and Quality hub in Stockholm, Sweden. We also acquired the operations of Ivers Lee in Switzerland, which handles packaging and device assembly for Alvotech. Additionally, we have cell line, process, analytics and glycoprotein characterization sites in Germany; a regulatory, legal and government affairs office in the United States; a center supporting technical operations, R&D, quality and regulatory in India; and an R&D, clinical, and regulatory strategy center in Switzerland. This infrastructure and know-how enables us to have a full set of capabilities and control, from analysis of reference products and cell line development through fill-and-finish cGMP manufacturing and regulatory approvals. Further, it provides us the ability to innovate efficiencies in every step of the process and project those cost-savings throughout our portfolio. We have demonstrated manufacturing capabilities using both of the two most widely-used host cell lines — Chinese hamster ovary ("CHO") and SP2/0 — as well as cell culture processes, fed batch and perfusion.

- *Portfolio and Pipeline:* In addition to five approved biosimilars, we are currently advancing a portfolio and pipeline of multiple biosimilar candidates through the development and regulatory process. Our portfolio and pipeline covers a variety of therapeutic areas, including immunology, eye disorders, bone disease, respiratory disease, hematology and cancer. Where possible, we seek to develop differentiated products as is the case with our first launched product, AVT02, a biosimilar to Humira. We also seek to offer the first or one of the first biosimilars in a given market, as was the case with our second launched product, AVT04 (ustekinumab), our biosimilar to Stelara which was the first to launch in Japan and the European Economic Area and AVT05 (golimumab), our biosimilar to Simponi which was the first to launch in the UK, Japan and the European Economic Area.
- *Commercial Partnerships:* We have formed a global network of strategic commercial partnerships to ensure that our products can reach the patients in geographies across the world. Our partners include Teva (U.S.), STADA (EU), Fuji Pharma Co., Ltd (Japan), JAMP Pharma (Canada), Advanz Pharma (EEA, U.K., Switzerland, Canada, Australia and New Zealand) and Dr. Reddy's (Global) among many others. Our partners' deep knowledge of the markets and economic, regulatory, payor and reimbursement landscapes in the countries they serve optimizes our commercial opportunity and ability to reach patients in these markets in a way we could not do on our own. We partner only with trusted, market leaders and develop close strategic relationships with these partners that align our interests and the partners' interests for success.
- *People:* As of 31 December 2025, we employ around 1,500 people around the world. Over 89% of our workforce is dedicated to manufacturing and development of biosimilars. We seek to attract and retain the highest quality talent in order to achieve our mission and execute our strategy.
- *ESG and corporate responsibility*: We aim to maintain and further develop our commitment to sustainability and corporate responsibility beyond our fundamental mission of expanding access to medicines while lowering costs for patients. We continue developing and implementing a comprehensive environmental, social and governance ("ESG") framework to collect, monitor and report data that assess our environmental and social impact as well as provide transparent disclosures on governance.
- We believe that we have certain intrinsic business and operational qualities that may favorably position us to optimize our ESG impact, including the location of our headquarters and manufacturing in Iceland. This enables us to minimize our environmental impact by conducting our principal operations using nearly 100% renewable energy and in a geography with abundant cold and hot water. We intend to make a difference for patients around the world by working strategically towards increasing patient access to medicines, supporting the sustainability of health care systems.

Our Platform

We believe that the nature and quality of our platform to be a key competitive advantage for Alvotech. Our vertically integrated platform enables us to innovate and systematically develop and manufacture biosimilar medicines. We consider this ability, and that our platform can generate and capture efficiencies all along the research and development, manufacturing and sales and marketing chain, to be fundamental advantages when competing with both originator and other biosimilar companies in quality, cost and speed to market.

The challenges of biosimilars development

Making biosimilars—biologic medicines that are highly similar to and without clinically meaningful differences from their reference products in terms of safety, purity and potency—is a fundamentally complex task. It requires, among other things, highly specialized expertise and infrastructure, time, and significant capital. Success in the biosimilar space is largely determined by the ability to make biosimilars efficiently and consistently.

We believe that these same barriers to entry also create opportunities for differentiation. The capital investment, sophisticated infrastructure and scientific/technical expertise required are principal reasons that the biosimilar divisions of large originator biopharmaceutical companies, who have access to all of these, have dominated the sector's early years. But these biosimilars divisions within larger organizations have competing internal demands for resources, including people, R&D and manufacturing facilities. As a result, biosimilars are often viewed as a secondary business. Such internal competition makes consistent and replicable operational control and efficiencies more difficult and costly to achieve, and biosimilars also tend to receive less focus in marketing and distribution. Conversely, smaller companies may not have all of the internal capabilities needed for development or the capital resources to invest in such capabilities. These constraints may require these smaller companies to outsource key parts of the R&D and manufacturing process, thereby potentially losing control over quality or the ability to innovate and control costs.

Research & Development

Our research and development is solely focused on the development of biosimilar medicines, which require considerable time and substantial financial investment. We intend to continue to commit significant resources in financial and human capital to development activities going forward, with the aim of offering more affordable biologic medicines, globally. We also strive to identify opportunities where a level of differentiation can be applied to the development program to enable improved commercial success.

Biosimilar medicines are highly similar to their reference products and typically have identical primary amino acid structure. They are held to the same high-quality standards as innovative biopharmaceuticals. The ultimate goal in the development of biosimilar medications is to develop therapeutics that are highly similar to and have no clinically meaningful difference from their reference products. In order to demonstrate this, we apply rigorous processes in the development of our product candidates.

A biosimilarity claim must demonstrate totality of evidence with respect to physiochemical characteristics, biologic activity, pharmacokinetics, clinical safety and efficacy, and therapeutic indication. Extensive analytical comparisons to the reference products are conducted, followed by nonclinical and clinical pharmacokinetic ("PK") and pharmacodynamic ("PD") studies, as required. Finally, a clinical efficacy and safety study is conducted to resolve any remaining uncertainty that the product is biosimilar. This process is described in more detail below.

Early phase development

In this phase of development it is vital to establish a manufacturing process that delivers highly similar product to the reference product. This starts with cell line development activities, where clones having characteristics similar to the reference product with acceptable productivity are selected. Following this a competitive commercial manufacturing process for drug substance and drug product is developed to deliver a product that is highly similar to the reference product, enabling future investment in cGMP manufacturing. Numerous characterization methods are also applied to ensure our biosimilar candidate is highly similar to the reference product in structure and function. Significant time and effort is spent on this similarity evaluation to enable a streamlined clinical program in subsequent development phases with a higher probability of success.

Pre-clinical development and cGMP manufacturing

In this phase, the manufacturing process is scaled-up up from small pilot scale batches to commercial scale in a commercial site. The goal is to manufacture product with a high degree of analytical similarity to the reference product while also confirming the highest quality product is produced.

In parallel, regulatory authorities in the U.S., EU, and other geographies are engaged to discuss the overall development strategy, in order to ensure the ultimate submission package is approvable in all major regions. Non-clinical studies may also be conducted as required, based on the individual biosimilar program and alignments with regulatory authorities.

Clinical studies

Clinical studies are conducted in this phase to support product registration. Typically, a PK study is performed to demonstrate PK equivalence of the proposed biosimilar to the approved reference product. Authorities regulating the development of biosimilars such as the FDA and EMA have signaled that in the future the larger confirmatory clinical efficacy safety studies involving patients may no longer be required for the approval of many biosimilars.

Submission and approval

The ultimate goal is to submit a globally vetted, high-quality dossier that enables first-pass approval based on the totality of evidence for the comparative analytical, Chemistry, Manufacturing and Controls, ("CMC"), and clinical data. Extrapolation principles also allow for attaining a full label matching the reference product other than indications specifically protected by regulatory exclusivity. We work closely with health authorities through the review process to enable approval at the earliest possible time after dossier submission, ensuring we can remain competitive with market entry.

Manufacturing & Supply

Manufacturing Facilities

Our corporate headquarters, main manufacturing site and a large part of our R&D division are located in Reykjavik, Iceland. This facility provides us with purpose-built cGMP and has highly integrated capabilities for producing biosimilars at scale. The facility is currently approximately 280,000 square feet and utilizes single-use technology to manufacture drug substance and drug product. It houses our R&D, quality control and quality assurance teams and has an active and valid cGMP certificate issued by the Icelandic Medicines Authority authorizing Investigational Medicinal Product and commercial manufacturing. The facility has also been inspected multiple times by global authorities and is approved for manufacturing by the FDA, EMA, PMDA (Japan), Health Canada and others.

Third Party Suppliers, Manufacturers, and Raw Materials

Our manufacturing processes utilize single-use processing technology for both drug substance and drug product. Our manufacturing is therefore reliant on the availability of single-use components to complete production. We source these components from various reputable third-party suppliers. However, the price of these materials and components is subject to market forces and competing demands. Increases in the cost of components would have an adverse effect on our forecasted cost of goods. In certain cases, we may rely on only one approved source for a particular component and shortages may significantly impact our ability to manufacture drug substance and drug product. Finding alternative suppliers may not be possible or cause material delay to development plans or commercial production. We have the ability and are currently evaluating opportunities for redundancies in our manufacturing processes in order to mitigate risk and control costs.

We also require the use of certain reagents and materials in order to develop and produce biologic medicines. We acquire these reagents and materials through reputable third parties that specialize in the production and sourcing of these reagents and materials. These materials are widely available commodities. However, unforeseen shortages in these materials may have an adverse effect on either the price of these materials or could cause delays in our development or commercialization timelines.

AVT02 (adalimumab) and certain other products within our pipeline require the use of auto-injector devices. We work closely with our vendors in order to assure availability and manage risk through inventory management and relationship management. Our current arrangement with our supplier utilizes a proprietary design.

Master cell banks and working cell banks are critical components in biologic medicine manufacturing. A cell bank is a collection of ampoules of uniform composition stored under defined conditions, each containing an aliquot of a single pool of cells. The master cell bank is generally derived from the selected cell clone containing the expression construct that has been encoded to produce the protein of interest, such as a specific monoclonal antibody with a defined amino acid sequence. This unique aliquot of cells allows for a consistent high quality biologic medicine to be produced. The working cell bank is derived by expansion of one or more ampoules of the master cell bank and is used for routine manufacturing. Both the master cell bank and working cell bank are central to obtaining regulatory approval for manufacturing and marketing biologic medicine. Without well-characterized and well-controlled master and working cell banks, the manufacturing process could be susceptible to non-ideal product variability. The quality of the manufactured biologic product is dependent on the quality of the cells used for our manufacturing, and having a sufficient supply of master and working cell banks is important for a consistent manufacturing process. The master cell banks and working cell banks for our lead product candidates are produced at either an EU or U.S.-based contract manufacturing organization and then transferred internally to both the Reykjavik site in Iceland and Jülich site in Germany for supply continuity and redundancy. The availability of master cell banks is critical to our ability to manufacture products for the commercial market. Should our cell banks (despite any redundancies) be compromised, we would be unable to produce usable products for patients in any market.

Sales and Marketing

We are selling AVT02 (adalimumab) in over 30 markets globally, including in European countries under the trade name HUKYNDRA and in the U.S. and Canada under the trade name SIMLANDI. We are selling AVT04 (ustekinumab) in the U.S. under the trade name SELARSDI, in Europe under the tradename UZPRUVO, in Canada under the tradename JAMTEKI, and in Japan under the tradename USTEKINUMAB BS (F). By the end of 2025, we had received marketing approvals for AVT03 (denosumab) in the UK and European Economic Area, where it will be marketed as XBONZA,

OSSVI, ZVOGRA and KEFDENSIS, and in Japan where it will be marketed as DENOSUMAB BS. We also received marketing approvals for AVT05 (golimumab) in the UK and European Economic Area, where it will be marketed as GOBIVAZ, and in Japan where it will be marketed as GOLIMUMAB BS. Finally, we had also received marketing approval for AVT06 (aflibercept) in the UK and European Economic Area, where it will be marketed as MYNZEPLI and AFIVEG, and in Japan where it will be marketed as AFLIBERCEPT BS. At the end of 2025, launch activities had commenced with our respective commercial partners for AVT03 (denosumab), AVT05 (golimumab), and AVT06 (aflibercept).

A breakdown of product revenue is presented by region below:

USD in thousands	2025		2024	
	Product Revenue	% Total	Product Revenue	% Total
Europe	152,201	55.1%	56,574	20.7%
USA	105,889	38.3%	195,526	71.5%
Rest of World	18,181	6.6%	21,372	7.8%
	276,271	100%	273,472	100%

To date, we have chosen to market and commercialize our products through numerous strategic partnerships rather than sell a single global license to an individual commercial partner. By partnering with multiple leading regional partners who would likely be able place a higher value on licenses due to their core market(s) focus, we believe we can achieve higher return for the rights of our products. This also better ensures focus from partners on our portfolio. Additionally, by partnering with multiple partners, we are able to enhance local market knowledge and expand our geographic reach by mitigating our risk of being dependent on one single partner.

As a result of our strategic decision to form commercial partnerships, we do not currently have direct sales, marketing, and distribution capabilities. In order for us to commercialize any product on our own, we would need to either develop an infrastructure to facilitate sales, marketing and distribution or contract with third parties that have the requisite capabilities. Our in-house strategic sales and marketing expertise is currently focused on relationships with our existing partners and finding new partner relationships.

Commercial partnerships

We have formed strategic commercialization partnerships with leading pharmaceutical companies covering global markets. A commercialization partnership generally consists of two components. First, under the licensing component, we and the partner agree that we will develop the product candidate and that the partner will have the exclusive right to market, distribute and sell our product in a certain territory once the product has been approved by the relevant regulator. In return, the partner agrees to make certain upfront or milestone payments to us, which can be any or a combination of the following:

- Upfront payments upon the signing of the agreement;
- Milestone payments related to the development of the products, for example upon the completion of a clinical trial with respect to the relevant product candidate;
- Milestone payments related to the regulatory approval process of the products, for example upon submitting an application for approval with or receiving approval from the relevant regulator for the relevant product candidate;
- Milestone payments related to the launch or first commercial sale of the product in the relevant territory; and
- Milestone payments related to achieving sales targets in the territory.

Under the supply component of the partnership agreements, typically we will manufacture, supply and deliver the product to each partner, and the partner will buy the product exclusively from us. The purchase price for each commercial partner, unless specifically noted otherwise in the description of the partnership agreements below, is a royalty of between 35% and 55% of the estimated net selling price or an agreed-upon applicable floor price, whichever is higher, for the duration of the agreements. The floor price is a minimum price per unit specific to each presentation to be paid by the commercial partner for the product, and is determined per each presentation and product taking into consideration Cost of Goods of manufacturing, supply and commercial market environment. Under certain partnership agreements, we may be eligible to receive additional royalty payments in periods where sales exceed certain targets. As is customary, the partnerships are concluded for durations of ten to twenty years. We recognized $276.3 million of product revenue and

$310.1 million of license and other revenue, resulting from the commercial partnerships, for the year ended 31 December 2025. Refer to Note 5 of the consolidated financial statements included elsewhere in this Form 20-F for further details on the revenue recognized under these agreements.

The amounts in upfront and milestone payments and the royalty rates are negotiated between parties and depend in part on the estimated addressable market for the product and the size of the territory.

As a principal matter, we grant our partners access to the dossier, which includes our dossier of data, information and know-how relating to the relevant products that enable our partners to apply for and obtain marketing authorization in the various territories. Marketing authorizations obtained with the help of the dossier remain with the partners after the expiry of the partnership. Partners only return the marketing authorization to us when we terminate the agreement for cause. Certain partners may also get access to our trademarks.

Our principal partners and partnerships include:

United States—Teva

In August 2020, we entered into a license and development agreement with Teva (as amended to date, the "Teva LDA"), pursuant to which we granted Teva an exclusive license to use, import, commercialize and market products containing the following products and product candidates: AVT02, AVT04, AVT05, AVT06, AVT16, AVT28, AVT29, AVT41 and AVT80 in the United States and each of its territories (the "Teva Territory"). Until August 2025, Teva also had a right of first negotiation for the commercialization and marketing of future products in the Teva Territory.

As consideration for the rights granted to Teva under the LDA, Teva has made upfront and milestone payments for an aggregate amount of $150 million, including $40.0 million in upfront payments and $110.0 million in development and performance milestone payments, (as of 31 December 2025). Additionally, we are eligible to receive additional aggregate payments of up to $465.0 million upon the achievement of various regulatory, commercial, supply and sales milestones.

The Teva LDA expires on a product-by-product basis ten years from the first commercial sale of a product, subject to possible one-year extensions. Either party may terminate the LDA on a product-by-product basis for any material breach by the other party, or if either party reasonably believes that there is a material safety issue with respect to such product. Teva may terminate the LDA on a product-by-product basis within certain time periods, if it reasonably demonstrates a lack of commercial viability for such product and we retain already paid milestone payments and allowed to partner with someone else. Either party may also terminate the LDA upon insolvency of the other party. The LDA will automatically terminate as a whole upon the termination of the Teva Product Supply Agreement (defined below), or in part with respect to any product if the Teva Product Supply Agreement is terminated with respect to such product.

In connection with the Teva LDA, we also entered into a product supply agreement with Teva in August 2020 (the "Teva PSA") for the manufacture and supply of each product in the Teva Territory covered by the Teva LDA. Pursuant to the Teva PSA, Teva will remit approximately 40% of its in-market sales to us in the form of sales-based royalties.

The Teva PSA expires on a product-by-product basis until the expiration or termination of the Teva LDA in respect of that product or termination of the Teva LDA as a whole. Either party may terminate the Teva PSA, among other reasons, on a product-by-product basis for any material breach by the other party or if the BLA approval for a product in the Teva Territory is revoked by a regulatory authority due to a health, safety or efficacy concern. We have the right to terminate the Teva PSA if Teva fails to fulfill the minimum quantity of each product.

Europe—STADA

Alvotech has entered into a number of license and supply agreements with STADA pursuant to which we granted STADA licenses on an exclusive or semi exclusive basis (depending on the market) to import, commercialize and market certain products containing AVT02, AVT03, AVT04 and AVT06 in the European Union and certain other countries. Under these agreements, we are required to provide, and STADA is required to obtain, all of STADA's requirements of the licensed products for a defined period of time. We are also obligated to develop the licensed products, including performing all pre-clinical and clinical activities required to submit grants to obtain marketing authorizations for the licensed products in the EU and certain other countries, whereas STADA is required to use all commercially reasonable efforts to sell, market, import and store the licensed products and we have the right to terminate if STADA does not launch after fulfilment of certain conditions. STADA will remit approximately 40% of its in-market sales to us in the form of sales-based royalties.

Under the terms of these agreements, STADA made upfront payments of $6.7 million and $97.9 million in development and performance milestone payments up to 31 December 2025. Additionally, we are eligible to receive aggregate payments of up to an additional $8.0 million upon the achievement of certain, regulatory, commercial, manufacturing and sales milestones.

Europe - Advanz

On 6 February 2023, Alvotech announced that it had entered into an exclusive agreement with Advanz Pharma, for the commercialization of AVT23, a proposed biosimilar to Xolair (omalizumab). The agreement covers the European Economic Area, UK, Switzerland, Canada, Australia and New Zealand. According to the agreement, Alvotech will be responsible for development and manufacture, while Advanz Pharma will handle registration and commercialization. The parties have subsequently expanded their partnership to include Simponi (golimumab) and Entyvio (vedolizumab) and further to AVT06, our proposed biosimilar to Eylea (aflibercept) low dose (2 mg), and AVT29, our biosimilar candidate for Eylea high dose (8 mg). as well as three additional early-stage, undisclosed biosimilar candidates. Under these agreements, we will be responsible for development and commercial supply, and Advanz Pharma will be responsible for registration and commercialization. Advanz Pharma has exclusive commercialization rights in Europe, except, for AVT06 and AVT29 only, in Germany and France where the rights are semi-exclusive. These agreements includes an upfront payment to us with subsequent payments upon certain development and commercialization milestones.

Under the terms of the agreements detailed above, Advanz Pharma made upfront payments of $191.8 million in development milestone payments up to 31 December 2025. Additionally, we are eligible to receive aggregate payments of up to an additional $578.7 million upon the achievement of certain, regulatory, commercial, manufacturing and sales milestones.

Other principal contracts include: Fuji Pharma (Japan), Kashiv Biosciences (Europe, Australia, Canada and New Zealand), Sandoz (Canada, Australia and New Zealand), Dr. Reddy's (U.S., EU, and UK), Cipla/Cipla Gulf/Cipla Medpro (South Africa/Africa), Bioventure/ Mubadala (Middle East and Africa), Abdi Ibrahim (Turkey), Kamada (Israel), MegaLabs, Stein, Tuteur and Saval (Latin America).

Other Material Agreements, Partnerships and Suppliers

Secured Loan Facility executed in June 2024

On 7 June 2024, the Company entered into a $965.0 million Secured Loan Facility, enabling the Company to improve cost of capital, address upcoming debt maturities in 2025 and add incremental cash to the statement of financial position. Upon the closing of the Secured Loan Facility, the Company was required to settle its existing debt obligations.

On 10 July 2024, the Company closed its previously executed Secured Loan Facility. The closing has allowed Alvotech to refinance outstanding debt obligations, reducing the cost of capital and improving its overall debt maturity profile. The Secured Loan Facility, for $965.0 million in aggregate principal amount, matures in July 2029. The first tranche is a first lien $900.0 million term loan which bears an interest rate of SOFR plus 6.5% per annum (the "First Tranche Facility"). The second tranche is a $65.0 million first lien, second out term loan, which bears an interest rate of SOFR plus 10.5% per annum (the "Second Tranche Facility"). This resulted in the concurrent settlement of its existing debt obligations as described below.

The refinancing resulted in net cash proceeds of $140.5 million after transaction costs paid of $32.6 million. The Group has pledged key assets, including trade receivables, inventory, bank accounts, equity interests in its subsidiaries, intellectual property, equipment (1st lien pledge), and the manufacturing facility (2nd lien pledge) as collateral to secure the Secured Loan Facility.

On 26 June 2025, the Company entered into an amendment (the “Amendment”) of its Secured Loan Facility, by and among, among others, Alvotech, as borrower, GLAS USA LLC, as administrative agent, GLAS Americas LLC, as collateral agent, and the Lenders thereto, which provides for, among other things, the reduction of the interest rate under the Company’s existing Secured Loan Facility. In conjunction with this Amendment, part of the Lenders agreed to increase the first tranche by $169.0 million in order to absorb the second tranche, thereby creating one single tranche going forward, further simplifying the Company’s capital structure. The interest rate for this Secured Loan Facility is SOFR plus 6.0% per annum, and all interest will be payable in cash. The Company used the proceeds of the new incremental senior secured term loans to prepay its existing second tranche, to prepay a portion of its existing first tranche, and to pay related premiums, closing payments, fees, costs and expenses.

The Agreement contains customary mandatory prepayment requirements, including mandatory prepayments as a result of (a) excess cash flow (subject to certain customary exceptions and thresholds), (b) asset sales (subject to reinvestment rights and certain customary exceptions and thresholds) and (c) the incurrence of non-permitted indebtedness. Alvotech may also voluntarily prepay the Term Loans subject, in certain circumstances, subject to a prepayment premium for payments on or before the third anniversary of the closing date; the amount of the prepayment varies based on when the prepayment occurs.

The Agreement contains various customary affirmative covenants, including financial reporting requirements and customary negative covenants that limit, among other things, Alvotech's incurrence of liens, incurrence of indebtedness, entry into certain fundamental change transactions, asset sales, the making of certain restricted payments and entry into transactions with affiliates. The Agreement also requires Alvotech to maintain specified minimum quarterly liquidity. Events of default under the Agreement are customary for facilities of this type including, among other things, the failure to pay principal, interest or fees, the failure to observe or perform any material covenant contained in the Agreement, material misrepresentation under or in connection with the Agreement, cross-default to certain material indebtedness, entry of judgments in a material amount, a change of control and the institution of any bankruptcy or insolvency proceedings.

Convertibles Bonds issued in December 2025

On 22 December 2025, the Company issued $108 million of senior unsecured convertible bonds due 2030 (the "2025 Convertible Bonds"). The 2025 Convertible Bonds were issued at par, bear a 6.875% fixed coupon payable semi-annually in arrears, and mature on 22 December 2030.

Bondholders may convert their bonds into SDRs beginning on the 41st day after issuance and until ten business days prior to maturity. The initial conversion price is $5.9224, subject to customary anti-dilution adjustments and full dividend protection. A one-time reset of the conversion price may occur if we complete one or more Qualifying Equity Capital Raises (as defined in the bond agreement) totaling at least $50 million within 24 months after issuance, subject to a formulaic floor.

Alvotech may redeem the bonds at par plus accrued interest:

- On or after 12 January 2029, if the SDR trading price is at least 150% of the conversion price over a specified trading period;
- Upon certain tax events requiring a gross-up; and
- If less than 10% of the bonds remain outstanding (cleanup call).

Bondholders may require redemption at par plus accrued interest upon a Change of Control, Free Float Event (free float below 25% for 10 consecutive days), or Delisting (as defined in the bond agreement). Bondholders may alternatively convert at a Relevant Event Conversion Price, subject to a floor (as defined in the bond agreement).

As a part of the transaction Alvotech provided a stock lending facility for the duration of the 2025 Convertible Bonds (unless bought back, redeemed or converted, in which case it will be reduced on a pro rata basis) for the purpose of facilitating convertible bond investors' hedging activities. The full number of shares underlying the 2025 Convertible Bonds will be made available through a stock lending facility. The stock lending facility will remain in place for the duration of the Convertible Bonds.

Concurrently with the placement of the 2025 Convertible Bonds, a placement of existing Shares was executed (the "Concurrent Delta Placement") on behalf of the convertible bonds investors hedging their market exposure. The number of Shares sold was determined by the allocation of the 2025 Convertible Bonds and amounted to approximately $56 million. The Share price in the Concurrent Delta Placement was set to $4.7379. The Company received no proceeds from this placement.

To support liquidity for hedging, Alvotech Manco ehf provided a share lending facility covering up to 100% of the SDRs underlying the bonds. In addition, ATP Holdings ehf and Alvogen committed to acquire up to $60 million of SDRs not taken up in the Delta Placement. These arrangements do not modify the bondholder rights under the 2025 Convertible Bonds.

The 2025 Convertible Bonds constitute senior unsecured obligations of Alvotech, ranking pari passu with all other unsubordinated unsecured indebtedness. No collateral or guarantees were provided.

Senior Term Loan Facility executed in December 2025

On 31 December 2025, the Company entered into a $100 million Senior Term Loan Facility maturing in December 2027. The facility bears 12.50% cash interest, payable monthly, and is repayable in full at maturity. The facility includes customary optional and mandatory prepayment provisions, including make-whole and prepayment premiums, as well as

standard excess-cash-flow and asset-sale sweep requirements. The obligations under the facility are senior secured and include customary collateral and guarantee arrangements.

The facility also contains customary affirmative and negative covenants, financial reporting requirements, and default provisions typical for a secured term loan structure.

Competition

We believe our focus on biosimilars, investment in our platform, and global market reach endow us with a differentiated set of strategic advantages in the dynamic and competitive biosimilars marketplace. These features include substantial control over quality and capacity allocation; the ability to find and exploit operational and process efficiencies across R&D and manufacturing; and the agility to rapidly, flexibly and efficiently pivot to new opportunities to advance a broad portfolio of product candidates. We believe these advantages expand our opportunity and support our commercial and medical goals of accelerating the development of cost-effective biosimilars that are as close to the reference products as possible, and then getting them to the patients around the world who need them.

The specific characteristics of the competitive landscape for each of our publicly announced product development programs include but are not limited to:

The specific characteristics of the competitive landscape for each of our approved biosimilars include but are not limited to:

AVT02. In addition to AbbVie's (the originator's) reference product, we can face competition from other approved biosimilars for Humira (adalimumab) in the U.S. and EEA, including biosimilars from Amgen, Biocon, Celltrion, Fresenius Kabi, Pfizer, Samsung Bioepis, Sandoz, Boehringer Ingelheim and King-Friend.

AVT04. In addition to Johnson & Johnson's (the originator's) reference product, we can face competition from other approved biosimilars for Stelara (ustekinumab) in the U.S. and EEA, including biosimilars from Intas, Amgen, Biocon, Celltrion, Formycon, Fresenius Kabi, Gedeon Richter, Samsung Bioepis, Accord and Bio-Thera.

AVT06. We expect Regeneron (the originator) Amgen, Biocon, Celltrion, Formycon, Samsung Bioepis, Sandoz, STADA, Sam Chun Dang and Polpharma to be our main competitors for AVT06, a biosimilar to Regeneron's Eylea (aflibercept). As the originator, Regeneron is currently working to expand the label for Eylea and developing higher-concentration formulations.

AVT03. We expect Amgen (the originator), Intas, Biocon, Celltrion, Fresenius Kabi, Gedeon Richter, Mabxience, Samsung Bioepis, Sandoz, Sciencepharma, STADA, Zentiva, Accord, Amneal, Hikma and Henlius to be our main competitors for AVT03, a biosimilar candidate to Prolia/Xgeva (denosumab).

AVT05. We expect Janssen (the originator), and Bio-Thera to be our main competitors for AVT05, a biosimilar candidate to Janssen's Simponi (golimumab). The originator, Janssen, is solidifying the reference product's market position by actively expanding the label and by winning approvals in Japan and China. We believe that the originator's success in expanding the market for the reference product will prove to be a benefit to AVT05's commercial positioning.

AVT23. We expect Genentech (the originator), Celltrion and Teva to be our main competitors for AVT23, a biosimilar candidate to Genentech's Xolair (omalizumab), as they have all disclosed development plans for a Xolair biosimilar. As the originator, Genentech is currently working to expand the label for Xolair.

Intellectual Property

The branded pharmaceutical industry relies on patent protection as one of several means to maintain exclusivity on the market. As a biosimilar-focused company, our success will depend in part on our ability to avoid infringement of, to invalidate, and/or to license any relevant and material intellectual property rights of third parties. We expect all branded companies that market products in which we are developing a biosimilar to vigorously protect what they view as their proprietary rights. We fully understand that efforts to market our products may result in patent litigation, which may determine whether a particular patent at issue is valid and whether we have infringed such a patent. Timelines for resolution to patent disputes are difficult to estimate and are very specific to a particular situation (including, for example, the jurisdiction).

While our principal focus in matters relating to intellectual property is to avoid infringing the valid and enforceable rights of third parties, we also use a combination of intellectual property protection and confidentiality agreements to

protect our own intellectual property related to our product candidates and development programs. We strive to protect and enhance the proprietary technologies, inventions and improvements that we believe are important to our business, including by seeking, maintaining, enforcing and defending trademarks, trade secrets, patent rights, and other intellectual property rights for our products and processes, whether developed internally or licensed from third parties.

We are actively building our own intellectual property portfolio around our product candidates and platform technologies, including our manufacturing processes, and intend to identify and obtain, directly or through a license, as appropriate, patents that provide protection to our intellectual property and technology base. With respect to these pending and any future applications, we cannot be sure that patents will be granted in any or all jurisdictions, nor can we be sure that any patents that may be granted to us in the future will be commercially useful in protecting our products. In addition to patents, We also rely on trademarks, trade secrets, know-how, continuing technological innovation, confidentiality agreements, and IP assignment agreements in place with our employees to develop and maintain our proprietary position and ensure the future commercial success of our products.

Regulatory Landscape

Government Regulation and Product Approval

Government authorities at the federal, state and local level in the United States and in other countries extensively regulate, among other things, the research, development, testing, clinical studies manufacture, packaging, storage, recordkeeping, labeling, advertising, promotion, distribution, marketing, import and export of pharmaceutical products such as those we are developing. The processes for obtaining regulatory approvals in the United States and in other countries, along with subsequent obligation of compliance with applicable statutes and regulations, can vary widely and can require the expenditure of substantial time and financial resources.

FDA Approval Process

All of our current product candidates are subject to extensive pre- and post-market regulation in the United States by the FDA as biologics under the Public Health Service Act, or PHSA, the Federal Food, Drug and Cosmetic Act, or FFDCA, and other federal and state statutes and regulations. Failure to comply with applicable U.S. requirements may subject a company to a variety of administrative or judicial sanctions, such as FDA refusal to approve pending Biologics License Applications, or BLAs, withdrawal of approvals or revocation or suspension of licenses, clinical holds, warning letters, product recalls, product seizures, injunctions, fines, civil penalties or criminal penalties.

The process required by the FDA before a new biologic may be marketed in the United States is long, expensive and inherently uncertain. In order to establish the safety, purity and potency (effectiveness) of the biologic, biologics development in the United States typically involves, among other things, pre-clinical laboratory and animal tests, the submission to the FDA of an investigational new drug application, or IND, which must become effective before U.S. clinical investigations in humans may commence, and adequate and well-controlled clinical studies to establish the safety, purity and potency of the biologic for the conditions of use for which FDA approval is sought. Developing the data to satisfy FDA approval requirements typically takes many years and the actual time required may vary substantially based upon the type, complexity and novelty of the product or disease.

After completion of the required clinical testing in accordance with all applicable regulatory requirements, detailed information regarding the investigational product is prepared and submitted to the FDA in the form of a BLA requesting approval to market the product for one or more indications or conditions of use. FDA review and approval of the BLA is required before marketing of the product may begin in the United States. The BLA will include the results of pre-clinical, clinical and other testing and a compilation of data relating to the product's pharmacology, chemistry, manufacture and controls and must demonstrate the continued safety, purity, and potency (efficacy) of the product based on these data.

Manufacturing controls and conformance to cGMPs are considered very important for biological products. The BLA must also contain extensive manufacturing information. The FDA will inspect the facility or the facilities at which the biologic is manufactured to ensure conformance to cGMPs. This can include reviewing a firm's previous compliance history, using information sharing from trusted foreign regulatory partners through mutual recognition agreements and other confidentiality agreements, requesting records "in advance of or in lieu of" facility inspections or voluntarily from facilities and sites, and conducting remote interactive evaluations where appropriate.

The FDA reviews a BLA to determine, among other things, whether a product is safe, pure and potent and the facility in which it is manufactured, processed, packed or held meets standards designed to assure the product's continued safety, purity and potency. After the FDA evaluates the BLA, including the facilities listed in the BLA, it issues either an approval letter or a complete response letter. A complete response letter outlines the deficiencies in the submission.

Remedying those deficiencies may require substantial additional testing or information in order for the FDA to consider the resubmitted application for approval. If, or when, those deficiencies have been addressed to the FDA's satisfaction such that a resubmitted BLA is approvable, the FDA will issue an approval letter. The FDA has committed to user fee goals of reviewing such resubmissions in two or six months depending on the type of information included. The FDA approval is never guaranteed, and the FDA may refuse to approve a BLA if applicable regulatory criteria are not satisfied.

Under the PHSA, the FDA will approve a BLA if it determines, among other things, that the product is safe, pure and potent and the facility where the product will be manufactured meets standards designed to ensure that it continues to be safe, pure and potent.

Abbreviated Licensure Pathway of Biological Products as Biosimilars under 351(k)

The Biologics Price Competition and Innovation Act of 2009, or BPCIA, amended the PHSA and created an abbreviated approval pathway for biological products shown to be highly similar to an FDA-licensed reference biological products. Under the 351(k) (biosimilar) approval pathway, an application for licensure of a biosimilar product must include information demonstrating biosimilarity.

Biosimilarity, as defined in PHSA §351(i), means that the biological product is highly similar to the reference product notwithstanding minor differences in clinically inactive components and that there are no clinically meaningful differences between the biological product and the reference product in terms of the safety, purity and potency of the product. In addition, section 351(k)(4) of the PHSA provides for a designation of "interchangeability" between the reference and biosimilar products if certain additional criteria are met, whereby the biosimilar may be substituted for the reference product without the intervention of the health care provider who prescribed the reference product.

Because a biosimilar can rely in part on FDA's previous determination of safety and effectiveness for the reference product for approval, biosimilar applicants generally do not need to conduct as many clinical studies. Biosimilar products also may be approved for an indication without direct studies of the biosimilar in that indication, with sufficient scientific justification for extrapolation. However, the FDA may not approve a 351(k) BLA if there is insufficient information to show that the biosimilar is "highly similar" to the reference product or that there are no clinically meaningful differences between the biosimilar product and the reference product. In addition, as with innovator BLAs, biosimilar BLAs will not be approved unless the product is manufactured in facilities designed to assure and preserve the biological product's safety, purity and potency.

The process for filing and review of a BLA submitted through the 351(k) pathway is very similar to that of a BLA submitted through the 351(a) pathway, although there is a period of statutory exclusivity during which time the FDA is precluded from filing a 351(k) BLA that references a protected reference product. Subsequently, the FDA will accept the application for filing if it meets the regulatory criteria.

The timing of final FDA approval of a biosimilar for commercial distribution depends on a variety of factors, including whether the manufacturer of the branded product is entitled to one or more statutory exclusivity periods, during which time the FDA is prohibited from approving any products that are biosimilar to the branded product. The FDA cannot approve a biosimilar application for 12 years from the date of first licensure of the reference product. A reference product may also be entitled to exclusivity under other statutory provisions. For example, a reference product with orphan drug exclusivity for a particular orphan "disease or condition" may be entitled to seven years of exclusivity, in which case no product that is biosimilar to the reference product may be approved until either the end of the 12-year period provided under §351(k)(7), and no biosimilar may be approved for the orphan disease or condition until the end of the seven-year orphan drug exclusivity period. In certain circumstances, a regulatory exclusivity period can extend beyond the life of a patent and thus block §351(k) applications from being approved on or after the patent expiration date.

The first biological product determined to be interchangeable with a branded reference product for any condition of use is also eligible for a period of exclusivity, during which time the FDA may not determine that another product is interchangeable with the same reference product for any condition of use. This exclusivity period lasts until the earlier of: (1) one year after the first commercial marketing of the first interchangeable product; (2) 18 months after resolution of a patent infringement suit instituted under 42 U.S.C. § 262(l)(6) against the applicant that submitted the application for the first interchangeable product, based on a final court decision regarding all of the patents in the litigation or dismissal of the litigation with or without prejudice; (3) 42 months after approval of the first interchangeable product, if a patent infringement suit instituted under 42 U.S.C. § 262(l)(6) against the applicant that submitted the application for the first interchangeable product is still ongoing; or (4) 18 months after approval of the first interchangeable product if the applicant that submitted the application for the first interchangeable product has not been sued under 42 U.S.C. § 262(l)(6).

Advertising and Promotion

Once a BLA is approved, a product will be subject to continuing post-approval regulatory requirements, including, among other things, requirements relating to recordkeeping, periodic reporting, product sampling and distribution, advertising and promotion and reporting of adverse events. Violations of the FDA's requirements around advertising, marketing, and promotion of drugs can result in significant enforcement activities, including the issuance of warning letters or untitled letters, which may direct a company to correct deviations from FDA, and federal and state investigations, which can lead to civil and criminal penalties, lawsuits, and prosecutions.

As with all drugs, biologics may be marketed only as consistent with FDA-approved labeling. After approval, most changes require submission and FDA approval supplemental BLA before the change can be implemented. This includes changes to labeling or manufacturing processes (including changes to facilities), which typically require prior approval of a supplement.

Other Healthcare Laws and Compliance Requirements

Because we have approved products on the market and engage with licensed health care providers in the United States, our business operations are subject to healthcare regulation and enforcement by the federal government and the states and foreign governments in which we conduct our business. These laws include, without limitation, state and federal anti-kickback, fraud and abuse, false claims, privacy and security and physician sunshine laws and regulations.

The federal AKS prohibits any individual or entity from knowingly and willfully offering or paying "remuneration," directly or indirectly, overtly or covertly, in cash or in kind to induce another individual or entity to: (a) refer an individual to a person for the furnishing (or arranging for the furnishing) of any item or service for which payment may be made under a federal health care program; (b) purchase or order any covered item or service; (c) arrange for the purchase or order of any covered item or service; or (d) recommend the purchase or order of any covered item or service. It also is illegal under the AKS to solicit or receive remuneration for such purposes. "Remuneration" is generally defined to include any transfer of value, in cash or in kind, including gifts or free product, meals, discounts, rebates, and other price concessions. Courts have broadly construed the AKS to include virtually anything of value given to an individual or entity if one purpose of the remuneration is to influence the recipient's reason or judgment relating to referrals.

There are statutory exceptions and regulatory safe harbors specifying certain payment practices that will not be considered to violate the AKS. Such exceptions and safe harbors include, among others, protection for payments for personal services and management contracts, and for certain discounts. If a payment practice falls squarely within one of the exceptions or safe harbors, it will be immune from criminal prosecution and civil exclusion under the AKS. Importantly, the failure of an arrangement to fall within a statutory exception or regulatory safe harbor does not mean that it necessarily violates the AKS; however, the legality of such arrangements may be closely scrutinized by federal authorities on a facts and circumstances basis and are not protected.

Additionally, states have enacted similar kickback statutes that may apply to healthcare services reimbursed by private insurance, not just those reimbursed by a federal or state health care program. The specific scope of these laws vary. However, in many instances, activities that are protected from scrutiny under the federal statute would not violate the state statutes.

Further, pursuant to changes made under the Patient Protection and Affordable Care Act ("ACA"), any claims submitted to Medicare or Medicaid as a result of an illegal kickback constitutes a false or fraudulent claims under the federal False Claims Act ("FCA"). Additionally, the ACA amended the intent requirement of the AKS so that a person or entity no longer needs to have actual knowledge of the AKS, or the specific intent to violate it, to have violated the statute.

The civil false claims laws, including the FCA, prohibits, among other things, knowingly presenting or causing the presentation of a false, fictitious or fraudulent claim for payment to the U.S. government. Actions under the FCA may be brought by the government or as a qui tam action by a private individual in the name of the government. Government enforcement agencies and private whistleblowers have investigated pharmaceutical companies for or asserted liability under the FCA for a variety of alleged promotional and marketing activities, such as providing free products to customers with the expectation that the customers would bill federal programs for the products; providing consulting fees and other benefits to physicians to induce them to prescribe products; and engaging in promotion for unapproved uses. Given the significant size of actual and potential settlements, it is expected that the government will continue to devote substantial resources to investigating healthcare providers' and manufacturers' compliance with applicable fraud and abuse laws.

The federal Health insurance Portability and Accountability Act of 1996 ("HIPAA") created additional federal criminal statutes that prohibits, among other things, knowingly and willfully executing, or attempting to execute, a scheme

to defraud any healthcare benefit program or obtain, by means of false or fraudulent pretenses, representations or promises, any of the money or property owned by, or under the custody or control of, any healthcare benefit program, regardless of whether the payor is public or private, knowingly and willfully embezzling or stealing from a health care benefit program, willfully obstructing a criminal investigation of a health care offense and knowingly and willfully falsifying, concealing or covering up by any trick, scheme or device a material fact or making any materially false, fictitious or fraudulent statements in connection with the delivery of, or payment for, healthcare benefits, items or services relating to healthcare matters. Additionally, the ACA amended the intent requirement of some of these criminal statutes under HIPAA so that a person or entity no longer needs to have actual knowledge of the statute, or the specific intent to violate it, to have committed a violation.

In addition, there has been a recent trend of increased federal and state regulation of payments made to physicians and other healthcare providers. For instance, the federal Physician Payments Sunshine Act ("Sunshine Act") requires certain manufacturers of drugs, devices, biologicals and medical supplies for which payment is available under Medicare, Medicaid or the Children's Health Insurance Program (with specified exceptions) to report annually information related to specified payments or other transfers of value provided to physicians (defined to include doctors, dentists, optometrists, podiatrists and chiropractors, other healthcare professionals (such as physician assistants and nurse practitioners) and teaching hospitals and to report annually specified ownership and investment interests held by physicians and their immediate family members.

In addition, we may be subject to data privacy and security regulation by both the federal government and the states in which we conduct our business. HIPAA, as amended by the HITECH and their implementing regulations, impose requirements relating to the privacy, security and transmission of individually identifiable health information held by covered entities and their business associates. Among other things, HITECH makes HIPAA's security standards directly applicable to business associates, defined as independent contractors or agents of covered entities that create, receive, maintain or transmit protected health information in connection with providing a service for or on behalf of a covered entity and their covered subcontractors. HITECH also created new tiers of civil monetary penalties, amended HIPAA to make civil and criminal penalties directly applicable to business associates, and gave state attorneys general new authority to file civil actions for damages or injunctions in federal courts to enforce the federal HIPAA laws and seek attorneys' fees and costs associated with pursuing federal civil actions.

Many states have also adopted laws similar to each of the above federal laws, which may be broader in scope and apply to items or services reimbursed by any third-party payor, including commercial insurers. We must comply with state laws that require the registration of manufacturers and distributors of drug and biological products in a state, including, in certain states, manufacturers and distributors who ship products into the state even if such manufacturers or distributors have no place of business within the state, as well as state and local laws that require the registration of pharmaceutical sales representatives. We may also be subject to state laws that require pharmaceutical companies to comply with the pharmaceutical industry's voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government, and/or state laws that require drug manufacturers to report information related to payments and other transfers of value to physicians and other healthcare providers or marketing expenditures and pricing information, and state laws governing the privacy and security of health information in certain circumstances, many of which differ from each other in significant ways and may not have the same effect, thus complicating compliance efforts.

The shifting commercial compliance environment and the need to build and maintain robust systems to comply with different compliance and/or reporting requirements in multiple jurisdictions increase the possibility that a healthcare company may violate one or more of the requirements. If our operations are found to be in violation of any of such laws or any other governmental regulations that apply to us, we may be subject to significant penalties, including, without limitation, administrative, civil, and criminal penalties, damages, fines, disgorgement, the curtailment or restructuring of our operations, exclusion from participation in federal and state healthcare programs and imprisonment.

International Regulation

In addition to regulations in the United States, a variety of foreign regulations govern clinical studies, marketing authorization procedures and commercial sales and distribution of pharmaceutical products. The approval process varies from country to country and the time to approval may be longer or shorter than that required for FDA approval. In the EU, the approval of a biosimilar for marketing is based on an opinion issued by the European Medicines Agency, or EMA, and a related decision issued by the European Commission. However, the subsequent substitutability of a reference medicinal product for the biosimilar is a decision that is made at the national level on a country-by-country basis in individual EU Member States. Other regions, including Canada, Japan and Korea, also have their own regulatory pathways governing the approval and marketing of biosimilars. Some third countries (such as Singapore and Malaysia) have adopted EU guidance. Other countries (such as (Cuba and Brazil) follow guidance issued by the World Health Organization. While there are some similarities between the regulatory requirements across regions, some areas of substantial difference remain.

Clinical studies in the EU

In the EU, clinical studies are governed by the clinical studies Regulation (EU) No 536/2014, or CTR, which entered into application on 31 January 2022, repealing and replacing the former clinical studies Directive 2001/20, or CTD, and related national implementing legislation of EU Member States. The CTR foresaw a three-year transition period that ended on 31 January 2025. Since this date, all new or ongoing trials are subject to the provisions of the CTR.

The CTR is intended to harmonize and streamline clinical trial authorizations, simplify adverse-event reporting procedures, improve the supervision of clinical studies and increasing their transparency. Specifically, the Regulation, which is directly applicable in all EU Member States, introduces a streamlined application procedure through a single-entry point, the EU portal, the clinical studies Information System, or CTIS; a single set of documents to be prepared and submitted for the application; as well as simplified reporting procedures for clinical trial sponsors. A harmonized procedure for the assessment of applications for clinical studies has been introduced and is divided into two parts. Part I assessment is led by the competent authorities of a reference Member State selected by the trial sponsor and relates to clinical trial aspects that are considered to be scientifically harmonized across EU Member States. This assessment is then submitted to the competent authorities of all concerned Member States in which the trial is to be conducted for their review. Part II is assessed separately by the competent authorities and Ethics Committees in each concerned EU Member State. Individual EU Member States retain the power to authorize the conduct of clinical studies on their territory.

EU Review and Approval Process

In the EU, medicinal products can only be commercialized after a related marketing authorization, or MA, has been granted. A company may submit a marketing authorization application, or MAA, either on the basis of the centralized, or decentralized procedure or mutual recognition procedure.

To obtain an MA for a product in the EU, which is valid throughout the EEA, an applicant must submit an MAA either under a centralized procedure administered by the EMA or one of the procedures administered by competent authorities in the EU Member States (decentralized procedure, national procedure or mutual recognition procedure). An MA may be granted only to an applicant established in the EU.

The centralized procedure provides for the grant of a single MA by the European Commission that is valid for all EU Member States. Pursuant to Regulation (EC) No 726/2004, the centralized procedure is compulsory for specific products, including for (i) medicinal products derived from biotechnological processes, (ii) products designated as orphan medicinal products, (iii) advanced therapy medicinal products, or ATMPs, and (iv) products with a new active substance indicated for the treatment of HIV/AIDS, cancer, neurodegenerative diseases, diabetes, auto-immune and other immune dysfunctions and viral diseases. For products with a new active substance indicated for the treatment of other diseases and products that are highly innovative or for which a centralized process is in the interest of patients, authorization through the centralized procedure is optional on related approval.

Under the centralized procedure in the EU, the maximum timeframe for the evaluation of an MAA is 210 days, excluding clock stops when additional information or written or oral explanation is to be provided by the applicant in response to questions of the CHMP.

Unlike the centralized authorization procedure, the decentralized MA procedure requires a separate application to, and leads to separate approval by, the competent authorities of each EU Member State in which the product is to be marketed.

The mutual recognition procedure allows companies that have a medicinal product already authorized in one EU Member State to apply for this authorization to be recognized by the competent authorities in other EU Member States. Like the decentralized procedure, the mutual recognition procedure is based on the acceptance by the competent authorities of the EU Member States of the MA of a medicinal product by the competent authorities of other EU Member States. The holder of a national MA may submit an application to the competent authority of an EU Member State requesting that this authority recognize the MA delivered by the competent authority of another EU Member State.

An MA has, in principle, an initial validity of five years. The MA may be renewed after five years on the basis of a re-evaluation of the risk-benefit balance by the EMA or by the competent authority of the EU Member State in which the original MA was granted. To support the application, the MA holder must provide the EMA or the competent authority with a consolidated version of the eCTD (Common Technical Document) providing up-to-date data concerning the quality, safety and efficacy of the product, including all variations introduced since the MA was granted, at least nine months before the MA ceases to be valid. The European Commission or the competent authorities of the EU Member States may decide on justified grounds relating to pharmacovigilance, to proceed with one further five-year renewal period for the MA.

Once subsequently definitively renewed, the MA shall be valid for an unlimited period. Any authorization which is not followed by the actual placing of the medicinal product on the EU market (for a centralized MA) or on the market of the authorizing EU Member State within three years after authorization ceases to be valid (the so-called sunset clause).

Accelerated and alternative pathways, such as accelerated assessment and conditional MAs, are also available under specific conditions.

EU Pathway for Biosimilar

In the EU, biosimilars must follow a specific pathway under the centralized procedure managed by the EMA resulting in a single marketing authorization valid in all EEA countries. As with the U.S. pathway, an applicant may seek and obtain regulatory approval for a biosimilar once the data exclusivity period for the original reference product has expired, relying, in part, on the data submitted for the originator product together with data evidencing that the biosimilar is "highly similar" with regard to quality, safety and efficacy to the original reference product authorized in the European Economic Area, notwithstanding natural variability inherent to all biological medicines, and that there are no clinically meaningful differences between the biosimilar and the reference medicine in terms of safety, quality and efficacy. Biosimilar development relies heavily on comparability studies to establish similarity to the reference product. This involves a comprehensive head-to-head comparison of the biosimilar and the reference medicine.

Post-approval Requirements

Where an MA is granted in relation to a medicinal product in the EU, the holder of the MA is required to comply with a range of regulatory requirements applicable to the manufacturing, marketing, promotion and sale of medicinal products. Similar to the United States, both MA holders and manufacturers of medicinal products are subject to comprehensive regulatory oversight by the EMA, the European Commission and/or the competent regulatory authorities of the individual EU Member States. The holder of an MA must establish and maintain a pharmacovigilance system and appoint an individual qualified person for pharmacovigilance who is responsible for oversight of that system. Key obligations include expedited reporting of suspected serious adverse reactions and submission of periodic safety update reports, or PSURs.

All new MAAs must include a risk management plan, or RMP, describing the risk management system that the company will put in place and documenting measures to prevent or minimize the risks associated with the product. The regulatory authorities may also impose specific obligations as a condition of the MA. Such risk-minimization measures or post-authorization obligations may include additional safety monitoring, more frequent submission of PSURs, or the conduct of additional clinical studies or post-authorization safety studies.

Other EU Compliance Requirements

In the EU, the advertising and promotion of medicinal products are subject to both EU and EU Member States' laws governing promotion of medicinal products, interactions with physicians and other healthcare professionals, misleading and comparative advertising and unfair commercial practices. Although general requirements for advertising and promotion of medicinal products are established under EU legislation, the details are governed by regulations in individual EU Member States and can differ from one country to another. For example, applicable laws require that promotional materials and advertising in relation to medicinal products comply with the product's Summary of Product Characteristics, or SmPC, as approved by the competent authorities in connection with an MA. The SmPC is the document that provides information to physicians concerning the safe and effective use of the product. Promotional activity that does not comply with the SmPC is considered off-label and is prohibited in the EU. Direct-to-consumer advertising of prescription medicinal products is also prohibited in the EU.

Much like the Anti-Kickback Statute prohibition in the United States, described above, the provision of benefits or advantages to physicians and other health care professionals to induce or encourage the prescription, recommendation, endorsement, purchase, supply, order or use of medicinal products is also prohibited in the EU. Interactions between pharmaceutical companies and health care professionals are governed by strict laws, such as national anti-bribery laws of European countries, national sunshine rules, regulations, industry self-regulation codes of conduct and physicians' codes of

professional conduct. Failure to comply with these requirements could result in reputational risk, public reprimands, administrative penalties, fines or imprisonment.

Data and marketing exclusivity

The EU also provides opportunities for market exclusivity. Upon receiving an MA in the EU, innovative medicinal products generally receive eight years of data exclusivity and an additional two years of market exclusivity. If granted, data exclusivity prevents generic or biosimilar applicants from referencing the innovator's pre-clinical and clinical trial data contained in the dossier of the reference product when applying for a generic or biosimilar marketing authorization during a period of eight years from the date on which the reference product was first authorized in the EU. During the additional two-year period of market exclusivity, a generic or biosimilar marketing authorization can be submitted, and the innovator's data may be referenced, but no generic or biosimilar product can be marketed until the expiration of the market exclusivity period. The overall ten-year period will be extended to a maximum of eleven years if, during the first eight years of those ten years, the marketing authorization holder obtains an authorization for one or more new therapeutic indications which, during the scientific evaluation prior to authorization, is held to bring a significant clinical benefit in comparison with existing therapies.

Upon grant of an MA, orphan medicinal products are entitled to a ten-year period of market exclusivity for the approved therapeutic indication, which means that the EMA cannot accept another marketing authorization application or accept an application to extend for a similar product and the European Commission cannot grant a marketing authorization for the same indication for a period of ten years. The period of market exclusivity is extended by two years for orphan medicinal products that have also complied with an agreed PIP. No extension to any supplementary protection certificate can be granted on the basis of pediatric studies for orphan indications. The period of market exclusivity may, however, be reduced to six years if, at the end of the fifth year, it is established that the product no longer meets the criteria on the basis of which it received orphan medicinal product designation.

In the EU, there is a special regime for biosimilars, or biological medicinal products that are similar to a reference medicinal product but that do not meet the definition of a generic medicinal product. For such products, the results of appropriate preclinical or clinical studies must be provided in support of an application for marketing authorization. Guidelines from the EMA detail the type of quantity of supplementary data to be provided for different types of biological product.

Pediatric Development

In the EU, Regulation (EC) No 1901/2006 provides that all marketing authorization applications for new medicinal products must include the results of trials conducted in the pediatric population, in compliance with a pediatric investigation plan, or PIP, agreed with the EMA's Pediatric Committee, or PDCO. The PIP sets out the timing and measures proposed to generate data to support a pediatric indication of the medicinal product for which marketing authorization is being sought. The PDCO may grant a deferral of the obligation to implement some or all of the measures provided in the PIP until there are sufficient data to demonstrate the efficacy and safety of the product in adults. Furthermore, the obligation to provide pediatric clinical trial data can be waived by the PDCO when these data are not needed or appropriate because the product is likely to be ineffective or unsafe in children, the disease or condition for which the product is intended occurs only in adult populations, or when the product does not represent a significant therapeutic benefit over existing treatments for pediatric patients. Once the marketing authorization is obtained in all EU Member States and study results are included in the product information, even when negative, the product is eligible for a six-month extension to the Supplementary Protection Certificate, or SPC, if any is in effect at the time of authorization or, in the case of orphan medicinal products, a two-year extension of orphan market exclusivity. For other countries outside of the EU, such as certain countries in Eastern Europe, Latin America or Asia, the requirements governing the conduct of clinical studies, product approval, pricing and reimbursement vary from country to country. In all cases, the clinical studies are to be conducted in accordance with GCP and the applicable regulatory requirements and the ethical principles that have their origin in the Declaration of Helsinki.

Pharmaceutical Coverage, Pricing and Reimbursement

In the U.S. and other countries, sales of our products will depend on the availability and extent of coverage and reimbursement from third-party payors, including government healthcare programs and private insurance plans. Patients who are provided medical treatment for their conditions generally rely on third party payors to reimburse all or part of the costs associated with their treatment. Coverage and adequate reimbursement from governmental healthcare programs, such as Medicare and Medicaid, or comparable foreign programs and commercial payors are critical to new product acceptance. Governments and private payors continue to pursue initiatives to manage drug utilization and contain costs. These payors are increasingly focused on the effectiveness, benefits, and costs of similar treatments, which could result in lower

reimbursement rates for our products or narrower populations for whom payors will reimburse. Continued intense public scrutiny of the price of drugs and other healthcare costs, together with payor dynamics, have limited, and are likely to continue to limit, our ability to set or adjust the price of our products based on their value, which could adversely affect our business.

In the U.S., no uniform product coverage and reimbursement policy exists among third-party payors. Therefore, coverage and reimbursement for products can differ significantly from payor to payor. Obtaining coverage and reimbursement approval of a product from a government or other third-party payor can be a time-consuming and costly process that can require provision of supporting scientific, clinical and cost-effectiveness data, with no assurance that coverage or specific levels of reimbursement will be obtained. Third-party payors are increasingly examining the medical necessity and cost-effectiveness of products and services in addition to their safety and efficacy. Accordingly, significant uncertainty exists as to the reimbursement status of newly approved products.

Both private and government payors use formularies to manage access and utilization of drugs. A drug's inclusion and favorable positioning on a formulary are essential to ensure patients have access to a particular drug. Even when access is available, some patients abandon their prescriptions for economic reasons. Third-party payors continue to institute cost reduction and containment measures that lower drug utilization and/or spending altogether and/or shift a greater portion of the costs to patients. Such measures include, but are not limited to, more-limited benefit plan designs, higher patient co-pays or coinsurance obligations, limitations on patients' use of commercial manufacturer co-pay payment assistance programs (including through co-pay accumulator adjustment or maximization programs), stricter utilization management criteria before a patient may get access to a drug, higher-tier formulary placement that increases the level of patient out-of-pocket costs and formulary exclusion, which effectively encourages patients and providers to seek alternative treatments or pay 100% of the cost of a drug. The use of such measures by pharmacy benefit managers ("PBMs") and insurers has continued to intensify and could limit use and sales of our products.

Over the past few years, many PBMs and insurers have consolidated, resulting in a smaller number of PBMs and insurers overseeing a large portion of total covered lives in the United States. As a result, PBMs and insurers have greater market power and negotiating leverage to mandate stricter utilization criteria and/or exclude drugs from their formularies in favor of competitor drugs or alternative treatments. In highly competitive treatment markets, PBMs are also able to exert negotiating leverage by requiring incremental rebates from manufacturers in order for them to gain and/or maintain their formulary position. There have been increasing efforts by governmental and third-party insurers in the United States and abroad to control healthcare costs may cause such organizations to limit both coverage and the level of reimbursement for products. For example, the U.S. Department of Health and Human Services ("HHS") imposes rebates on many Medicare Part B and Medicare Part D products to penalize price increases that outpace inflation on an annual basis. Further, any reduction in reimbursement for reference products—whether imposed by Medicare, Medicaid, commercial insurers, national health systems outside the United States or tender-based procurement entities—may place downward pressure on biosimilar reimbursement and net realized prices. Moreover, third-party coverage policies and reimbursement rates are dynamic, meaning that our products could be subject to less favorable coverage policies and/or reimbursement rates over time, making prospective reimbursement and coverage status of our products difficult to predict.

In the EU, pricing and reimbursement schemes vary widely from country to country. Some countries provide that products may be marketed only after a reimbursement price has been agreed. Other countries may require the completion of additional studies that compare the cost-effectiveness of a particular product candidate to currently available therapies (so called health technology assessments) in order to obtain reimbursement or pricing approval. For example, some EU Member States may approve a specific price for a product, or they may instead adopt a system of direct or indirect controls on the profitability of the company placing the product on the market. Other EU Member States allow companies to fix their own prices for products but monitor and control prescription volumes and issue guidance to physicians to limit prescriptions. Recently, many EU Member States have increased the amount of discounts that pharmaceutical companies are requirement to offer. These efforts could continue as countries attempt to manage healthcare expenditures. The downward pressure on healthcare costs in general, particularly prescription products, has become intense. As a result, increasingly high barriers are being erected to the entry of new products onto national markets. Political, economic, and regulatory developments may further complicate pricing negotiations, and pricing negotiations may continue after reimbursement has been obtained. Reference pricing used by various EU Member States, and parallel trade (arbitrage between low-priced and high-priced member states), can further reduce prices.

Healthcare Reform

Like third-party payors, the U.S. federal government, state legislatures and foreign governments have continually implemented cost-containment programs, including price controls, restrictions on coverage and reimbursement and requirements for generic substitution. For example, the IRA, among other things, extends enhanced subsidies for

individuals purchasing health insurance coverage in ACA marketplaces through plan year 2025. The IRA also eliminates the "donut hole" under the Medicare Part D program beginning in 2025 by significantly lowering the beneficiary maximum out-of-pocket cost and through a newly established manufacturer discount program. State laws may permit or require substitution of interchangeable products, too, when approved interchangeable products are available in the future. Adoption of price controls and cost-containment measures and adoption of more restrictive policies in jurisdictions with existing controls and measures could further limit our net revenue and results. Decreases in third-party reimbursement for our products or decisions by certain third-party payors to not cover specific products, or implement coverage restrictions (e.g., prior authorization, step-edit requirements) could reduce provider utilization and have a material adverse effect on sales, results of operations and financial condition.

There have been additional recent changes to certain aspects of the ACA. For example, on 4 July 2025, the One Big Beautiful Bill Act ("OBBBA") was signed into law, which narrowed access to ACA marketplace exchange enrollment and declined to extend the ACA enhanced advanced premium tax credits that expired at the end of 2025, which, among other provisions in the law, are anticipated to reduce the number of Americans with health insurance. The OBBBA also is expected to reduce Medicaid spending and enrollment by implementing work requirements for some beneficiaries, capping state-directed payments, reducing federal funding, and limiting provider taxes used to fund the program. Congress is considering proposed legislation intended to further reduce healthcare costs with alternatives to replace the expired ACA subsidies.

The current administration is pursuing policies to reduce regulations and expenditures across government agencies including at HHS, the FDA, the Centers for Medicare & Medicaid Services and related agencies. These actions, presently directed by executive orders or memoranda from the Office of Management and Budget, may propose policy changes that create additional uncertainty for our business. For example, the current administration has announced agreements with certain pharmaceutical companies that require the drug manufacturers to offer, through a direct-to-consumer platform, U.S. patients and Medicaid programs prescription drug Most-Favored Nation pricing equal to or lower than those paid in other developed nations, with additional mandates for direct-to-patient discounts and repatriation of foreign revenues. Other recent actions, for example, include (1) directing agencies to reduce agency workforce and cut programs; (2) directing HHS and other agencies to lower prescription drug costs through a variety of initiatives, including by establishing Most-Favored-Nation pricing for pharmaceutical products and launching an online clearinghouse (TrumpRx) for patients to purchase certain products from manufacturers on a cash pay basis; (3) imposing tariffs on imported pharmaceutical products; and (4) as part of the Make America Healthy Again Commission's Strategy Report released in September 2025, working across government agencies to increase enforcement on direct-to-consumer pharmaceutical advertising. Additionally, the current administration recently called on Congress to enact "The Great Healthcare Plan," to codify and expand Most-Favored Nation pricing, lower government subsidies to private insurance companies, increase healthcare price transparency, expand pharmaceutical drugs available for over-the-counter purchase, and enact restrictions on pharmacy benefit manager payment methodologies, among other things. These actions and policies may significantly reduce U.S. drug prices, potentially impacting manufacturers' global pricing strategies and profitability, while increasing their operational costs and compliance risks. In June 2024, in Loper Bright Enterprises v. Raimondo, the U.S. Supreme Court greatly reduced judicial deference to regulatory agencies, which could increase successful legal challenges to federal regulations affecting our operations. Congress may introduce and ultimately pass health care related legislation that could impact the biosimilar product candidate approval process.

In this dynamic environment, we are unable to predict which or how many government policy, legislative, regulatory, executive or administrative changes may ultimately be, or effectively estimate the consequences to our business if, enacted and implemented. However, to the extent that these or other federal government initiatives further decrease or modify the coverage or reimbursement available for our products, require that we pay increased rebates or shift other costs to us, limit or affect our decisions regarding the pricing of or otherwise reduce the use of our products, or limit our ability to offer co-pay payment assistance to commercial patients, such actions could have a material adverse effect on our business and results of operations. Individual states have increasingly passed legislation and implemented regulations designed to control pharmaceutical and biological product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures, and, in some cases, designed to encourage importation from other countries and bulk purchasing.

In many countries outside the United States, government-sponsored healthcare systems are the primary payors for drugs. With increasing budgetary constraints and/or difficulty in understanding the value of medicines, governments and payors in many countries are applying a variety of measures to exert downward price pressure. These measures can include mandatory price controls; price referencing; therapeutic-reference pricing; increases in mandates; incentives for generic substitution and biosimilar usage and government-mandated price cuts. In this regard, many countries have health technology assessment agencies that use formal economic metrics such as cost-effectiveness to determine prices, coverage and reimbursement of new therapies; and these agencies are expanding in both established and emerging markets. For example, some EEA countries may require the completion of studies that compare the cost-effectiveness of a particular

medicinal product candidate to currently available therapies. This Health Technology Assessment, or HTA, process is the procedure according to which the assessment of the public health impact, therapeutic impact and the economic and societal impact of use of a given medicinal product in the national healthcare systems of the individual country is conducted. The outcome of HTA regarding specific medicinal products will often influence the pricing and reimbursement status granted to these medicinal products by the competent authorities of individual EU Member States. At the EU level, on 12 January 2025, Regulation No 2021/2282 on Health Technology Assessment (HTA Regulation), entered into application through a phased implementation.The Regulation initially applies to new active substances for oncology and ATMPs. It will be expanded to orphan medicinal products in January 2028, and to all centrally authorized medicinal products as of 2030. Select high-risk medical devices also came into scope in 2026. The HTA Regulation is intended to boost cooperation among Member States in assessing health technologies, including new medicinal products. The Regulation establishes a framework for EU-level joint clinical assessments, joint scientific consultations, and the early identification of emerging health technologies. The Regulation permits EU Member States to use common tools, methodologies, and procedures and requires them to rely on EU-level joint clinical assessment reports for the clinical components of their national HTA evaluations. Individual EU Member States will continue to be responsible for assessing non-clinical (e.g., economic, social, ethical) aspects of health technologies, and making decisions on pricing and reimbursement.

In light of the fact that the United Kingdom has left the EU, Regulation No 2021/2282 on HTA does not apply in the United Kingdom. However, the MHRA is working with UK HTA bodies and other national organizations, such as the Scottish Medicines Consortium ("SMC"), the National Institute for Health and Care Excellence ("NICE"), and the All-Wales Medicines Strategy Group, to introduce new pathways supporting innovative approaches to the safe, timely and efficient development of medicinal products, including, effective as of 31 March 2025, relaunching the Innovative Licensing and Access Pathway with more predicable timelines and closer involvement of the National Health Service.

Regulation in the United Kingdom

The MHRA is the United Kingdom’s standalone regulator for medicinal products and medical devices.

While the United Kingdom’s regulatory framework for clinical trials was historically based on the Medicines for Human Use (Clinical Trials) Regulations 2004, which implemented the former EU Clinical Trials Directive, this has been significantly reformed by the Medicines for Human Use (Clinical Trials) (Amendment) Regulations 2024. The new legislation, which was adopted in April 2025, modernizes the United Kingdom's approach to make it a more attractive location for research, and includes key features such as: (i) a risk-proportionate approach, including a notification scheme for lower-risk trials; (ii) a combined review process integrating ethics committee and regulatory approvals into a single, streamlined pathway; (iii) enhanced transparency requirements mandating registration of clinical trials in a public registry and publication of trial results within 12 months of trial completion (with scope for deferrals in certain circumstances); (iv) greater flexibility to support innovation in clinical trial design; and (v) measures to promote patient and public involvement. The amendments will become applicable on 28 April 2026 following a one-year transition period.

Marketing authorizations in the UK are governed by the Human Medicines Regulations (SI 2012/1916), as amended. In order to obtain a United Kingdom MA to commercialize products in the United Kingdom, an applicant must be established in the United Kingdom and must follow one of the United Kingdom national authorization procedures or one of the remaining post-Brexit international cooperation procedures. Applications are governed by the Human Medicines Regulations (SI 2012/1916) and are made electronically through the MHRA Submissions Portal. The MHRA has introduced changes to national licensing procedures, including procedures to prioritize access to new medicines that will benefit patients, a 150-day assessment (subject to clock-stops) and a rolling review procedure. The rolling-review procedure permits the separate or joint submission of quality, non-clinical, and clinical data to the MHRA which can be reviewed on a rolling basis. After an application under the rolling-review procedure has been validated, the decision should be received within 100 days (subject to clock-stops).

In addition, since 1 January 2024, the MHRA may rely on the International Recognition Procedure (“IRP”), when reviewing certain types of MAAs. Pursuant to the IRP, the MHRA will take into account the expertise and decision-making of trusted regulatory partners (e.g., the regulatory in Australia, Canada, Switzerland, Singapore, Japan, the U.S.A. and the EU). The MHRA will conduct a targeted assessment of IRP applications but retain the authority to reject applications if the evidence provided is considered insufficiently robust. The IRP allows medicinal products approved by such trusted regulatory partners that meet certain criteria to undergo a fast-tracked MHRA review to obtain and/or update a MA in the United Kingdom. Applications should be decided within a maximum of 60 days if there are no major objections identified that cannot be resolved within such 60 day period and the approval from the trusted regulatory partner selected has been granted within the previous 2 years or if there are such major objections identified or such approval hasn’t been granted within the previous 2 years within 110 days. Applicants can submit initial MAAs to the IRP but the procedure can also be

used throughout the lifecycle of a product for post-authorization procedures including line extensions, variations and renewals.

All existing EU marketing authorizations for centrally authorized products were automatically converted or grandfathered into UK marketing authorization, effective in Great Britain only, free of charge on 1 January 2021, unless the marketing authorization holder opted-out of this possibility. Northern Ireland remained within the scope of EU authorizations in relation to centrally authorized medicinal products until 1 January 2025. However, on 1 January 2025, a new arrangement as part of the so-called “Windsor Framework” came into effect and reintegrated Northern Ireland under the regulatory authority of the MHRA with respect to medicinal products. The Windsor Framework removes EU licensing processes and EU labelling and serialization requirements in relation to Northern Ireland and introduces a UK-wide licensing process for medicines.

Data Privacy and Security

We are subject to stringent and evolving United States and foreign laws, regulations, rules, contractual obligations, policies and other obligations related to data privacy and security, including the EU’s General Data Protection Regulation (“EU GDPR”) and the United Kingdom’s General Data Protection Regulation (“UK GDPR”) (collectively, "GDPR"). New privacy rules are being enacted in the United States and globally, and existing ones are being expanded, updated and strengthened.

The GDPR imposes strict obligations and restrictions on the ability to collect, analyze and transfer personal data, including health data from clinical trials and adverse event reporting and which provides for substantial penalties for non-compliance. Under the GDPR, companies may face temporary or definitive bans on data processing and other corrective actions; fines of up to 20 million Euros under the EU GDPR, 17.5 million pounds sterling under the UK GDPR or, in each case, 4% of annual global revenue, whichever is greater; or private litigation related to processing of personal data brought by classes of data subjects or consumer protection organizations authorized at law to represent their interests.

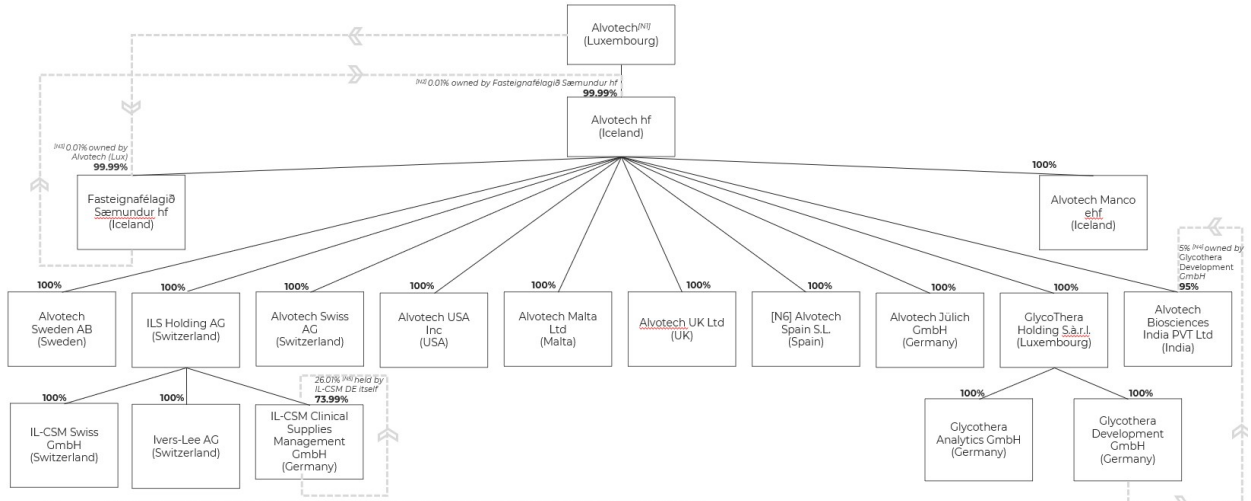
Moreover, the GDPR grants data subjects the right to claim compensation for damages resulting from infringement of the GDPR.

Data security laws are rapidly evolving, becoming increasingly stringent, and creating regulatory uncertainty. Additionally, related obligations may be subject to interpretations which may vary from one country to another. For example, in the EEA, the NIS2 is currently in the process of being transposed into national Member States laws. NIS2 regulates resilience and incident response capabilities of entities operating in a number of sectors, including the health sector. Non-compliance with NIS2 may lead up to administrative fines of a maximum of 10 million Euros or up to 2% of the total worldwide revenue of the preceding fiscal year. Preparing for and complying with these obligations requires us to devote significant resources, which may necessitate changes to our services, information technologies, systems, and practices and to those of any third parties that process personal data on our behalf.

C. Organizational Structure

Corporate Structure

The following diagram illustrates our corporate structure as of 31 December 2025.



- Alvotech hf., Alvotech Manco ehf., and Fasteignafélagið Sæmundur hf. are incorporated in Iceland;
- Alvotech Sweden AB is incorporated in Sweden;
- ILS Holding AG, IL-CSM Swiss GmbH and Ivers-Lee AG are incorporated in Switzerland;
- IL-CSM Clinical Supplies Management GmbH is incorporated in Germany;
- Alvotech Swiss AG is incorporated in Switzerland;
- Alvotech USA Inc. is incorporated in Virginia, United States;
- Alvotech Malta Limited is incorporated in Malta;
- Alvotech UK Ltd is incorporated in the United Kingdom;
- Alvotech Spain S.L. is incorporated in Spain;
- Alvotech Julich GmbH is incorporated in Germany;
- GlycoThera Holding S.à.r.l is incorporated in Luxembourg;
- Glycothera Analytics GmbH and Glycothera Development GmbH are incorporated in Germany; and
- Alvotech Biosciences India Private Limited is incorporated in India.

D. Property, Plants and Equipment

We believe that our office, research, laboratory and manufacturing facilities are sufficient to meet our current needs. However, as a high-growth company we are constantly evaluating our needs for expanding and or adding to our facilities. We are not aware of, and do not anticipate, environmental issues that may affect our utilization of the facilities described below.

Registered Office in Grand Duchy of Luxembourg

Our registered office is at 9, Rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg, where it has approximately 19 square meters of office space. This location is used for administrative functions only. We are currently leasing this office space. The lease expired in August 2023 but the agreement provides for automatic renewal for one year until termination of the agreement.

Offices and Manufacturing Facility in Iceland

Our corporate headquarters, main manufacturing site and a large part of our R&D division are located in Reykjavik, Iceland. This facility, which we own through a subsidiary, provides us with purpose-built cGMP, and has highly integrated capabilities for producing biosimilars at scale. The facility is currently approximately 280,000 square feet and utilizes single-use technology to manufacture drug substance and drug product. It houses our R&D, quality control and quality assurance teams and has an active and valid cGMP certificate issued by the Icelandic Medicines Authority authorizing Investigational Medicinal Product and commercial manufacturing.

In 2024, we completed an expansion that is expected to provide additional redundancy in drug product capacity, assembly of combination products and devices, as well as increased warehousing and secondary packaging. Additionally, the expansion supports increased warehousing and other supportive functions. Based on our current portfolio, regulatory approvals and commercial launch plans, we believe the expanded Reykjavik facility is expected to meet our near-term and medium-term production requirements.

For the facility extension, we entered into a lease agreement with Fasteignafélagið Eyjólfur in April 2023, under which Fasteignafélagið Eyjólfur funded and managed the extension. As disclosed in the related party section (Item 7 B), Fasteignafélagið Eyjólfur is a related party. On 12 December 2024, the Group entered into a settlement with Fasteignafélagið Eyjólfur hf. with respect to Alvotech hf.'s equipment located in the leased premises and operated by Alvotech hf., which had been acquired by Faseignafélagið Eyjólfur hf. This settlement resulted in an amendment of the lease agreement.

Additionally, we have a warehouse of approximately 36,000 square feet in Reykjavik which is used for warehousing, office space and laboratories to sample incoming materials. We are leasing this office space and warehouse until 2038.

We hold operational permits from the city of Reykjavik for our facilities in Iceland. The permits address potential environmental impact from our operations. They also address factors that could impact our neighboring communities, such as noise pollution, handling of hazardous substances, air emissions, handling of solid waste and wastewater. We are also required to hold permits from the Icelandic EPA (*Umhverfisstofnun*) for the use of GMOs in our facilities. We are subject to Icelandic law and regulations, many of whom are set by the Icelandic EPA (*Umhverfisstofnun*) and the Icelandic Administration of Occupational Safety and Health (*Vinnueftirlitið*).

Other Offices

We have a facility in Jülich, Germany that focuses on cell line, media, process and analytical development, including tailored clone creation and selection. The Jülich site also serves as a warehouse for supply continuity of master cell banks and working cell banks for our lead product candidates that are produced at contract manufacturing organizations. This facility is approximately 15,000 square feet and is not used for manufacturing. We are holding the space through seven lease agreements, two of which expired in 2025 and provides for automatic renewal until the termination of the agreement, and the other five lease agreements can be terminated at any time with a three-month notice period.

We have a facility in Hannover, Germany that houses our capabilities in analytical glycoprotein characterization. This facility is approximately 14,000 square feet and is not used for manufacturing. We are currently leasing this office space. The lease agreement can be terminated at any time with a 12-month notice period.

Our Virginia, USA office houses our U.S. regulatory, government policy and legal affairs functions. The office in Leesburg, Virginia is approximately 950 square feet and is not used for manufacturing. We are currently leasing this office space. The lease expires in March 2028.

Our London office houses employees working in London for the Group. Alvotech uses the premises for its employees, strategic meetings and meetings with shareholders and potential investors. The office is approximately 5,500 square feet and the Group leases 30% of the premises, containing approximately 1,645 square feet of space. The lease expires in 2028.

Our office in Zurich, Switzerland features our strategic clinical and Medical Affairs R&D center that focuses on late-stage development and regulatory filings. This facility is approximately 3,800 square feet and is not used for manufacturing. We are currently leasing this office space. The lease expires in August 2026.

We have a facility in Bangalore, India that focuses on research and development. This facility is approximately 6,100 square feet and is not used for manufacturing. We are currently leasing this office space. The lease expired in December 2025 and was renewed for the next five years.

Additionally, we used a small part of a 6,000 square feet office in Malta for administrative functions. The lease agreement expired in August 2025 and was not renewed.

In connection with the acquisition of Xbrane, as disclosed in Note 1.2, we assumed the lease agreement with Akademiska Hus in Stockholm, Sweden. The existing facility comprises approximately 28,000 square feet and is dedicated to research and development activities as well as office space; it is not used for manufacturing. We have entered into a new ten-year lease with Akademiska Hus for an expanded laboratory and office space totaling approximately 65,000 square feet. We expect to relocate to the new premises in mid-2026.

In connection with the business combination of ILS Holding AG, as disclosed in Note 1.3, the Company acquired a real-estate property located in Burgdorf, Switzerland. The facility, which was owned by the ILS group prior to the acquisition, comprises approximately 165,000 square feet and is used for pharmaceutical packaging and assembly operations, office space, and warehousing.

Item 4A. Unresolved Staff Comments

Not applicable.

Item 5. Operating and Financial Review and Prospects

You should read the following discussion and analysis of our audited financial condition and results of operations together with our consolidated financial statements appearing elsewhere in this Annual Report on Form 20-F. This Annual Report on Form 20-F contains forward-looking statements within the meaning of Section 27A of the Securities Act, and Section 21E of the Exchange Act, including, without limitation, statements regarding our expectations, beliefs, intentions or future strategies that are signified by the words "expect," "anticipate," "intend," "believe," or similar language. All forward-looking statements included in this Annual Report on Form 20-F are based on information available to us on the date hereof, and we assume no obligation to update any such forward-looking statements. In evaluating our business, you should carefully consider the information provided under "Item 3.D. Risk Factors." Actual results could differ materially from those projected in the forward-looking statements. The terms "Company," "Alvotech," "we," "our" or "us" as used herein refer to Alvotech and its consolidated subsidiaries unless otherwise stated or indicated by context.

All amounts discussed are in U.S. dollars, unless otherwise indicated.

Company Overview

Alvotech is a highly integrated biopharmaceutical company committed to developing and manufacturing high quality biosimilar medicines for patients globally. Our purpose is to improve the health and quality of life of patients around the world by improving access to proven treatments for various diseases. Since our inception, we have built our company with key characteristics we believe will help us capture the substantial global market opportunity in biosimilars: a leadership team that has brought numerous successful biologics and biosimilars to market around the world; a purpose-built biosimilars R&D and manufacturing platform; top commercial partnerships in global markets; and a diverse, expanding pipeline addressing many of the biggest disease areas and health challenges globally. Alvotech is a company committed to constant innovation: we focus our platform, people and partnerships on finding new ways to drive access to more affordable biologic medicines. Alvotech, which was founded in 2013, is led by specialists in biopharmaceutical product creation from around the world that bring extensive combined knowledge and expertise to its mission.

Alvotech started the year 2025 with two approved biosimilars for major markets —AVT02 (adalimumab) and AVT04 (ustekinumab)— and an additional nine product candidates in its pipeline for serious diseases with unmet patient and market need. Product candidates in our pipeline address reference products treating autoimmune, eye, and bone disorders, as well as cancer, with combined estimated peak global sales of originator products of more than $130 billion.

During 2025, Alvotech advanced both its launched portfolio and late-stage pipeline with multiple regulatory milestones and market entries. In the United States, SELARSDI (AVT04, ustekinumab), a biosimilar to Stelara, was launched by Alvotech's commercialization partner Teva in February 2025, following FDA approvals in 2024 for

subcutaneous presentations and an additional intravenous presentation that expanded the label to include Crohn's disease and ulcerative colitis.

For AVT06, Alvotech's proposed biosimilar to Eylea (aflibercept), the FDA accepted the BLA for review in February 2025; in Europe, the CHMP adopted a positive opinion in June 2025, and the European Commission granted marketing authorization in August 2025 (to be marketed as MYNZEPLI by Advanz), with indications aligned to the reference product across major retinal diseases.

In bone disease, Alvotech and its partner Dr. Reddy announced FDA acceptance of the BLA for AVT03 (denosumab, a proposed biosimilar to Prolia/Xgeva) in March 2025; review covers both osteoporosis (Prolia) and oncology (Xgeva) presentations.

For AVT05, Alvotech's proposed biosimilar to Simponi/Simponi Aria (golimumab), the BLA filed with the FDA earlier in 2025 progressed to review. In parallel, AVT05 achieved important non-U.S. milestones: Japan granted marketing authorization in September 2025, and in Europe the EMA issued a positive CHMP opinion in September 2025, followed by the European Commission granting full marketing authorization across the European Economic Area in November 2025.

During the fourth quarter of 2025, the FDA issued three CRLs: AVT05 (golimumab) in October 2025, AVT06 (aflibercept) in November 2025, and AVT03 (denosumab) in December 2025, each citing deficiencies identified during the July 2025 pre-license inspection of the Reykjavik facility. The Company has already initiated a comprehensive remediation plan to address all identified observations and is actively engaging with the FDA, and therefore believes it is well-positioned to resubmit the BLAs and progress toward U.S. approval as soon as the facility issues are resolved.

Within the immunology pipeline, AVT16 (vedolizumab, a proposed biosimilar to Entyvio) advanced clinical workstreams; a Phase 1 pilot in healthy adults was completed, and in late 2025 Alvotech discontinued the global confirmatory patient study after determining it would not be required for dossier submission (the termination notice specified the decision was not related to safety).

In respiratory disease, AVT23 (omalizumab, a proposed biosimilar to Xolair) advanced regulatory filings in Europe: the UK MHRA accepted a marketing application earlier in 2025, and in October 2025, the EMA accepted the Marketing Authorization Application; Advanz holds commercial rights in the EEA, UK, Switzerland, Canada, Australia and New Zealand.

Alvotech continued to broaden its commercial footprint and development base through partnerships and targeted acquisitions. During the second quarter of 2025, the Company executed two agreements expanding its partnership with Advanz Pharma to cover four biosimilar candidates—AVT48 (canakinumab), AVT65 (ofatumumab), AVT10 (certolizumab pegol) and one undisclosed program—and announced a collaboration and license agreement with Dr. Reddy's to co-develop, manufacture and commercialize AVT32, a biosimilar candidate to Keytruda (pembrolizumab). During the fourth quarter of 2025, the Group entered into an exclusive strategic agreement with Alvogen for the

commercialization of three biosimilar in United States, namely AVT10 (certolizumab pegol), AVT32 (pembrolizumab), and AVT48 (canakinumab).

In parallel, Alvotech completed the acquisition of Xbrane Biopharma's R&D operations in Stockholm, Sweden, together with rights to a biosimilar candidate to Cimzia (now AVT10), and acquired Ivers-Lee Group in Switzerland in July 2025 to strengthen downstream packaging and supply-chain capabilities supporting global launches.

As of 31 December 2025, the Group had cash and cash equivalents of $172.4 million and current assets less current liabilities of $269.9 million.

During 2025, Alvotech undertook several financing initiatives aimed at reinforcing liquidity, supporting pipeline-related R&D investment, and optimizing its capital structure ahead of multiple anticipated global product launches.

In the first half of the year, Alvotech completed its listing of SDRs on Nasdaq Stockholm, raising approximately SEK 789 million in gross proceeds through an equity offering directed to institutional investors, thereby broadening its shareholder base and increasing access to the Nordic capital markets.

In June 2025, the Company amended its senior secured first-lien term loan facility, reducing the cash interest rate to SOFR + 6.0% per annum and maintaining its maturity in July 2029, lowering the Company's cash interest burden and improving its debt maturity profile.

In December 2025, Alvotech launched an offering of $100 million senior unsecured convertible bonds due 2030, as announced in the Company's press release dated December 16, 2025. The offering was subsequently placed for $108 million at a 6.875% fixed coupon, with a conversion price of $5.9224 per share. The offering was oversubscribed and was executed to support continued R&D investment, expansion of manufacturing infrastructure, and global product launch execution through 2026.

Also in December 2025, the Company entered into an additional $100 million senior secured term loan facility, bearing 12.50% fixed interest and maturing on 31 December 2027, providing incremental liquidity and complementing the Company's long-term capital structure.

Prior to 2025, Alvotech incurred recurring losses since its inception, including net loss of $231.9 million, and $551.7 million for the years ended 31 December 2024, and 2023, respectively. For the year ended 31 December 2025, the Group reported a net profit of $27.9 million. Alvotech's Adjusted EBITDA was $137.2 million and $108.3 million, for the years ended 31 December 2025 and 2024, respectively. Alvotech expects to continue to incur a certain level of expenses for the immediate future, as it advances its products through preclinical and clinical development and seeks regulatory approvals, manufactures drug product and drug supply, maintains and expands its intellectual property portfolio, hires additional personnel, and pays for accounting, audit, legal, regulatory and consulting services and costs associated with maintaining compliance with exchange listing rules and the requirements of the SEC, director and officer liability insurance premiums, investor and public relations activities and other expenses associated with operating as a public company. See *"Risk Factors — We may need to raise additional funding. This additional funding may cause dilution to our existing shareholders, restrict our operations or cause us to relinquish valuable rights, or may not be available on acceptable terms or at all. Failure to obtain such necessary capital when needed may force us to delay, limit or terminate our product development efforts or other operations"*.

Factors Affecting Alvotech's Performance

The pharmaceutical industry is highly competitive and highly regulated. As a result, Alvotech faces a number of industry-specific factors and challenges, which can significantly impact its results. For a more detailed explanation of Alvotech's business and its risks see *"Item 3.D. Risk Factors."* These factors include:

Competition

The regions in which Alvotech conducts business and the pharmaceutical industry in general is highly competitive. Alvotech faces significant competition from a wide range of companies in a highly regulated industry, including competition from both biosimilar developers and manufacturers as well as competition from branded pharmaceutical developers and manufacturers.

Research and development uncertainty

Research and development within the pharmaceutical industry has a high degree of uncertainty, and likewise there is uncertainty with respect to the probability of success of Alvotech's biosimilar programs and the timing of the requisite preclinical and clinical steps to achieve regulatory approval of its biosimilar product candidates.

Reliance on commercial partners

Alvotech has partnered with several third parties to commercialize its biosimilar product candidates, once approved by the appropriate regulatory agencies. Alvotech does not currently have the capabilities or the necessary infrastructure to commercialize its products independently.

Impact of Geopolitics and Global Economic Conditions

The Company is subject to additional risks and uncertainties arising from changes in the macroeconomic environment and geopolitical events, including elevated inflation, tightening credit conditions, and political instability in certain economies and markets. Such instability includes the effects of ongoing geopolitical conflicts—most notably the war in Ukraine and hostilities in the Middle East—as well as public-health emergencies or pandemics. These factors have contributed to volatility and disruption in global financial markets, including increased interest rates, recessionary pressures, bank failures, supply-chain constraints, and the imposition or threat of imposition of tariffs, trade protection measures and other retaliatory policies, all of which may adversely affect economic activity and financing markets. If equity and credit markets deteriorate further, any future debt or equity financing may become more challenging to obtain on commercially reasonable terms and could be more dilutive to existing shareholders. The Company cannot predict the extent to which its operations—or those of its collaborators, suppliers, contract manufacturers, vendors, or logistics partners—may be adversely affected by such macroeconomic or geopolitical developments.

Inflationary pressures—such as higher input costs, increased wages, rising energy prices, and higher borrowing costs—may also adversely affect the Company's operations. Although the Company expects inflation to have a general impact in line with broader economic conditions, the timing, severity, and duration of any inflationary period or macroeconomic slowdown remain unpredictable. A significant deterioration in global or regional economic conditions, including further escalation of geopolitical conflicts or supply-chain disruptions, could have a material adverse effect on the Company's business, financial condition, results of operations, and growth prospects.

Components of Operations

Product Revenue

During the year ended 31 December 2025, the Company recognized product revenue primarily from sales of AVT02 (adalimumab) in the United States, Europe, Canada and Australia, as well as revenue from the commercial launch of AVT04 (ustekinumab) in the United States, and continued sales in Canada, Japan and multiple European markets. The Company expects product revenue to continue to grow as additional markets are activated by its commercial partners and as newly approved products progress toward launch following completion of regulatory and manufacturing readiness activities.

License and Other Revenue

Alvotech generates a significant portion of its revenue from upfront and milestone payments pursuant to long-term out-license contracts which provide its partners with an exclusive right to market and sell Alvotech's biosimilar product candidates in a particular territory once such products are approved for commercialization. These contracts typically include commitments to continue development of the underlying compound and to provide supply of the product to the partner upon commercialization.

In the future, revenue may include new out-license contracts and additional milestone payments. Alvotech expects that any revenue it generates will fluctuate from period to period as a result of the timing and amount of license, research and development services, milestone and other payments.

Operating Expenses

Cost of product revenue

Cost of product revenue includes the cost of inventory sold, labor costs, manufacturing overhead expenses and reserves for expected scrap, as well as shipping and freight costs and royalty costs related to in-license agreements.

Research and development expenses

Research and development expenses consist primarily of costs incurred in connection with Alvotech's research, development and pre-commercial manufacturing activities prior to commercialization of our products. These costs include:

- personnel expenses, including salaries, benefits and other compensation expenses;
- costs of funding the execution of studies performed both internally and externally;
- costs of purchasing laboratory supplies and non-capital equipment used in designing, developing and manufacturing preclinical study and clinical trial materials;
- expenses related to quality control and other advancement development;
- consultant fees;
- expenses related to regulatory activities, including filing fees paid to regulatory agencies;
- facility costs including rent, depreciation and maintenance expenses;
- fees for maintaining licenses under third party licensing agreements;
- expenses incurred in preparation for commercial launch, such as designing and developing commercial-scale manufacturing capabilities and processes, quality control processes, production asset valuation and other related activities; and
- costs related to amortization, depreciation and impairment losses related to software and property, plant and equipment used in research and development activities.

Expenditures related to research and development activities are recognized as an expense in the period in which they are incurred. Alvotech did not capitalize any research and development expenses as internally developed intangible assets during the years ended 31 December 2025, 2024, and 2023 as not all the criteria in paragraph 57 of IAS 38 have been met.

Research and development activities will continue to be central to Alvotech's business model and will vary significantly based upon the success of its programs. Alvotech expects to incur significant research and development expenses in the near term, as it continues to advance the development of its biosimilar product candidates.

Product candidates in later stages of clinical development generally have higher development costs than those in earlier stages of development, primarily due to the increased size and duration of later-stage clinical studies.

The duration, costs and timing of clinical studies of Alvotech's products in development and any other product candidates will depend on a variety of factors that include, but are not limited to, the following:

- the number of trials required for approval;
- the per patient trial costs;
- the number of patients who participate in the trials;
- the number of sites included in the trials;
- the countries in which the trials are conducted;
- the length of time required to enroll eligible patients;
- the dose that patients receive;
- the drop-out or discontinuation rates of patients;
- the potential additional safety monitoring or other studies requested by regulatory agencies;
- the duration of patient follow-up;
- the timing and receipt of regulatory approvals; and
- the efficacy and safety profile of the product candidates.

In addition, the probability of success of Alvotech's products in development and any other product candidate will depend on numerous factors, including competition, manufacturing capability and commercial viability. As a result of the uncertainties discussed above, the estimated duration and completion costs of any clinical trial that Alvotech conducts is subject to change. Alvotech is also unable to determine with certainty when and to what extent it will generate revenue from the commercialization and sale of products in development or other product candidates, if at all.

General and administrative expenses

General and administrative expenses primarily consist of personnel-related expenses, including salaries, bonuses and other related compensation expenses, and external consulting service costs for corporate and other administrative and operational functions including finance, human resources, information technology and legal, as well as facility-related costs not otherwise included in research and development expenses. These costs relate to the operation of the business and are not related to research and development initiatives. General and administrative costs are expensed as incurred.

Loss on sale of interest in joint venture

Alvotech held a 50% ownership interest in a joint venture. Alvotech accounted for its ownership interest in the joint venture using the equity method of accounting. In June 2024, Alvotech sold its share in the joint venture for gross proceeds of $18.0 million.

Finance income and finance costs

Finance income consists of changes in the fair value of derivative financial liabilities, interest income, and gain on lease termination. Alvotech recognizes interest income from a financial asset when it is probable that the economic benefits will flow to Alvotech, and the amount of income can be measured reliably.

Finance costs consist of interest expenses related to lease liabilities and borrowings, changes in the fair value of derivative financial liabilities, accretion of Alvotech's borrowings and amortization of deferred financing fees.

Exchange rate differences

The Group uses the U.S. dollar as its reporting currency and conducts business on a global basis in various currencies. As a result, the Group is exposed to foreign currency exchange movements, primarily to Euro, Icelandic Krona, UK pound, Swedish Krona, and Swiss franc.

Effects resulting from business combination

Effects resulting from business combinations relate to the Company's acquisition of the Ivers-Lee Group during 2025, which was accounted for under IFRS 3. The transaction resulted in the recognition of identifiable assets and liabilities at fair value, including property, plant and equipment, and generated a gain recognized in profit or loss. The fair values assigned to acquired assets and liabilities remain provisional, and any subsequent changes resulting from obtaining additional information about facts and circumstances that existed at the acquisition date will be recognized as adjustments to the initial accounting for the acquisition within the measurement period (up to 12 months from the acquisition date), which may also affect the amount of recognized in the statements of profit or loss and other comprehensive income or loss.

Gain / Loss on modification and extinguishment of financial liabilities

Alvotech recognizes a gain / loss on modification and extinguishment of financial liabilities in connection with the modification and/or extinguishment of outstanding financial liabilities. The gain / loss is calculated as the difference between the carrying amount of the liability extinguished and the fair value of the consideration paid. For non-substantial modifications, the gain / loss is calculated as the difference between the carrying amount and the present value of modified cash flows discounted at the original effective interest rate.

Income tax (expense) benefit

Income tax (expense) benefit consists of current tax and deferred tax (expense) benefit recorded in the consolidated statement of profit or loss and other comprehensive income or loss.

A. Operating Results

Comparison of the Years Ended 31 December 2025 and 2024

The following table sets forth Alvotech's results of operations for the years ended 31 December:

USD in thousands	2025	2024
Product and service revenue	276,271	273,472
License and other revenue	310,050	216,210
Other income	2,583	2,296
Cost of product and service revenue	(235,558)	(185,309)
Research and development expenses	(184,193)	(171,312)
General and administrative expenses	(90,946)	(65,713)
Operating profit	78,207	69,644
Loss on sale of interest in joint venture	—	(2,970)
Effects resulting from business combination	7,977	—
Finance income	198,492	80,145
Finance costs	(149,190)	(303,165)
Exchange rate differences	(16,841)	8,161
Net gain / (loss) on modification and extinguishment of financial liabilities	17,703	(69,378)
Non-operating profit / (loss)	58,141	(287,207)
Profit / (loss) before taxes	136,348	(217,563)
Income tax (expense) benefit	(108,429)	(14,301)
Profit / (loss) for the year	27,919	(231,864)

Product revenue

USD in thousands	**Year Ended 31 December**		***Change*** **2024 to 2025**	
	2025	**2024**	**$**	**%**
Product and service revenue	276,271	273,472	2,799	1.0

Product revenue was $276.3 million for the year ended 31 December 2025, compared to $273.5 million for the year ended 31 December 2024. Revenue for the year ended 31 December 2025, primarily reflected sales of AVT02 in the United States, Europe, Canada and Australia, as well as revenue from the commercial launch of AVT04 in the United States, and continued sales in multiple European markets following launches in 2024. In addition, 2025 product revenue included pre-launch supply shipments of AVT03, AVT05, and AVT06 to partners in markets where these products received regulatory approvals during the year, with shipments made in anticipation of commercial launches following completion of ongoing regulatory and manufacturing readiness activities.

License and other revenue

USD in thousands	**Year Ended 31 December**		***Change*** **2024 to 2025**	
	2025	**2024**	**$**	**%**
License and other revenue	310,050	216,210	93,840	43.4

License and other revenue was $310.1 million for the year ended 31 December 2025, compared to $216.2 million for the year ended 31 December 2024.

The license and other revenue for the year ended 31 December 2025 was primarily composed of the recognition of $120.5 million research and development milestones associated with regulatory progress across several programs, including EMA marketing authorization submissions and approvals, CTA submissions, and clinical phase completions, most notably for AVT03, AVT05, AVT06, AVT10, AVT16, and AVT23. The year ended 31 December 2025 also benefited from $126.0 million relative to clinical and process-lock development milestones for pipeline programs such as AVT28, AVT32, AVT41, AVT48, and AVT65, as well as new licensing agreements executed during the year. In addition, commercial-related milestones contributed meaningfully to revenue totaling $50 million, including product launches and sales-based milestones for AVT02, AVT03, AVT04, AVT05, and AVT06 across the U.S., Europe, Japan and Canada.

Cost of product revenue

USD in thousands	Year Ended 31 December		Change 2024 to 2025	
	2025	2024	$	%
Cost of product and service revenue	235,558	185,309	50,249	27.1

Cost of product revenue was $235.6 million for the year ended 31 December 2025, compared to $185.3 million for the year ended 31 December 2024. This increase is primarily driven by the Company's sales mix included a higher proportion of early-stage and pre-launch supply for AVT03, AVT05, and AVT06, which naturally carry lower margins and higher initial production costs. In addition, the year included non-recurring manufacturing costs which increased overall cost levels without a corresponding increase in revenue.

Research and development expenses (R&D expenses)

USD in thousands	Year Ended 31 December		Change 2024 to 2025	
	2025	2024	$	%
AVT03 development program expenses	4,091	23,755	(19,664)	(82.8)
AVT04 development program expenses	1,990	3,166	(1,176)	(37.1)
AVT05 development program expenses	6,073	27,043	(20,970)	(77.5)
AVT06 development program expenses	8,708	29,465	(20,757)	(70.4)
AVT29 development program expenses	20,694	3,493	17,201	492.4
AVT16 development program expenses	60,932	31,569	29,363	93.0
Salary and other employee expenses	45,062	37,652	7,410	19.7
Depreciation, amortization and impairment	9,851	8,358	1,493	17.9
Other research and development expenses [(1)]	26,792	6,811	19,981	293.4
Total research and development expenses	184,193	171,312	12,881	7.5

(1) Other research and development expenses include other project costs, facility costs and other operating expenses recognized as research and development expenses during the period.

R&D expenses were $184.2 million for the year ended 31 December 2025, compared to $171.3 million for the year ended 31 December 2024. The increase was primarily driven by a increase of $46.6 million in direct program expenses mainly due to AVT16 and AVT29 programs that are advancing through clinical phase and overall higher other R&D expenses for $28.9 million due to the advancement of other programs and FDA readiness costs during the third quarter of 2025. This was partially offset by a decrease of $62.6 million related to programs which reached commercialization (i.e., AVT04, AVT03, AVT05, and AVT06).

General and administrative expenses (G&A expenses)

USD in thousands	Year Ended 31 December		Change 2024 to 2025	
	2025	2024	$	%
General and administrative expenses	90,946	65,713	25,233	38.4

G&A expenses were $90.9 million for the year ended 31 December 2025, compared to $65.7 million for the year ended 31 December 2024. The increase was mainly driven by $21.6 million in higher legal, facility and external service costs, as well as $3.8 million increase in transaction costs mainly related to the Swedish offering. These increases were partly offset by a $3.2 million reduction in share-based compensation expense.

Loss on sale of interest in joint venture

USD in thousands	Year Ended 31 December		Change 2024 to 2025	
	2025	2024	$	%
Loss on sale of interest in joint venture	—	(2,970)	2,970	100.0

In June 2024, Alvotech sold its share in the joint venture for gross proceeds of $18.0 million (less $1.3 million in transaction costs). The sale resulted in a net loss of $3.0 million during the year ended 31 December 2024.

Finance income

USD in thousands	Year Ended 31 December		Change 2024 to 2025	
	2025	2024	$	%
Finance income	198,492	80,145	118,347	147.7

Finance income was $198.5 million for the year ended 31 December 2025, compared to $80.1 million for the year ended 31 December 2024. The increase in finance income was primarily attributable to the change in fair value of derivative liabilities, which was positively impacted by the decrease in the Company's share price during the year.

Finance costs

USD in thousands	Year Ended 31 December		Change 2024 to 2025	
	2025	2024	$	%
Finance costs	149,190	303,165	(153,975)	(50.8)

Finance costs were $149.2 million for the year ended 31 December 2025, compared to $303.2 million for the year ended 31 December 2024. The decrease in finance costs was primarily driven by the change in fair value of derivatives liabilities, which was positively impacted by the decrease in the Company's share price during the year.

Exchange rate differences

USD in thousands	Year Ended 31 December		Change 2024 to 2025	
	2025	2024	$	%
Exchange rate differences	(16,841)	8,161	(25,002)	(306.4)

Exchange rate differences resulted in a loss of $16.8 million for the year ended 31 December 2025, compared to a gain of $8.2 million for the year ended 31 December 2024. The change was primarily driven by the movements in the exchange rate of foreign currencies, predominantly Icelandic krona and euros.

Effects resulting from business combination

USD in thousands	Year Ended 31 December		Change 2024 to 2025	
	2025	2024	$	%
Effects resulting from business combination	7,977	—	7,977	100.0

In July 2025, the Group completed the acquisition of Ivers-Lee, a Switzerland- and Germany-based provider of pharmaceutical packaging and clinical supply services, to further strengthen its integrated European supply chain. In accordance with IFRS 3, the identifiable assets and liabilities were recognized at fair value on the acquisition date. The fair value of the net assets acquired exceeded the consideration paid, resulting in a gain of $8.0 million recognized in the statements of profit or loss and other comprehensive income, primarily driven by the fair value uplift on the acquired real estate.

Net gain/ (loss) on modification and extinguishment of financial liabilities

USD in thousands	Year Ended 31 December		Change 2024 to 2025	
	2025	2024	$	%
Net gain / (loss) on modification and extinguishment of financial liabilities	17,703	(69,378)	87,081	100.0

Alvotech continued to strengthen its capital structure through proactive refinancing and debt consolidation initiatives. In June 2025, the Company amended its existing Secured Loan Facility, simplifying its structure by consolidating two tranches into one and securing a reduced interest rate of SOFR plus 6.0%. This amendment resulted in a $17.7 million net gain on the modification and extinguishment of financial liabilities, reflecting improved financing terms. In the prior year, Alvotech entered into the new $965.0 million Secured Loan Facility maturing in July 2029, which triggered the settlement of legacy debt obligations, including the conversion of the 2022 Convertible Bonds and Aztiq Convertible Bonds into ordinary shares. A $69.4 million non-cash loss was recorded in connection with this refinancing.

Income tax (expense) / benefit

USD in thousands	Year Ended 31 December		Change 2024 to 2025	
	2025	2024	$	%
Income tax expense	(108,429)	(14,301)	(94,128)	658.2

Income tax expense was $108.4 million for the year ended 31 December 2025, compared to $14.3 million for the year ended 31 December 2024. The change is primarily driven by a $130 million deferred tax charge resulting from the derecognition of previously recognized deferred tax assets ("DTAs") related to accumulated tax losses in Iceland, as management determined it is no longer probable that sufficient future taxable profits will be available to utilize these losses. This was partially offset by a 37.0 million deferred tax benefit arising from the strengthening of the Icelandic krona against the U.S. dollar during the year, which increased the U.S. dollar value of Icelandic tax loss carry-forwards expected to be utilized. Additionally, the tax expense includes a $1.8 million increase in deferred tax expense associated with positive operating results for the period.

Comparison of the Years Ended 31 December 2024 and 2023

The following table sets forth Alvotech's results of operations for the years ended 31 December:

USD in thousands	2024	2023
Product and service revenue	273,472	48,699
License and other revenue	216,210	42,735
Other income	2,296	1,948
Cost of product and service revenue	(185,309)	(160,856)
Research and development expenses	(171,312)	(210,827)
General and administrative expenses	(65,713)	(76,559)
Operating profit	69,644	(354,860)
Share of net loss of joint venture	—	(7,153)
Impairment loss on investment in joint venture	—	(21,519)
Loss on sale of interest in joint venture	(2,970)	—
Finance income	80,145	4,823
Finance costs	(303,165)	(267,157)
Exchange rate differences	8,161	(5,183)
Loss on extinguishment of financial liabilities	(69,378)	—
Non-operating profit / (loss)	(287,207)	(296,189)
Profit / (loss) before taxes	(217,563)	(651,049)
Income tax (expense) benefit	(14,301)	99,318
Profit / (loss) for the year	(231,864)	(551,731)

Product revenue

USD in thousands	**Year Ended 31 December**		***Change*** **2023 to 2024**	
	2024	**2023**	**$**	**%**
Product revenue	273,472	48,699	224,773	461.6

Product revenue was $273.5 million for the year ended 31 December 2024, compared to $48.7 million for the year ended 31 December 2023. Revenue for the year ended 31 December 2024, consisted of product revenue from sales of AVT02 in European countries and Canada, launch of AVT02 in the U.S., and the launches of AVT04 in Canada, Japan and European markets.

License and other revenue

USD in thousands	**Year Ended 31 December**		***Change*** **2023 to 2024**	
	2024	**2023**	**$**	**%**
License and other revenue	216,210	42,735	173,475	405.9

License and other revenue was $216.2 million for the year ended 31 December 2024, compared to $42.7 million for the year ended 31 December 2023. The license and other revenue of $216.2 million was primarily attributable to the recognition of a $6.6 million research and development milestone due to the approval of AVT04 in Europe, $6.8 million due to the MAA submission with the EMA for AVT03, $12.1 million relative to the MAA submission with the EMA for AVT05, $15.5 million due to the MAA submission with the EMA for AVT06, $16.8 million relative to CTA submission for AVT16, $39.1 million due to the CES completion of AVT03, and $56.4 million due to the CES completion of AVT05. This also included $5.4 million relative to the product launch of AVT04 in Japan, $6.9 million relative to the achievement of sales target of AVT02 in Europe and Canada, $10.0 million relative to the product launch of AVT04 in Europe, $18.8 million relative to the product launch of AVT02 in the U.S., and a net milestone revenue of $20.4 million for the execution of new licensing contracts during the year ended 31 December 2024.

Cost of product revenue

USD in thousands	Year Ended 31 December		Change 2023 to 2024	
	2024	2023	$	%
Cost of product revenue	185,309	160,856	24,453	15.2

Cost of product revenue was $185.3 million for the year ended 31 December 2024, compared to $160.9 million for the year ended 31 December 2023. This is the result of sales in the period, including the launches of AVT02 in the U.S., AVT04 in Canada, Japan and European countries, tempered by lower production-related charges and lower costs associated with FDA inspection readiness.

Research and development expenses

USD in thousands	Year Ended 31 December		Change 2023 to 2024	
	2024	2023	$	%
AVT03 development program expenses	23,755	30,714	(6,959)	(22.7)
AVT04 development program expenses	3,166	7,259	(4,093)	(56.4)
AVT05 development program expenses	27,043	41,460	(14,417)	(34.8)
AVT06 development program expenses	29,465	33,109	(3,644)	(11.0)
AVT16 development program expenses	31,569	11,425	20,144	176.3
Salary and other employee expenses	37,652	45,835	(8,183)	(17.9)
Depreciation, amortization and impairment	8,358	6,888	1,470	21.3
Other research and development expenses [(1)]	10,304	34,137	(23,833)	(69.8)
Total research and development expenses	171,312	210,827	(39,515)	(18.7)

(1) Other research and development expenses include other project costs, facility costs and other operating expenses recognized as research and development expenses during the period.

R&D expenses were $171.3 million for the year ended 31 December 2024, compared to 210,827 for the year ended 31 December 2023. The decrease was primarily driven by a one-time charge of $18.5 million relating to the termination of the co-development agreement with Biosana for AVT23 recognized during the year 2023, a decrease of $6.3 million primarily related to programs which reached commercialization (i.e., AVT02 and AVT04 programs), a decrease of $25.0 million related to programs for which the clinical phase is substantially completed (i.e. AVT03, AVT05, and AVT06), and overall lower headcount and other R&D expenses for $8.2 million, partially offset by a $20.0 million increase in direct program expenses mainly due to AVT16 that is advancing through clinical phase.

General and administrative expenses

USD in thousands	Year Ended 31 December		Change 2023 to 2024	
	2024	2023	$	%
General and administrative expense	65,713	76,559	(10,846)	(14.2)

G&A expenses were $65.7 million for the year ended 31 December 2024, compared to $76.6 million for the year ended 31 December 2023. The decrease in G&A expenses was primarily attributable to $4.5 million in lower

third-party services, lower insurance premiums and headcount, coupled with a $6.0 million decrease in expenses for share-based payments.

Share of net loss of joint venture and impairment loss on investment in joint venture

USD in thousands	Year Ended 31 December		Change 2023 to 2024	
	2024	2023	$	%
Share of net loss of joint venture	—	7,153	(7,153)	(100.0)
Impairment loss on investment in joint venture	—	21,519	(21,519)	100.0
Loss on sale of interest in joint venture	2,970	—	2,970	100.0

In June 2024, Alvotech sold its share in the joint venture for gross proceeds of $18.0 million (less $1.3 million in transaction costs). The sale resulted in a net loss of 3.0 million during the year ended 31 December 2024.

Finance income

USD in thousands	Year Ended 31 December		Change 2023 to 2024	
	2024	2023	$	%
Finance income	80,145	4,823	75,322	1,561.7

Finance income was $80.1 million for the year ended 31 December 2024, compared to $4.8 million for the year ended 31 December 2023. Finance income for the year ended 31 December 2024 was primarily attributable to the change in fair value of the Tranche A Conversion Feature of the 2022 Convertible bonds impacted by the bond holders exercising their right to conversion into ordinary shares on the last scheduled conversion date prior to maturity, which was 1 July 2024. Finance income for the year ended 31 December 2023 was mainly attributable to interest recognized from bank accounts.

Finance costs

USD in thousands	Year Ended 31 December		Change 2023 to 2024	
	2024	2023	$	%
Finance costs	303,165	267,157	36,008	13.5

Finance costs were $303.2 million for the year ended 31 December 2024, compared to $267.2 million for the year ended 31 December 2023. Finance costs for the year ended 31 December 2024 primarily comprised of a $130.5 million finance costs reflecting the fair value of the Predecessors Earn Out shares, which was negatively impacted by the increase in the Company's share price during the year, and by interest charges on outstanding debts of $147.4 million.

Exchange rate differences

USD in thousands	Year Ended 31 December		Change 2023 to 2024	
	2024	2023	$	%
Exchange rate differences	8,161	(5,183)	13,344	(257.5)

Exchange rate differences resulted in a gain of 8,161 for the year ended 31 December 2024, compared to a loss of $5.2 million for the year ended 31 December 2023. The change was primarily driven by the movements in the exchange rate of foreign currencies, predominantly Icelandic krona and euros.

Loss on extinguishment of financial liabilities

USD in thousands	Year Ended 31 December		Change 2023 to 2024	
	2024	2023	$	%
Loss on extinguishment of financial liabilities	69,378	—	69,378	100.0

On 7 June 2024, the Company entered into a $965.0 million Secured Loan Facility maturing in July 2029 that was funded in July 2024. Upon the closing of the Secured Loan Facility, the Company was required to settle its existing debt obligations. In parallel, 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. Similarly, some holders of the Aztiq Convertible Bonds decided to exercise similar conversion right into ordinary shares at the same conversion price. A loss on extinguishment of financial liabilities of $69.4 million related to the refinancing of existing debt obligations, including the conversion of the 2022 Convertible Bonds and Aztiq Convertible Bonds, was recorded during the year ended 31 December 2024.

Income tax benefit

USD in thousands	Year Ended 31 December		Change 2023 to 2024	
	2024	2023	$	%
Income tax benefit	(14,301)	99,318	(113,619)	(114.4)

Income tax expense was $14.3 million for the year ended 31 December 2024, compared to a benefit of $99.3 million for the year ended 31 December 2023. The change is driven by a $94.9 million increase in deferred tax expense corresponding to positive operating results reported for the year ended 31 December 2024 and a $16.8 million increase in foreign currency impact due to the weakening of the Icelandic krona against the U.S. Dollar, decreasing the U.S. Dollar value of Icelandic tax loss carry-forwards that Alvotech expects to utilize against future taxable profits.

Reconciliation of non-IFRS financial measure

In addition to its operating results, as calculated in accordance with IFRS, Alvotech uses Adjusted EBITDA when monitoring and evaluating operational performance. Adjusted EBITDA is defined as profit or loss for the relevant period, as adjusted for certain items that Alvotech management believes are not indicative of ongoing operating performance. The adjusting items consist of the following:

1. Income tax (expense) / benefit;
2. Total net finance income / costs;
3. Net gain / loss on modification and extinguishment of financial liabilities;
4. Effects resulting from business combination;
5. Depreciation and amortization of property, plant, and equipment, right-of-use assets and intangible assets;
6. Impairment and loss on sale of property, plant, and equipment;
7. Impairment of intangible assets;
8. Charge and recovery related to contract termination;
9. Estimated liability for ongoing contractual matters;
10. Long-term incentive plan expense;
11. Restructuring charge;
12. Share of net loss of joint venture, impairment loss and loss on sale of interest in joint venture;
13. Exchange rate differences; and

14. Transaction costs.

Alvotech believes that this non-IFRS measure assists its shareholders because it enhances the comparability of results each period, helps to identify trends in operating results and provides additional insight and transparency on how management evaluates the business. Alvotech's executive management team uses this non-IFRS measure to evaluate financial measures to budget, update forecasts, make operating and strategic decisions, and evaluate performance. This non-IFRS financial measure is not meant to be considered alone or as a substitute for IFRS financial measures and should be read in conjunction with Alvotech's consolidated financial statements prepared in accordance with IFRS. Additionally, this non-IFRS measure may not be comparable to similarly titled measures used by other companies. The most directly comparable IFRS measure to this non-IFRS measure is loss for the year.

The following table reconciles profit/ (loss) for the year to Adjusted EBITDA for the years ended 31 December 2025, 2024, and 2023, respectively:

USD in thousands	2025	2024	2023
Profit / (loss) for the period	27,919	(231,864)	(551,731)
Income tax expense / (benefit)	108,429	14,301	(99,318)
Total net finance (income) / costs	(49,302)	223,020	262,334
Net (gain) / loss on modification and extinguishment of financial liabilities	(17,703)	69,378	
Effects resulting from business combination	(7,977)	—	—
Depreciation and amortization	37,851	31,301	24,210
Impairment and loss on sale of property, plant and equipment	—	—	365
Impairment of intangible assets	—	—	1,779
Charge related to contract termination[(1)]	—	—	18,500
Incentive plan expense[(2)]	7,378	7,626	18,111
Restructuring charge[(3)]	3,468		
Share of net loss of joint venture	—	—	7,153
Impairment loss on investment in joint venture	—	—	21,519
Loss on sale of interest in joint venture	—	2,970	—
Exchange rate differences	16,841	(8,161)	5,183
Recovery related to contract termination[(4)]		(1,084)	—
Estimated liability for ongoing litigation matters [(5)]	5,654	—	—
Transaction costs[(6)]	4,630	828	918
Adjusted EBITDA	137,188	108,315	(290,977)

(1) Represents a charge in relation to the termination of the co-development agreement with Biosana for AVT23 (omalizumab).

(2) Represents expense related to employee incentive plans, reported within cost of product revenue, research and development expenses and general and administrative expenses.

(3) Represents personnel-related costs incurred in connection with the restructuring plan that took place during 2025, including severance and related termination benefits, reported within cost of product revenue and general and administrative expenses.

(4) Represents a recovery in relation to the termination of the co-development agreement with Biosana for AVT23 (omalizumab).

(5) Represents the estimated provision for ongoing legal matters; this was recorded in accordance with IFRS as a subsequent-event adjustment of revenue and legal expenses accrued to be paid for the year ended 31 December 2025.

(6) Represents transaction costs within general and administrative expenses mainly in connection with the listing in Sweden.

B. Going Concern, Liquidity and Capital Resources

As of 31 December 2025 and 31 December 2024, Alvotech had cash and cash equivalents, excluding restricted cash, of $172.4 million and $51.4 million, respectively. Since its inception, the quarter ended 31 December 2025 was the fourth quarter in which Alvotech generated profit, with a net profit of $27.9 million for the year ended 31 December 2025, compared to a net loss of $231.9 million for the year ended 31 December 2024, and had an accumulated deficit of $2,409.8 million and $2,437.7 million as of 31 December 2025 and 31 December 2024, respectively. The Company expects to continue funding its activities through a combination of utilizing the existing cash, the projected cash generation from milestone collections and product revenues under agreements with its commercial partners, and the current funding arrangements it has access to. During the year ended 31 December 2025 , the Company used $50.2 million of cash from operating activities, used $104.2 million in cash in investing activities, and generated $270.8 million in cash from financing activities.

Sources of Liquidity

As of 31 December 2025, Alvotech held $172.4 million in cash and cash equivalents, compared to $51.4 million as of 31 December 2024. Current assets exceeded current liabilities by $269.9 million, reflecting increased commercial activity, milestone receipts and proceeds from financing transactions completed during the year.

The Company's primary sources of liquidity remain (i) commercial revenue from AVT02 and AVT04, (ii) initial supply revenues from AVT03, AVT05 and AVT06 following regulatory approvals in 2025, (iii) upfront, milestone and royalty payments under out-license and commercialization arrangements, and (iv) access to debt and equity capital markets. Revenue in 2025 consisted of $276.3 million in product revenue and $310.1 million in license and other revenue.

Commercial Activities and Partner-Driven Liquidity

AVT02 has been approved in more than 55 markets and launched in over 25 markets worldwide, including the United States, where it was introduced in the first half of 2024 following FDA approval in February 2024. AVT04 received FDA approval in April 2024 and launched in the United States in February 2025. AVT04 is also approved in Japan, Canada and the EEA, and has been commercially introduced through our partners in each region. These launches contributed materially to the Company's 2025 cash flows.

Alvotech maintains 19 regional commercialization partnerships. The revenues under existing out-license contracts with original expected durations of more than one year are estimated to be $351.7 million as of 31 December 2025, and is expected to be recognized primarily over the next five years.

Financing Activities

During 2024 and 2025, the Company implemented several measures to strengthen and simplify its capital structure:

- In July 2024, Alvotech closed a $965.0 million Secured Loan Facility, consisting of a $900.0 million first-lien term loan and a $65.0 million first-lien second-out term loan, maturing in July 2029, which refinanced existing indebtedness and extended our maturity profile. In June 2025, Alvotech’s lenders amended the $965 million facility, combining the first-lien tranches into a single tranche and reducing the interest rate to SOFR + 6.0%, with all interest payable in cash.

- In June 2024, holders of the 2022 Convertible Bonds and certain Aztiq Convertible Bonds exercised conversion rights at $10.00 per share, resulting in the issuance of approximately 22.1 million ordinary shares and eliminating $220.7 million of debt including accrued interest.

- In May and June 2025, Alvotech completed equity offerings on Nasdaq Stockholm raising SEK 789 million, enhancing liquidity and broadening its shareholder base.

- In December 2025, the Company issued $108 million of senior unsecured convertible bonds due 2030 (6.875% coupon) and entered into a $100 million senior secured term loan facility maturing 31 December 2027.

For the foreseeable future, Alvotech’s Board of Directors will maintain a capital structure that supports Alvotech’s strategic objectives through managing the budgeting process, maintaining strong investor relations and managing financial risks. Consequently, management and the Board of Directors believe that Alvotech will have sufficient funds, and access to sufficient funds, to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. However, although management continues to pursue these

plans, there is no assurance that Alvotech will be successful in obtaining sufficient funding, if needed in the future, on terms acceptable to Alvotech management to fund continuing operations, if at all. Alvotech's future capital requirements will depend on many factors, including the following:

- the progress, results, and costs of preclinical studies for any programs that Alvotech may develop;
- the costs, timing, and outcome of regulatory review of program candidates;
- Alvotech's ability to establish and maintain collaborations, licensing, and other agreements with commercial partners on favorable terms, if at all;
- the achievement of milestones or occurrence of other developments that trigger payments under the agreements that Alvotech has entered into or may enter into with third parties or related parties;
- the extent to which Alvotech is obligated to reimburse clinical trial costs under collaboration agreements, if any;
- the costs of preparing, filing and prosecuting patent applications and maintaining, defending and enforcing Alvotech's intellectual property rights;
- the extent to which Alvotech acquires or invests in businesses, products, technologies, or other joint ventures;
- the costs of performing commercial-scale manufacturing in-house and, if needed, securing manufacturing arrangements for commercial production of its program candidates; and
- the costs of establishing or contracting for sales and marketing capabilities if Alvotech obtains regulatory approvals to market program candidates.

Cash Flows

Comparison for the years ended 31 December 2025 and 2024*:*

			Change	
	Year Ended 31 December		**2024 to 2025**	
USD in thousands	**2025**	**2024**	**$**	**%**
Cash used in operating activities	($50,197)	($236,843)	186,646	(78.8)
Cash used in investing activities	(104,215)	(18,868)	(85,347)	452.3
Cash generated from financing activities	270,832	297,306	(26,474)	(8.9)

Operating activities

Net cash used in operating activities decreased by $186.6 million, or 78.8%, from $236.8 million for the year ended 31 December 2024, to $50.2 million for the year ended 31 December 2025, an improvement of $186.7 million. This was primarily driven by a $20.6 million increase in operating cash flows before considering movements in working capital and $171.0 million decrease in cash outflows from movements in working capital.

The $20.6 million increase in operating cash flow before movements in working capital is mostly driven by:

- a $259.8 million reduction in net loss;
- a $25.0 million change in exchange-rate differences; and
- a $1.6 million decrease in allowance for receivables.

This was partially offset by:

- a $154.0 million decrease in finance costs, mainly due to the $142.5 million fair-value positive change on derivative liabilities related to the Predecessors Earn Out shares;
- a $118.3 million increase in finance income, largely from derivative fair-value changes;
- $87.1 million higher net gains from modification and extinguishment of financial liabilities;
- $19.7 million lower interest expense on debt and borrowings; and
- a $94.1 million increase in income-tax expense.

Working-capital movements contributed an additional $171.0 million improvement in operating cash flows, primarily due to:

- a $212.2 million increase in inflows related to trade receivables, reflecting higher collections of product and milestone revenue; and
- a $78.4 million decrease in outflows from trade and other payables and other liabilities;

These improvements were partially offset by:

- a $40.2 million increase in cash outflows related to inventories, reflecting higher raw-material and WIP build-up during the period;
- a $49.8 million change in contract assets; and
- a $37.9 million change in contract liabilities.

Contract assets increased as revenue was recognized over time, resulting in $153.9 million of additions, partially offset by $58.9 million transferred to trade receivables. Contract liabilities decreased as performance obligations were satisfied, $42.1 million of new prepayments were received and $107.2 million were recognized as revenue. Interest paid also decreased by $4.0 million, contributing further to improved operating cash flows.

Investing activities

Net cash used in investing activities was $104.2 million for the year ended 31 December 2025, compared to $18.9 million for the year ended 31 December 2024—an increase of $85.3 million.

The increase in outflows primarily resulted from:

- a $28.3 million increase in cash outflows for intangible-asset additions;
- a $14.0 million outflow associated with the acquisition of Ivers Lee; and
- a $10.8 million increase in capital expenditures.

These outflows were impacted by these changes in inflows:

- a $26.1 million decrease in inflow from the release of restricted cash following refinancing in 2024; and
- $6.1 million decrease of proceeds from the sale of an interest in a joint venture.

Financing activities

Net cash generated from financing activities totaled $270.8 million for the year ended 31 December 2025, compared to $297.3 million for the year ended 31 December 2024—a decrease of $26.5 million.

The decrease was mainly driven by:

- a $662.8 million decrease in proceeds from new borrowings;
- a $65.9 million reduction in net proceeds from equity offerings;
- a $15.0 million net decrease in loans from related parties;
- a $4.8 million decrease in proceeds from exercise of warrants; and
- a $1.3 million increase in transaction costs on new debt.

This was partially offset by:

- a $723.7 million reduction in repayments of borrowings; and
- a $2.1 million decrease in fees from equity offering.

Capital Resources

The Company's capital resources consist of equity, long-term and short-term borrowings, and commercial arrangements that generate cash flows from upfront payments, milestones and royalties. The Company manages its capital structure with the objective of ensuring adequate liquidity and financial flexibility to support commercial operations, manufacturing scale-up and development of its biosimilar pipeline. As of 31 December 2025, total borrowings were $1,299.1 million.

Debt Capital

As of 31 December 2025, Alvotech's debt financing consisted of:

- $1,031.6 million under the Secured Loan Facility (maturing July 2029);
- $96.7 million under the Senior Term Loan Facility (maturing December 2027);
- $68.4 million under the 2025 Convertible Bonds (maturing 2030); and
- $102.4 million of other bank loans and equipment financing arrangements.

Our borrowings are secured primarily by our intellectual property, manufacturing assets, receivables and inventory. Interest rates across our facilities include both fixed and floating components, exposing us to risks associated with changes in interest rate benchmarks. A 100-basis-point movement in floating reference rates would have resulted in a change in profit before tax of approximately $9.9 million as of 31 December 2025.

Equity Capital

As of 31 December 2025, Alvotech had 312,021,375 ordinary shares outstanding. During 2025, the Company strengthened its equity base raising gross proceeds of SEK 789 million from Nasdaq Stockholm offerings. During 2024, a total of 22.1 million shares were issued upon conversion of 2022 Convertible Bonds and Aztiq Convertible Bonds.

Alvotech may raise additional equity capital in the future to support product launches, regulatory submissions, and manufacturing expansion.

Commercial Arrangements as a Capital Source

Alvotech out-license and commercialization agreements supplement our capital resources by providing:

- upfront payments,
- development and regulatory milestones,
- sales-based milestones, and
- royalties (typically 35–45% of net sales or minimum floor prices).

These arrangements constitute a recurring and diversified source of capital to support ongoing operations.

Capital Expenditures

Capital expenditures were $64.5 million in 2025, primarily related to investment in manufacturing facilities, equipment and technology infrastructure. The Company expects continued capital investment to support anticipated growth in production volumes and regulatory compliance requirements.

Capital Management

Alvotech monitors its capital position continuously, taking into account debt maturities, interest obligations, operating expenditures and expected revenue. There were no changes to its capital management policies during 2024 or 2025. Its objective remains to maintain a robust capital base that supports operations and strategic priorities.

Material Cash Requirements for Known Contractual Obligations and Commitments

The following is a description of commitments for known and reasonably likely cash requirements as of 31 December 2025.

Borrowings

Alvotech's debt consists of interest-bearing borrowings from financial institutions. The amount of the outstanding borrowings as of 31 December 2025, was $1,299.1 million. The timing of future payments on the outstanding borrowing amounts, by year, as well as additional information regarding the Group's borrowings and rights conveyed to the lenders, can be found in Note 21 of the audited consolidated financial statements, included elsewhere in this Form 20-F.

Senior Term Loan Facility

On 31 December 2025, we entered into a $100 million Senior Term Loan Facility maturing on 31 December 2027. The loan bears a 12.50% fixed cash interest rate, payable monthly, and is repayable in a single bullet payment at maturity.

The facility contains customary negative covenants, mandatory prepayment requirements (including excess-cash-flow, asset-sale and insurance sweeps), a make-whole premium, and prepayment penalties. As of 31 December 2025, $96.7 million was outstanding under the facility.

2025 Convertible Bonds

On 22 December 2025, we issued $108 million of 2025 Convertible Bonds. The bonds were issued at par and bear interest at 6.875%, payable semi-annually.

Bondholders may convert their bonds into SDRs at an initial Conversion Price of $5.9224, subject to customary anti-dilution protections and a one-time reset if we complete qualifying equity raises of at least $50 million within 24 months of issuance.

The bonds include change-of-control, free-float, and delisting investor puts, and issuer tax and clean-up calls, on customary terms. As of 31 December 2025, $68.4 million was outstanding.

Senior Secured First Lien Term Loan Facility

The Company entered into a $965.0 million Secured Loan Facility in June 2024, which closed on 10 July 2024. Proceeds were used to refinance existing indebtedness, reduce cost of capital and extend maturity profile. The facility originally consisted of a $900.0 million first-lien term loan at SOFR plus 6.5%, and a $65.0 million first-lien, second-out term loan at SOFR plus 10.5%, each maturing in July 2029.

On 26 June 2025, the lenders agreed to amend and restate the Secured Loan Facility. Under this amendment:

- the first-out and second-out tranches were combined into a single tranche; and
- the interest rate was reduced to SOFR plus 6.0%;
- all interest became payable in cash, reflecting improved operating performance and simplifying the capital structure.

As of 31 December 2025, the carrying amount of the Secured Loan Facility was $1,031.6 million. Interest and principal are due in accordance with the amended terms described above.

Conversion of the 2022 Convertible Bonds and the Aztiq Convertible Bonds

On 26 June 2024, all Tranche A and certain Tranche B holders of the 2022 Convertible Bonds, and certain holders of Aztiq Convertible Bonds, exercised their conversion rights at $10.00 per share. Approximately 22.1 million ordinary shares were issued on 1 July 2024, extinguishing $220.7 million in aggregate principal and accrued interest.

Bondholders who did not convert were repaid in July 2024 using proceeds from the Secured Loan Facility. The Company recorded a $58.3 million loss on extinguishment related to these conversions during 2024.

Refinancing of existing debt obligations

Concurrent with the July 2024 refinancing, the Company extinguished the Senior Bonds, the Alvogen Facility, and certain other outstanding borrowings. A $10.7 million loss on extinguishment was recorded during 2024.

These settlements eliminated significant near-term maturity exposure.

Facility loans

As of 31 December 2025, the carrying amount of the facility loans was $42.5 million. These include monthly annuity-style repayments and bear interest at SOFR + 4.05%, with final maturity in February 2030.

Other borrowings

Alvotech maintains several additional financing arrangements to support equipment purchases:

- Credit Facility – Landsbankinn hf. (February 2022)

The facility was amended in July 2024, with borrowing capacity up to $15.4 million and variable interest of SOFR plus 4.95%. The facility expires in December 2026. The outstanding balance as of 31 December 2025 was $10.5 million.

- Equipment Loan – Landsbankinn hf. (February 2022)

Original principal amounted to $3.2 million and included monthly annuity payment, variable interest SOFR plus 4.25% and final maturity February 2030. The outstanding balance as of 31 December 2025 was $1.8 million.

- Equipment Loan – Landsbankinn hf. (August 2022)

The original principal amounted to $1.8 million and included monthly annuity payments, variable interest SOFR plus 4.25%, and final maturity February 2030. The outstanding balance as of 31 December 2025 was $1.1 million.

- Equipment Loan – Landsbankinn hf. (August 2023)

The original principal amounted to $11.5 million and included monthly annuity payments, variable interest SOFR plus 4.25% and final maturity July 2030. The outstanding balance as of 31 December 2025 was $8.3 million.

- Equipment Loan – Landsbankinn hf. (October 2025)

On 1 October 2025, the Company entered into a loan agreement for $18.4 million to finance equipment purchases. The key terms were as follows:

- interest SOFR plus 4.25%,
- monthly annuity payments,
- final maturity October 2032.

The outstanding balance as of 31 December 2025 was $18.1 million.

- Equipment Loan – Credit Suisse & UBS Switzerland AG (December 2025)

On 11 December 2025, the Company entered into a loan agreement for CHF 4.6 million to finance equipment purchases. The key terms were as follows:

- fixed interest 1.75%,
- monthly annuity payments,
- final maturity December 2030.

The outstanding balance as of 31 December 2025 was $1.6 million.

- Borrowings assumed in the acquisition of Ivers Lee (July 2025)

As part of the Ivers Lee acquisition, Alvotech assumed a shareholder loan and mortgage loans, all recognized at fair value on acquisition. These obligations bear interest between 1.9% and 3.15%, mature between 2028 and 2030, and are secured by real estate.

The outstanding balance on the shareholder loan and mortgage loans was $4.2 million and $8.5 million, respectively.

Leases

Alvotech's future undiscounted payments pursuant to lease agreements totaled $213.0 million as of 31 December 2025. The timing of these future payments can be found in Note 13 of the audited consolidated financial statements included elsewhere in this Form 20-F.

Purchase obligations

For the years ended 31 December 2025, 2024, and 2023, Alvotech did not have any purchase obligations.

While Alvotech does not have legally enforceable commitments with respect to capital expenditures, Alvotech expects to continue to make substantial investments in preparation for commercial launch of its biosimilar product candidates.

C. Research and Development, Patents and Licenses, etc.

Full details of our research and development activities and expenditures are given in the *"Item 4.B. Information on the Company—Business Overview"* and *"Item 5 Operating and Financial Review and Prospects"* sections of this Annual Report on Form 20-F above.

D. Trend Information

Other than as described in the Annual Report on Form 20-F, we are not aware of any trends, uncertainties, demands, commitments or events that are reasonably likely to have a material adverse effect on our revenue, income from continuing

operations, profitability, liquidity or capital resources, or that would cause our reported financial information not necessarily to be indicative of future operation results or financial condition.

E. *Critical Accounting Estimates*

For a discussion of our critical accounting estimates, see Note 2.4 to our consolidated financial statements included in Item 18 of this Annual Report.

Item 6. Directors, Senior Management and Employees

A. Directors and senior management.

The following table sets forth the executive officers and directors of Alvotech. Unless otherwise noted, the business address of each of the directors and executive officers of Alvotech is 9, Rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg.

Name	Age	Title
Executive Officers		
Robert Wessman	56	Chief Executive Officer and Executive Chairman of the Board of Directors
Tanya Zharov	59	General Counsel
Joseph E. McClellan	52	Chief Operating Officer
Linda Jonsdottir	48	Chief Financial Officer
Directors		
Richard Davies	64	Director and Deputy Chairman
Tomas Ekman	58	Director
Ann Merchant	61	Director
Arni Hardarson	59	Director
Lisa Graver	55	Director
Hjörleifur Pálsson	62	Director

Executive Officers

Robert Wessman is the founder and has served as Executive Chairman and member of the board of directors of Alvotech since January 2019, and Chief Executive Officer since January 2023. He served as a Director on the board of Fuji Pharma from 2018 to 2023. He serves as chairman of the board of directors of Lotus Pharmaceuticals since 2018 and since May 2009, he has served as a member of the board of directors of Aztiq and as a member of the board of directors of Aztiq GP, the general partner of Aztiq Fund I SCSp, a Luxembourg alternative investment fund, and the parent company of Aztiq. Mr. Wessman is also the founder and main partner of the Aztiq group. Mr. Wessman founded Alvogen in July 2009, and served as its Executive Chairman and Chief Executive Officer until June 2022. He continues to serve as Alvogen's chairman since July 2022. Between 1999 and 2008, Mr. Wessman served as the Chief Executive Officer of Actavis. He has a Bachelor of Science degree in Business Administration from the University of Iceland. We believe Mr. Wessman is qualified to serve on Alvotech's board of directors due to the perspective he brings as Alvotech's founder and his experience in top executive positions in the pharmaceutical industry. Mr. Wessman will transition out of the Chief Executive Officer role at the end of the first quarter 2026. He will continue to serve as Executive Chairman in a full-time capacity.

Tanya Zharov has served as Deputy Chief Executive Officer between from May 2020 and as General Counsel from January 2023. Prior to joining Alvotech, between 2016 and 2020, Ms. Zharov served as Deputy Chief Executive Officer and compliance officer of deCODE genetics. Ms. Zharov held various management positions, including as General Counsel and Deputy Chief Executive Officer at Virding hf from January 2014 to January 2016, as General Counsel and Deputy Chief Executive Officer at Audur Capital from January 2008 to December 2013, as Board Secretary, corporate counsel and Vice President Corporate Governance and Administration at deCODE genetics from January 1999 to December 2007, and as tax partner at PricewaterhouseCoopers from June 1996 to December 1998. Ms. Zharov holds a law degree from the University of Iceland and is a European Patent Attorney. Ms. Zharov has served on several corporate boards and currently is on the board of Reykjavik University.

Joseph E. McClellan has served as our Chief Scientific Officer since October 2019 and as Chief Operating Officer since November 2025. Prior to joining Alvotech, Mr. McClellan served for over 17 years in various roles at Pfizer Inc., including as Global Head of Biosimilars Development and Medicine/Asset Team Leader of *IXIF1* (biosimilar infliximab). Mr. McClellan holds a PhD degree in Chemistry, with a focus in Analytical Chemistry and Mass Spectrometry, from the University of Florida, and he was a Postdoctoral Fellow in Mass Spectrometry and Analytical Biochemistry at the Boston University School of Medicine.

Linda Jónsdóttir has served as our Chief Financial Officer since July 2025. Prior to joining Alvotech, she held senior roles for 15 years at Marel, a global leader in food processing technology, including Director of Treasury and Investor Relations, Chief Financial Officer and Chief Operating Officer, until stepping down in 2024. Ms. Jónsdóttir also worked at Sidekick Health, Eimskip, Burdaras and Straumur investment bank. She has served on various boards, including in banking, private equity funds, and at the Icelandic Chamber of Commerce. Ms. Jónsdóttir graduated with a Cand. Oecon degree in Finance and holds a Master in Corporate Finance from the Reykjavik University.

Non-Executive Directors

Richard Davies has served as Deputy Chairman of Alvotech's board, previously Chairman of Alvotech's board, and as one of Alvotech's directors since January 2019. From November 2018 to December 2020 he served as Chief Executive Officer of Auregen Bio Therapeutics SA. Following this he established Gybeset BioConsult GmbH where he is founder and managing partner. Prior to joining Auregen Bio Therapeutics, Mr. Davies served as Chief Executive Officer of Bonesupport AB between 2016 and 2018, as Senior Vice President and Chief Commercial Officer of Hospira Inc. between 2012 and 2015, and in various leadership roles at Amgen Inc between 2003 and 2012. Prior to Amgen he was with Eli Lilly for 12 years. Mr. Davies holds an MBA from the University of Warwick and Bachelor of Science in applied chemistry from the University of Portsmouth.Richard Davies has served as Deputy Chairman of Alvotech's board, previously Chairman of Alvotech's board, and as one of Alvotech's directors since January 2019. From November 2018 to December 2020 he served as Chief Executive Officer of Auregen Bio Therapeutics SA. Following this he established Gybeset BioConsult GmbH where he is founder and managing partner. Prior to joining Auregen Bio Therapeutics, Mr. Davies served as Chief Executive Officer of Bonesupport AB between 2016 and 2018, as Senior Vice President and Chief Commercial Officer of Hospira Inc. between 2012 and 2015, and in various leadership roles at Amgen Inc between 2003 and 2012. Prior to Amgen he was with Eli Lilly for 12 years.

Tomas Ekman has served as one of Alvotech's directors since January 2019. Tomas is a senior advisor at CVC Capital Partners which he joined as a partner in 2014 and he part of the CVC Nordics team and is based in Stockholm. Prior to joining CVC in 2014, Mr. Ekman was a partner and Managing Director at 3i, responsible for its Nordic business. Mr. Ekman holds MSc degrees from the University of Strathclyde and Chalmers University of Technology, and an MBA from IMD, Switzerland*Tomas Ekman* has served as one of Alvotech's directors since January 2019. Tomas is a senior advisor at CVC Capital Partners which he joined as a partner in 2014 and he part of the CVC Nordics team and is based in Stockholm. Prior to joining CVC in 2014, Mr. Ekman was a partner and Managing Director at 3i, responsible for its Nordic business. Mr. Ekman holds MSc degrees from the University of Strathclyde and Chalmers University of Technology, and an MBA from IMD, Switzerland.

Ann Merchant has served as one of Alvotech's directors since June 2022. Since 2018, she has served as Vice President for MorphoSys, and as Head of Global Supply Chain and External Operations from January 2019 until March 2025. Prior to joining MorphoSys, from September 2011 to August 2018, Ms. Merchant served as the President for Schreiner Medipharm. Between 1994 and 2011, Ms. Merchant held various roles at Amgen, including Vice President, Head of International Supply Chain and Site Head between 2007 and 2011 in The Netherlands. Ms. Merchant holds an MBA from the Henley Business School and a Bachelor of Science in Languages from Georgetown University, Washington, D.C..

Arni Hardarson has served as one of Alvotech's directors since June 2022. Mr. Hardarson is a co-founder and partner of the Aztiq group. Between 2009 and June 2022, he served as Deputy to the Chief Executive Officer and General Counsel of Alvogen. Prior to joining Alvogen, Mr. Hardarson was Vice President of Tax and Structure at Actavis, and as partner, member of the executive management committee, and served as a head of tax and legal at Deloitte. Mr. Hardarson holds a Master's degree in law from the University of Iceland.

Lisa Graver served as a Director on Alvotech's Board since June 2022. In addition, Ms. Graver served in various leadership positions throughout her extensive career spanning over two decades in the pharmaceutical industry. Most recently, she served as President/CEO for Alvogen Group, Inc., a privately held pharmaceutical company headquartered in Morristown, NJ,

a position she held since 2015. Prior to joining Alvogen in 2010, she held leadership positions in Actavis and Alpharma in the US. Ms. Graver draws from her experience and expertise across all facets of the industry, including commercial, regulatory/R&D, portfolio selection, and legal. Ms. Graver served as an IP litigator with Kirkland & Ellis before leaving private practice. She holds honor degrees in both Biology and law from Lakehead University and Case Western Reserve University, respectively. Ms. Graver is assuming d the role of the Chief Executive Officer end of q1 2026.

Hjörleifur Pálsson has served as one of Alvotech's directors since June 2024. Since 2013 he has served as non-executive board member in sectors like pharmaceuticals, retail, medical devices, media & telecommunications, education and venture capital. Mr. Palsson was the Executive Vice President and Chief Financial Officer of Ossur (now Embla), a leading medical device company, listed on NASDAQ OMX Copenhagen, from 2001-2013, where he gained comprehensive experience in leading accounting, planning, investor relations, funding, corporate M&A, human resources, and business information services. Prior, Mr. Palsson was a partner and a board member at Deloitte in Iceland where he practiced as a State Authorized Public Accountant from 1989 to 2001. Mr. Palsson graduated with a Cand. Oecon degree in finance and accounting from the University of Iceland in 1988 and qualified as a State Authorized Public Accountant in 1989.

Family Relationships

There are no family relationships among any of our executive officers or directors.

B. Compensation

Compensation of Executive Officers

Each of our executive officers has entered into an employment agreement.

Each employment agreement contains provisions regarding non-competition, non-solicitation, confidentiality of information and assignment of inventions. The enforceability of the non-competition covenants is subject to limitations. Either we or the executive officer may terminate the applicable executive officer's employment or service by giving advance written notice to the other party. We may also terminate an executive officer's employment or services agreement for cause (as defined in the applicable employment or services agreement).

Our executive compensation program reflects its compensation policies and philosophies, as they may be modified and updated from time to time. In addition to a base salary and certain performance-based bonuses, executive officers can be eligible to receive awards under our 2022 equity incentive plan, the Alvotech Management Incentive Plan (the "2022 Plan"), as further described below. Decisions with respect to the compensation of our executive officers, including our named executive officers, are made by the Remuneration Committee of our board of directors.

The following table sets forth information regarding compensation earned by Robert Wessman, our Chief Executive Officer and our other members of the leadership team during the years ended 31 December 2025.

	2025			
Key employees	Salaries and benefits	Pension contribution	Termination benefits	Other long- term benefits
Robert Wessman CEO	2,830	62	—	—
Other Members of the Leadership Team	5,602	414	1,806	5,727
	8,432	476	1,806	5,727

The following table sets forth information regarding compensation earned by Robert Wessman, our Chief Executive Officer and our other members of the leadership team during the years ended 31 December 2024.

	2024			
Key employees	Salaries and benefits	Pension contribution	Termination benefits	Other long- term benefits
Robert Wessman CEO	2,176	147	—	—
Other Members of the Leadership Team	5,332	362	125	13,844
	7,508	509	125	13,844

Compensation of Directors

In accordance with the Remuneration policy of the company approved by the shareholder´s meeting in June 2022 and again at the AGM in 2023 our independent board directors get remunerated in cash and with participation in our MIP.

All vesting of the restricted stock units is subject to the non-employee director’s continuous service on the applicable vesting date. However, for each eligible director who remains in continuous service until immediately prior to the occurrence of a change in control (as such term is defined in the 2022 Plan), the shares subject to his or her then-outstanding restricted stock unit awards will become fully vested immediately prior to the closing of such change in control event.

We reimburse our non-employee directors for their reasonable out-of-pocket expenses in connection with attending board and committee meetings.

The following tables sets forth information regarding compensation earned by each of our directors during the years ended 31 December 2025 and 2024:

Board of Directors' fee for the year and shares at year end (board fees in thousands and shares in whole amounts).	2025			
	Board fees	Pension contribution	Other long-term benefits	Shares at year-end**
Robert Wessman, Chairman of the board*	—	—	—	—
Richard Davies, Vice-Chairman	185	—	122	1,174,004
Ann Merchant, Board Member	119	—	122	31,746
Árni Harðarson, Board Member*	—	—	—	—
Faysal Kalmoua, Board Member* (until 25 June 2025)	—	—	—	N/A
Hjörleifur Pálsson, Board Member	94	—	55	7,116
Linda McGoldrick, Board Member (until 25 June 2025)	49	—	122	N/A
Lisa Graver, Board Member	64	—	122	31,746
Tomas Ekman, Board Member*	—	—	—	—
	511	—	543	1,244,612

* Waived their board compensation (both cash and equity)
** Direct share ownership

Board of Directors' fee for the year and shares at year end (board fees in thousands and shares in whole amounts).	2024			
	Board fees	Pension contribution	Other long-term benefits	Shares at year-end**
Robert Wessman, Chairman of the board*	—	—	—	—
Richard Davies, Vice-Chairman	156	—	183	1,163,422
Ann Merchant, Board Member	112	—	183	21,164
Árni Harðarson, Board Member*	—	—	—	—
Faysal Kalmoua, Board Member*	—	—	—	—
Hjörleifur Pálsson, Board Member (from 7 June 2024)	41	—	—	2,350
Linda McGoldrick, Board Member	92	—	183	21,164
Lisa Graver, Board Member	68	—	183	21,164
	469	—	732	1,229,264

* Waived their board compensation (both cash and equity)
** Direct share ownership

Company Management Incentive Plan

On 13 June 2022, our chairman adopted, and our shareholders approved, a new 2022 equity incentive plan, the Management Incentive Plan (the "2022 Plan").

Awards. The 2022 Plan will provide for the grant of shares, restricted shares units, options or any combination of the foregoing including such other Awards that may be denominated or payable in, value in whole or in part, by reference to or otherwise based upon, or related to, shares (the "Awards") to our employees, directors, and consultants and any of our affiliates' employees and consultants.

Authorized Shares. Initially, the maximum number of Ordinary Shares that may be issued under the 2022 Plan after it becomes effective will not exceed 5.79% of our share capital on a fully diluted basis. In addition, the number of Ordinary

Shares reserved for issuance under the 2022 Plan may be increased by our board of directors by up to 1% annually over ten (10) years from the date of approval of the 2022 Plan.

Plan Administration. Our board of directors, or any person or persons or committee to whom decision-making authority with respect to the 2022 Plan is delegated by our board of directors (the "Administrator") will administer the 2022 Plan.

Plan Amendment or Termination. Our board of directors and the Administrator have the authority to amend or, suspend, the 2022 Plan at any time and from time to time, and our board of directors has the authority to terminate the 2022 Plan provided that such action does not materially impair the existing rights of any participant without such participant's written consent. Certain material amendments also require the approval of our shareholders. No Awards may be granted after the tenth anniversary of the date our board of directors adopted the 2022 Plan. No Awards may be granted under the 2022 Plan while it is suspended or after it is terminated. Rights under any Award granted before suspension or termination of the 2022 Plan shall not be impaired by such suspension or termination.

On 1 December 2022, our Remuneration Committee authorized the grant of restricted stock units ("RSUs") to certain employees, executive officers and directors under the 2022 Plan. Subject to certain vesting and other terms and conditions, the RSUs may be settled in Ordinary Shares.

The Annual General Meeting of the shareholders approved the Remuneration Policy and the Remuneration of the Alvotech board.

During the year 2025, our Remuneration Committee authorized the grant of a total of 1,744,789 RSUs to certain employees and executive officers under the 2022 Plan.

If all RSUs vest and are exchanged for Ordinary Shares, the combined grants may result in an aggregate of 3,090,208 Ordinary Shares.

C. Board Practices

Composition of Our Board of Directors

Our board of directors is currently composed of seven members. In accordance with our articles of association, the board of directors is not divided into classes of directors. Six directors were elected at the AGM in June 2025 for a one year term and one director was appointed at the Annual General Meeting held in June 2024 for a two year te

Four of seven directors are independent as defined in Nasdaq listing standards and applicable SEC rules and our board of directors has an independent audit and risk committee, a nominating committee, a compensation committee.

Non-Executive Director Appointment Letters

Our independent non-executive directors are engaged on letters of appointment that set out their duties and responsibilities. The non-executive directors do not receive benefits upon termination or resignation from their respective positions as directors. Under the non-executive director appointment letters, our non-executive directors are entitled to receive annual fees in accordance with our Director Compensation Policy, as discussed in *Item 6.B Compensation—Compensation of Directors*.

Committees of our Board of Directors

Our board of directors has five standing committees: an Audit and Risk Committee, a Compensation Committee, a Nominating and Corporate Governance Committee, a Strategy Committee and a Corporate Sustainability Committee. The board has adopted written charters that are available to shareholders on our website at https://investors.alvotech.com/corporate-governance/documents-charters for the Audit and Risk Committee, the Compensation Committee, the Nominating and Corporate Governance Committee, and the Corporate Sustainability Committee. The reference to our website address in this Annual Report on Form 20-F does not include or incorporate by reference the information on our website into this Annual Report on Form 20-F.

Audit and Risk Committee

The members of our Audit and Risk Committee are Mr. Pálsson (Chair), Ms. Merchant, and Mr. Davies. Each member of our Audit and Risk Committee qualifies as independent directors according to the rules and regulations of the

SEC and Nasdaq with respect to audit and risk committee membership. In addition, all Audit and Risk Committee members meet the requirements for financial literacy under applicable SEC and Nasdaq rules and at least one of the audit and risk committee members qualifies as an "audit and risk committee financial expert," as such term is defined in Item 407(d) of Regulation S-K. The Audit and Risk Committee is responsible for, among other things:

- appointing, compensating, retaining, evaluating, terminating and overseeing our independent registered public accounting firm;
- discussing with our independent registered public accounting firm their independence from management;
- reviewing, with our independent registered public accounting firm, the scope and results of their audit;
- approving all audit and permissible non-audit services to be performed by our independent registered public accounting firm;
- overseeing the financial reporting process and discussing with management and our independent registered public accounting firm the annual financial statements that we file with the SEC;
- overseeing our financial and accounting controls and compliance with legal and regulatory requirements;
- reviewing our policies on risk assessment and risk management;
- reviewing related party transactions; and
- establishing procedures for the confidential anonymous submission of concerns regarding questionable accounting, internal controls or auditing matters.

Compensation Committee

The members of our Compensation Committee are Mr. Davies (Chair), Mr. Hardarson, and Mr. Ekman. Mr. Davies qualifies as independent directors according to the rules and regulations of the SEC and Nasdaq with respect to compensation committee membership, including the heightened independence standards for members of a compensation committee. The Compensation Committee is responsible for, among other things:

- reviewing and approving the corporate goals and objectives, evaluating the performance of and reviewing and approving, (either alone or, if directed by the board of directors, in conjunction with a majority of the independent members of the board of directors) the compensation of our chief executive officer;
- overseeing an evaluation of the performance of and reviewing and setting or making recommendations to our board of directors regarding the compensation of our other executive officers;
- reviewing and approving or making recommendations to our board of directors regarding our incentive compensation and equity-based plans, policies and programs;
- reviewing and approving all employment agreement and severance arrangements for our executive officers;
- making recommendations to our shareholders regarding the compensation of our directors; and
- retaining and overseeing any compensation consultants.

Nominating and Corporate Governance Committee

The members of our Nominating and Corporate Governance Committee are Mr. Davies (Chair), Ms. Merchant, and Mr. Pálsson. The Nominating and Corporate Governance Committee is responsible for, among other things:

- identifying individuals qualified to become members of our board of directors, consistent with criteria approved by our board of directors;
- overseeing succession planning for our Chief Executive Officer and other executive officers;
- periodically reviewing our board of directors' leadership structure and recommending any proposed changes to our board of directors;
- overseeing an annual evaluation of the effectiveness of our board of directors and its committees; and
- developing and recommending to our board of directors a set of corporate governance guidelines.

Corporate Sustainability Committee

The members of our Corporate Sustainability Committee are Ms. Merchant (Chair), Mr. Davies, and Mr. Pálsson. The Corporate Sustainability Committee is responsible for, among other things:

- reviewing, monitoring and setting strategy in the area of corporate responsibility;
- overseeing our activities in the area of corporate responsibility that may have an impact on the Company's reputation and operations;
- periodically assess our compliance obligations;
- monitor and review matters of health and safety and report findings to the broader board; and
- review and evaluate environmental, social and political issues and trends and their relevance to our business and make recommendations to the board regarding those trends and issues.

Strategy Committee

The Strategy Committee is responsible for, among other things, reviewing, monitoring and setting strategy for our business. The members of our Strategy committee are Mr. Wessman (Chair), Ms. Graver, and Mr. Davies.

Risk Oversight

The board of directors is responsible for overseeing our risk management process. The board of directors focuses on our general risk management strategy, the most significant risks, and oversees the implementation of risk mitigation strategies by management. The audit and risk committee is also responsible for discussing our policies with respect to risk assessment and risk management. The board of directors believes its administration of its risk oversight function has not negatively affected the board of directors' leadership structure.

Code of Business Conduct

Our board of directors adopted a Code of Business Conduct applicable to the directors, executive officers and team members that complies with the rules and regulations of Nasdaq and the SEC. The Code of Ethics is available on our website. In addition, we posted on the Corporate Governance section of our website all disclosures that are required by law or Nasdaq listing standards concerning any amendments to, or waivers from, any provision of the Code of Ethics. The reference to our website address in this Annual Report does not include or incorporate by reference the information on our website into this Annual Report.

D. Employees

As of 31 December 2025, we had 1,460 employees, including 24 contractors, 89% of whom were devoted to R&D, quality and technical operations, and 11% to administration and support roles.

Many of our Iceland-based employees are members of Icelandic labor unions and as such the bargaining agreements which these unions enter into with the Icelandic Confederation of Employers, of which Alvotech hf. is a member. We have not experienced any work stoppages and consider our relationship with our employees and the labor unions to be good.

	At 31 December		
Function:	2025	2024	2023
Manufacturing	926	614	575
Administrative	167	129	131
Research and development	367	289	320
Total	**1,460**	**1,032**	**1,026**
Geography:			
Iceland	1,059	866	839
European Union	140	77	74
United States	15	13	14
Elsewhere	246	76	99
Total	**1,460**	**1,032**	**1,026**

E. Share Ownership

For information regarding the share ownership of our directors and executive officers, see "*Item 7.A Major Shareholders*" and "*Item 6.B Compensation*" for a discussion of the 2022 Plan.

F. Disclosure of a registrant's action to recover erroneously awarded compensation.

Not applicable.

Item 7. Major Shareholders and Related Party Transactions

A. Major Shareholders

The following table sets forth information regarding the beneficial ownership of Ordinary Shares as of 6 March 2026 by:

- each person known by us to be the beneficial owner of more than 5% of Ordinary Shares;
- each of our directors and executive officers; and
- all our directors and executive officers as a group.

Except as otherwise noted herein, the number and percentage of Ordinary Shares beneficially owned is determined in accordance with Rule 13d-3 of the Exchange Act, and the information is not necessarily indicative of beneficial ownership for any other purpose. Under such rule, beneficial ownership includes any Ordinary Shares as to which the holder has sole or shared voting power or investment power and also any Ordinary Shares which the holder has the right to acquire within 60 days of 1 March 2025 through the exercise of any option, warrant or any other right.

Except as otherwise indicated, all of the shares reflected in the table are ordinary shares and all persons listed below have sole voting and investment power with respect to the shares beneficially owned by them, subject to applicable community property laws. The information is not necessarily indicative of beneficial ownership for any other purpose.

We have based percentage ownership on 312,048,292 ordinary shares outstanding as of 6 March 2026.

Name and Address of Beneficial Owners	Number of Shares	%
Directors and Executive Officers[1]		
Robert Wessman	320,000	—
Richard Davies[2]	1,208,595	*
Tomas Ekman	—	—
Ann Merchant[3]	55,476	*
Arni Hardarson	—	—
Lisa Graver[4]	55,476	*
Hjörleifur Pálsson[5]	12,080	*
Tanya Zharov[6]	228,174	*
Joseph E. McClellan[7]	524,409	*
Linda Jonsdottir	—	—
All Directors and Executive Officers as a group (10 persons)	2,545,376	*
Five Percent Holders		
Alvogen Lux Holdings S.à r.l.[8]	90,310,334	28.94%
Aztiq Pharma Partners S.à r.l.[9]	103,849,420	33.28%

* Indicates beneficial ownership of less than 1% of the total ordinary shares outstanding.

(1) Unless otherwise noted, the business address of each of the directors and executive officers is 9, Rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg.

(2) Includes of 97,880 unvested Earn Out Shares and 14,603 vested options held by Richard Davies.

(3) Includes 23,730 vested options held by Ann Merchant.

(4) Includes 23,730 vested options held by Lisa Graver.

(5) Includes 4,964 vested RSUs held by Hjörleifur Pálsson.

(6) Includes 228,174 vested RSUs held by Tanya Zharov.

(7) Includes 370,371 vested RSUs held by Joseph McClellan.

(8) Represents shares held by Alvogen. Through intermediary holding entities, Alvogen is a wholly-owned subsidiary of Celtic Holdings SCA ("Celtic Holdings"). Investment and voting decisions with respect to the shares held by Alvogen are made by the directors of Celtic Holdings. Carmen Andre, Tomas Ekman, Arni Hardarson, Park Jung Ryun, Christoffer Sjøqvist and Robert Wessman are the directors of Celtic Holdings and may be deemed to have shared voting and dispositive power with respect to the shares held by Alvogen. Carmen Andre, Tomas Ekman, Arni Hardarson, Park Jung Ryun, Christoffer Sjøqvist and Robert Wessman each disclaim any beneficial ownership of any such shares, except to the extent of their pecuniary interest therein, if any. The address of Alvogen is 5, rue Heienhaff, L-1736 Senningerberg, Luxembourg, Grand-Duchy of Luxembourg and the address of Celtic Holdings is 20, avenue Monterey, L-2163 Luxembourg, Grand-Duchy of Luxembourg.

(9) Represents shares held by Aztiq Pharma Partners S.à r.l. ("APP"). APP is a wholly-owned subsidiary of Aztiq Fund I SCSp ("Aztiq Fund"). Investment and voting decisions at Aztiq Fund are made by its general partner, Floki GP S.à r.l. ("Aztiq GP"). Investment and voting decisions with respect to the shares held by APP are made by the members of the board of managers of Aztiq GP. Arni Hardarson, David Olafsson, Marc Levebvre and Robert Wessman are members of the board of managers of Aztiq GP and may be deemed to have shared voting and dispositive power with respect to the shares held by APP in Alvotech. Arni Hardarson, David Olafsson, Marc Levebvre and Robert Wessman each disclaim any beneficial ownership of any such shares, except to the extent of their pecuniary interest therein, if any. The address of APP is 5, rue Heienhaff, L-1736 Senningerberg, Grand-Duchy of Luxembourg and the address of Aztiq Fund and Aztiq GP is at 4 rue Robert Stumper, L-2557 Luxembourg, Grand-Duchy of Luxembourg.

Voting Rights

The voting rights of the principal shareholders do not differ from the voting rights of other shareholders.

Shareholders in the United States

As of 6 March 2026, to the best of our knowledge 136,653,345 of our outstanding ordinary shares were held by nine shareholders of record in the United States. The actual number of holders is greater than these numbers of record holders, and includes beneficial owners whose ordinary shares are held in street name by brokers and other nominees. This number of holders of record also does not include holders whose shares may be held in trust by other entities.

B. Related Party Transactions

Policies and Procedures for Related Person Transactions

The Board of Directors has adopted a written related person transaction policy that sets forth certain policies and procedures for the review and approval or ratification of transactions involving us in which a related person has or will have a direct or indirect material interest, as determined by the audit and risk committee of the Board. A "related person" for purposes of the policy means: (i) enterprises that directly or indirectly through one or more intermediaries, control or are controlled by, or are under common control with, us; (ii) Associates (defined as, unconsolidated enterprises in which we have a Significant Influence or which has Significant Influence over us); (iii) individuals owning, directly or indirectly, an interest in the voting power of us that gives them Significant Influence over us, and close members of any such individual's family; (iv) key management personnel (i.e., having authority and responsibility for planning, directing and controlling our activities), including Directors and close members of such individuals' families; and (v) enterprises in which a substantial interest in the voting power is owned, directly or indirectly, by any person described in (iii) or (iv) above or over which such a person is able to exercise Significant Influence, including enterprises owned by our Directors or major shareholders and enterprises that have a member of key management in common with us. "Significant Influence" for purposes of the policy means the power to participate in the financial and operating policy decisions of an enterprise but is less than control over those policies, provided that shareholders beneficially owning a 10% or more interest in the voting power of the enterprise concerned are presumed to have a significant influence on such enterprise.

Pursuant to the policy, each executive director, nominee for the position of executive director and executive officer shall promptly notify the designated contact of any transaction involving us and a related person. The designated contact will present any new related person transactions, and proposed transactions involving related persons, to the Audit and Risk Committee of the Board at its next occurring regular meeting. If the Audit and Risk Committee determines that the related person involved has a direct or indirect material interest in the transaction, and there therefore that the transaction is a related party transaction, the Audit and Risk Committee shall consider all relevant facts and circumstances, including the commercial reasonableness of the terms, the benefit and perceived benefit, or lack thereof, to the Company, opportunity costs of alternate transactions, the materiality and character of the Related Person's direct or indirect interest, and the actual or apparent conflict of interest of the Related Person. The Audit and Risk Committee will not approve or ratify a Related Person Transaction unless it shall have determined that, upon consideration of all relevant information, the Transaction is in, or not inconsistent with, our best interests . On an annual basis, the Audit and Risk Committee shall review previously approved related person transactions, under the standard described above, to determine whether such transactions should continue. If after the review described above, the Audit and Risk Committee determines not to approve or ratify a related person transaction (whether such transaction is being reviewed for the first time or has previously been approved and is being reviewed), the transaction will not be entered into or continued.

Lease agreements with related parties

Lease agreement with Flóki Fasteignir ehf.

The Group entered into nineteen separate lease agreements with Flóki Fasteignir ehf. in 2025 for apartment buildings in Iceland. These facilities are used to provide temporary housing for international employees and specialized third-party contractors engaged to support the Group's global development, manufacturing, and regulatory activities. The remaining lease terms approximate 10 years, on average, as of 31 December 2025. Lease liabilities as of 31 December 2025 for the new leases amount to $7.6 million.

C. Interests of Experts and Counsel

Not applicable.

Item 8. Financial Information.

A. Consolidated Statements and Other Financial Information

Our consolidated financial statements are appended at the end of this Annual Report, starting at page F-1.

Dividend Distribution Policy

From the annual net profits of Alvotech, at least 5% shall each year be allocated to the reserve required by applicable laws (the "Legal Reserve"). That allocation to the Legal Reserve will cease to be required as soon and as long as the Legal Reserve amounts to 10% of the amount of the share capital of Alvotech. The legal reserve is not available for distribution.

We do not anticipate paying any cash dividends in the foreseeable future. We intend to retain all available funds and any future earnings to fund the development and expansion of our business and product candidates.

In accordance with the Luxembourg law of August 10, 1915, on commercial companies, as amended ("Luxembourg Company Law"), the general meeting of shareholders, by a simple majority vote and based on the recommendation of our board of directors, shall resolve how the remainder of the annual net profits, after allocation to the Legal Reserve, will be disposed of by allocating the whole or part of the remainder to a reserve or to a provision, by carrying it forward to the next following financial year or by distributing it, together with carried forward profits, distributable reserves or share premium to the shareholders, each Ordinary Share entitling to the same proportion in such distributions.

The board of directors may resolve that Alvotech pays out an interim dividend to the shareholders, subject to the conditions of article 461-3 of the Luxembourg Company Law and Alvotech's articles of association. The board of directors shall set the amount and the date of payment of the interim dividend.

Any share premium, assimilated premium or other distributable reserve may be freely distributed to the shareholders subject to the provisions of the Luxembourg Company Law and Alvotech's articles of association.

Distributions may be lawfully declared and paid only if our net profits and/or distributable reserves are sufficient under Luxembourg Company Law.

Thus, in case of a dividend payment, each shareholder is entitled to receive a dividend right pro rata according to his or her respective shareholding. The dividend entitlement lapses upon the expiration of a five-year prescription period from the date of the dividend distribution. The unclaimed dividends return to Alvotech's accounts. However, Alvotech does not anticipate paying cash dividends on our Ordinary shares in the foreseeable future.

A Luxembourg withholding tax of 15% is generally due on dividends and similar distributions made by us to our shareholders, unless a reduced treaty rate or the participation exemption applies. No withholding tax is levied on capital gains and liquidation proceeds

Legal Proceedings

From time to time, we may be involved in various claims and legal proceedings relating to claims arising out of our operations. See also *"Item 3. Key Information—D. Risk factors—Legal proceedings that carry risk may occur from time to time, and their outcome may be uncertain" and "Item 3. Key Information—D. Risk factors—Our Canadian partner, JAMP, is involved in legal proceedings adverse to AbbVie that may have an impact on our AVT02 product in Canada."* We are not currently a party to any legal proceedings that, in the opinion of our management, are likely to have a material adverse effect on our business. Regardless of outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors.

B. Significant Changes

Not applicable.

Item 9. The Offer and Listing.

A. Offer and Listing Details

Ordinary Shares and Warrants are listed on The Nasdaq Stock Market LLC under the symbols ALVO and ALVOW, respectively. Ordinary Shares are also listed on the Nasdaq Iceland Main Market under the ticker symbol "ALVO" since 8 December 2022, and, prior to that, on the Nasdaq First North Growth Market since 23 June 2022 until their admission to

trading to the Nasdaq Iceland Main Market. Prior to 15 June 2022, there was no public trading market for Alvotech's Ordinary Shares or Warrants.

In addition, SDRs representing Alvotech's Ordinary Shares have been listed on Nasdaq Stockholm since 19 May 2025, where they trade under the ticker symbol "ALVO SDB". This followed Nasdaq Stockholm's confirmation that Alvotech met all applicable listing requirements, and the Company's publication of a prospectus in connection with the offering of SDRs.

B. Plan of Distribution

Not applicable.

C. Markets

Ordinary Shares and Warrants are listed on The Nasdaq Stock Market LLC under the symbol "ALVO" and "ALVOW", respectively, since 16 June 2022. Ordinary Shares are also listed on the Nasdaq Iceland Main Market under the ticker symbol "ALVO" since 8 December 2022 and, prior to that, on the Nasdaq First North Growth Market since 23 June 2022 until their admission to trading to the Nasdaq Iceland Main Market.

In addition, SDRs representing Alvotech's Ordinary Shares have been listed on Nasdaq Stockholm since 19 May 2025, where they trade under the ticker symbol "ALVO SDB". This followed Nasdaq Stockholm's confirmation that Alvotech met all applicable listing requirements, and the Company's publication of a prospectus in connection with the offering of SDRs.

D. Selling Shareholders

Not applicable.

E. Dilution

Not applicable.

F. Expenses of the Issue

Not applicable.

Item 10. Additional Information.

A. Share Capital

Not applicable.

B. Memorandum and Articles of Association

A copy of our Amended and Restated Articles of Association is filed herewith as Exhibit and is incorporated by reference into this Annual Report.

The information set forth in Exhibit 1.1 is incorporated herein by reference. There are no limitations on the rights to own securities, including the rights of non-resident or foreign shareholders to hold or exercise voting rights on the securities imposed by the laws of Luxembourg or by our Articles.

C. Material Contracts

In addition to the contracts described elsewhere in this Annual Report, the following are summaries of each material contract to which we are a party for the two years preceding the date of this Annual Report. For additional information on our material contracts, please see "*Item 4. Information on the Company*," "*Item 6. Directors, Senior Management and Employees*," and "*Item 7.B Related Party Transactions*" of this Annual Report.

2022 Convertible Bonds

On December 20, 2022, we issued two tranches of convertible bonds; Tranche A was ISK denominated and tranche B was USD denominated (together, the "2022 Convertible Bonds"). In June 2024, holders of the majority of the 2022 Convertible Bonds elected to convert the principal and accrued interest into ordinary shares at the fixed conversion price of

$10.00 per share. On 1 July 2024, we issued 22,073,578 new ordinary shares to holders who elected to convert in exchange for the 2022 Convertible Bonds.

On June 26, 2024, we issued redemption notices to the holders of our 2022 Convertible Bonds that had not elected to convert their Convertible Bonds into ordinary shares. The holders opted to be redeemed in cash for an aggregate amount of $117.7 million that was paid on 11 July 2024.

2024 Secured Loan Facility (as amended)

In June 2024, we entered into a Secured Loan Facility, providing aggregate term-loan commitments of $965.0 million, initially structured in two tranches bearing interest at SOFR plus 6.5% and SOFR plus 10.5%, respectively, with a mix of cash-pay and payment-in-kind ("PIK") interest. In June 2025, we amended the Secured Loan Facility to consolidate both tranches into a single facility, eliminate the PIK interest feature, and set a uniform interest rate of SOFR plus 6.0%, payable entirely in cash.

In December 2025, the Secured Loan Facility was amended to, among other things, reflect the incurrence of the Senior Term Loan Facility (described below) and adjust certain covenants and mandatory-prepayment provisions. As of 31 December 2025, $1,031.6 million was outstanding under the Secured Loan Facility.

2025 Senior Term Loan Facility

On 31 December 2025, we entered into a $100 million Senior Term Loan Facility maturing on 31 December 2027. The loan bears a 12.50% fixed cash interest rate, payable monthly, and is repayable in a single bullet payment at maturity.

The facility contains customary negative covenants, mandatory prepayment requirements (including excess-cash-flow, asset-sale and insurance sweeps), a make-whole premium, and prepayment penalties. As of 31 December 2025, $96.7 million was outstanding under the facility.

2025 Convertible Bonds

On 22 December 2025, we issued $108 million of 2025 Convertible Bonds. The bonds were issued at par and bear interest at 6.875%, payable semi-annually.

Bondholders may convert their bonds into SDRs at an initial Conversion Price of $5.9224, subject to customary anti-dilution protections and a one-time reset if we complete qualifying equity raises of at least $50 million within 24 months of issuance. The Conversion feature is accounted for separately as a derivative financial liability, measured at fair value through profit or loss.

The bonds also include change-of-control, free-float, and delisting investor puts, and issuer tax and clean-up calls, on customary terms.

As of 31 December 2025, $68.4 million was outstanding on the Convertible Bonds and the conversion option had a fair value of $38.7 million.

D. Exchange Controls

There are no foreign exchange controls or foreign exchange regulations under the currently applicable laws of the Grand Duchy of Luxembourg.

E. Taxation

Material Luxembourg Tax Considerations

Tax Residency

A holder of Ordinary Shares or Warrants will not become resident, nor be deemed to be resident, in Luxembourg solely by virtue of holding and/or disposing of Ordinary Shares or Warrants or the execution, performance, delivery and/or enforcement of his or her rights thereunder.

Income Tax

For the purposes of this section, a "disposal" may include a sale, an exchange, a contribution, a redemption and any other kind of alienation of Ordinary Shares or Warrants.

Luxembourg Non-Residents

Non-resident holders of Ordinary Shares or Warrants, who have neither a permanent establishment nor a permanent representative in Luxembourg to which or whom Ordinary Shares or Warrants are attributable, are not liable to any Luxembourg income tax, whether they receive payments of dividends or realize capital gains on the disposal of Ordinary Shares or Warrants, except with respect to capital gains realized on a substantial participation before the acquisition or within the first six months of the acquisition thereof, or where the non-resident holder has been a former Luxembourg resident for more than 15 years and has become a non-resident, at the time of transfer, less than five years ago, that are subject to income tax in Luxembourg at ordinary rates (subject to the provisions of any relevant double tax treaty).

Non-resident holders of Ordinary Shares or Warrants having a permanent establishment or a permanent representative in Luxembourg to which or whom Ordinary Shares or Warrants are attributable, must include any income received, as well as any gain realized on the disposal of Ordinary Shares or Warrants, in their taxable income for Luxembourg tax assessment purposes, unless the conditions of the participation exemption regime, as described below, are satisfied. If the conditions of the participation exemption regime are not fulfilled, 50% of the gross amount of dividends received by a Luxembourg permanent establishment or permanent representative are however exempt from income tax. Taxable gains are determined as being the difference between the price for which Ordinary Shares have been disposed of and the lower of their cost or book value.

Under the participation exemption regime (subject to the relevant anti-abuse rules), dividends derived from Ordinary Shares may be exempt from income tax if cumulatively (i) Ordinary Shares are attributable to a qualified permanent establishment ("Qualified Permanent Establishment") and (ii) at the time the dividend is put at the disposal of the Qualified Permanent Establishment, it holds or commits itself to hold for an uninterrupted period of at least 12 months Ordinary Shares or Warrants representing either (a) a direct participation in the share capital of Alvotech of at least 10% or (b) a direct participation of an acquisition price of at least €1.2 million. A Qualified Permanent Establishment means (a) a Luxembourg permanent establishment of a company covered by Article 2 of the Parent-Subsidiary Directive, (b) a Luxembourg permanent establishment of a capital company (*société de capitaux*) resident in a State having a double tax treaty with Luxembourg and (c) a Luxembourg permanent establishment of a capital company (*société de capitaux*) or a cooperative company (*société coopérative*) resident in an EEA country other than an EU Member State. Liquidation proceeds are assimilated to a received dividend and may be exempt under the same conditions. Ordinary Shares held through a tax transparent entity are considered as being a direct participation proportionally to the percentage held in the net assets of the transparent entity.

Under the participation exemption regime (subject to the relevant anti-abuse rules), capital gains realized on Ordinary Shares or Warrants may be exempt from income tax (save for the recapture rules) if cumulatively (i) Ordinary Shares or Warrants are attributable to a Qualified Permanent Establishment and (ii) at the time the capital gain is realized, the Qualified Permanent Establishment holds or commits itself to hold for an uninterrupted period of at least 12 months Ordinary Shares or Warrants representing either (a) a direct participation in the share capital of Alvotech of at least 10% or (b) a direct participation of an acquisition price of at least €6 million.

Net Worth Tax

A Luxembourg resident as well as a non-resident who has a permanent establishment or a permanent representative in Luxembourg to which Ordinary Shares or Warrants are attributable, are subject to Luxembourg NWT (subject to the application of the participation exemption regime) on such Ordinary Shares or Warrants, except if the holder of Ordinary Shares or Warrants is (i) a resident or non-resident individual taxpayer, (ii) a securitization company governed by the amended law of 22 March 2004 on securitization, (iii) a company governed by the amended law of 15 June 2004 on venture capital vehicles, (iv) a professional pension institution governed by the amended law of 13 July 2005, (v) a specialized investment fund governed by the amended law of 13 February 2007, (vi) a family wealth management company governed by the law of 11 May 2007, (vii) an undertaking for collective investment governed by the amended law of 17 December 2010 or (viii) a reserved alternative investment fund governed by the amended law of 23 July 2016.

However, (i) a securitization company governed by the amended law of 22 March 2004 on securitization, (ii) a company governed by the amended law of 15 June 2004 on venture capital vehicles (iii) a professional pension institution governed by the amended law dated 13 July 2005 and (iv) an opaque reserved alternative investment fund treated as a venture capital vehicle for Luxembourg tax purposes and governed by the amended law of 23 July 2016 remain subject to the minimum NWT.

Other Taxes

Under current Luxembourg tax laws, no registration tax or similar tax is in principle payable by the holder of Ordinary Shares or Warrants upon the acquisition, holding or disposal of Ordinary Shares or Warrants. However, a fixed or *ad valorem* registration duty may be due upon the registration of Ordinary Shares or Warrants in Luxembourg in the case where Ordinary Shares or Warrants are physically attached to a public deed or to any other document subject to mandatory registration, as well as in the case of a registration of Ordinary Shares or Warrants on a voluntary basis.

No inheritance tax is levied on the transfer of Ordinary Shares or Warrants upon death of a holder in cases where the deceased was not a resident of Luxembourg for inheritance tax purposes at the time of his death.

Gift tax may be due on a gift or donation of Ordinary Shares or Warrants if the gift is recorded in a Luxembourg notarial deed or otherwise registered in Luxembourg.

Material U.S. Federal Income Tax Considerations for U.S. Holders

The following is a discussion of certain material U.S. federal income tax considerations generally applicable to the acquisition, ownership, and disposition of Ordinary Shares by a "U.S. Holder." This discussion applies only to Ordinary Shares that are held by a U.S. Holder as "capital assets" within the meaning of Section 1221 of the Code (generally, property held for investment). This discussion does not describe all U.S. federal income tax considerations that may be relevant to a U.S. Holder in light of such U.S. Holder's particular circumstances, nor does it address any state, local, or non-U.S. tax considerations, any non-income tax (such as gift or estate tax) considerations, the alternative minimum tax, the special tax accounting rules under Section 451(b) of the Code, the Medicare contribution tax on net investment income, or any tax consequences that may be relevant to U.S. Holders that are subject to special tax rules, including, without limitation:

- Mutual funds, insurance companies, banks or other financial institutions;
- pension or retirement plans;
- broker or dealers in securities or currencies and traders in securities that elect mark-to-market treatment;
- regulated investment companies or real estate investment trusts;
- trusts or estates;
- tax-exempt organizations (including private foundations);
- persons that hold Ordinary Shares as part of a "straddle," "hedge," "conversion," "synthetic security," "constructive sale," or other integrated transaction for U.S. federal income tax purposes;
- persons that have a functional currency other than the U.S. dollar;
- certain U.S. expatriates or former long-term residents of the United States;
- persons owning (directly, indirectly, or constructively) 5% (by vote or value) or more of our stock;
- persons that acquired Ordinary Shares pursuant to an exercise of employee stock options or otherwise as compensation;
- S corporations partnerships or other entities or arrangements treated as pass-through entities for U.S. federal income tax purposes and investors in such entities;
- "controlled foreign corporations" within the meaning of Section 957(a) of the Code;
- "passive foreign investment companies" within the meaning of Section 1297(a) of the Code; and
- corporations that accumulate earnings to avoid U.S. federal income tax.

If a partnership (including an entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds Ordinary Shares, the tax treatment of a partner in such partnership generally will depend on the status of the partner and the activities of the partnership and the partner. Partnerships holding Ordinary Shares should consult their tax advisors regarding the tax consequences in their particular circumstances.

This discussion is based on the Code, the U.S. Treasury regulations promulgated thereunder, administrative rulings, and judicial decisions, all as currently in effect and all of which are subject to change or differing interpretation, possibly with retroactive effect. Any such change or differing interpretation could alter the tax consequences described herein.

Furthermore, there can be no assurance that the Internal Revenue Service (the "IRS") will not challenge the tax considerations described herein and that a court will not sustain such challenge.

For purposes of this discussion, a "U.S. Holder" is a beneficial owner of Ordinary Shares, that is, for U.S. federal income tax purposes:

- an individual who is a U.S. citizen or resident of the United States;
- a corporation (including an entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof, or the District of Columbia;
- an estate the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust (i) if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more "United States persons" within the meaning of Section 7701(a)(30) of the Code have the authority to control all substantial decisions of the trust or (B) that has in effect a valid election under applicable U.S. Treasury regulations to be treated as a United States person.

THIS DISCUSSION IS FOR GENERAL INFORMATIONAL PURPOSES ONLY AND IS NOT TAX ADVICE. U.S. HOLDERS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE TAX CONSEQUENCES OF THE ACQUISTION, OWNERSHIP, AND DISPOSITION OF ORDINARY SHARES IN THEIR PARTICULAR CIRCUMSTANCES.

Distributions on Ordinary Shares

Subject to the PFIC rules discussed below under "*—Passive Foreign Investment Company Rules*," distributions on Ordinary Shares generally will be taxable as a dividend for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Such distributions in excess of our current and accumulated earnings and profits will constitute a return of capital that will be applied against and reduce (but not below zero) the applicable U.S. Holder's adjusted tax basis in its Ordinary Shares. Any remaining excess will be treated as gain realized on the sale or other taxable disposition of Ordinary Shares and will be treated as described below under "*—Sale or Other Taxable Disposition of Ordinary Shares.*" The amount of any such distributions will include any amounts required to be withheld by us (or another applicable withholding agent) in respect of any non-U.S. taxes. Any such amount treated as a dividend will be treated as foreign-source dividend income. Any such dividends received by a corporate U.S. Holder generally will not qualify for the dividends-received deduction generally allowed to U.S. corporations in respect of dividends received from other U.S. corporations. With respect to non-corporate U.S. Holders, any such dividends generally will be taxed at currently preferential long-term capital gains rates only if (i) Ordinary Shares are readily tradable on an established securities market in the United States or we are eligible for benefits under an applicable tax treaty with the United States, (ii) we are not treated as a PFIC with respect to the applicable U.S. Holder at the time the dividend was paid or in the preceding year, and (iii) certain holding period and other requirements are met. Any such dividends paid in a currency other than the U.S. dollar generally will be the U.S. dollar amount calculated by reference to the exchange rate in effect on the date of actual or constructive receipt, regardless of whether the payment is in fact converted into U.S. dollars at that time. A U.S. Holder may have foreign currency gain or loss if the dividend is converted into U.S. dollars after the date of actual or constructive receipt.

Taxing jurisdictions other than the United States may withhold taxes from distributions on Ordinary Shares, and a U.S. Holder may be eligible for a reduced rate of withholding to the extent there is an applicable tax treaty between the applicable taxing jurisdiction and the United States and/or may be eligible for a foreign tax credit against the U.S. Holder's U.S. federal income tax liability. U.S. Treasury regulations may in some circumstances prohibit a U.S. Holder from claiming a foreign tax credit with respect to certain foreign taxes that are not creditable under applicable tax treaties. In lieu of claiming a foreign tax credit, a U.S. Holder may, at such U.S. Holder's election, deduct foreign taxes in computing such U.S. Holder's taxable income, subject to generally applicable limitations under U.S. tax law. An election to deduct foreign taxes in lieu of claiming a foreign tax credit applies to all foreign taxes paid or accrued in the taxable year in which such election is made. The foreign tax credit rules are complex and U.S. Holders should consult their tax advisers regarding the application of such rules, including the creditability of foreign taxes, in their particular circumstances.

Sale or Other Taxable Disposition of Ordinary Shares

Subject to the PFIC rules discussed below under "*—Passive Foreign Investment Company Rules*," upon any sale or other taxable disposition of Ordinary Shares, a U.S. Holder generally will recognize gain or loss in an amount equal to the difference, if any, between (i) the sum of (A) the amount of cash and (B) the fair market value of any other property received in such sale or disposition and (ii) the U.S. Holder's adjusted tax basis in the Ordinary Shares. Any such gain or

loss generally will be capital gain or loss and will be long-term capital gain or loss if the U.S. Holder's holding period for such Ordinary Shares exceeds one year. Long-term capital gain recognized by non-corporate U.S. Holders generally will be taxed at currently preferential long-term capital gains rates. The deductibility of capital losses is subject to limitations. For foreign tax credit purposes, any such gain or loss generally will be treated as U.S. source gain or loss.

If the consideration received by a U.S. Holder upon a sale or other taxable disposition of Ordinary Shares is not paid in U.S. dollars, the amount realized will be the U.S. dollar value of such payment calculated by reference to the exchange rate in effect on the date of such sale or disposition. A U.S. Holder may have foreign currency gain or loss to the extent of the difference, if any, between (i) the U.S. dollar value of such payment on the date of such sale or disposition and (ii) the U.S. dollar value of such payment calculated by reference to the exchange rate in effect on the date of settlement.

U.S. Holders should consult their tax advisors regarding the tax consequences of a sale or other taxable disposition of Ordinary Shares, including the creditability of foreign taxes imposed on such sale or disposition by a taxing jurisdiction other than the United States, in their particular circumstances.

Passive Foreign Investment Company Rules

The U.S. federal income tax treatment of U.S. Holders could be materially different from that described above if we are treated as a PFIC for U.S. federal income tax purposes. A non-U.S. corporation generally will be treated as a PFIC for U.S. federal income tax purposes if either (i) at least 75% of its gross income in a taxable year, including its pro rata share of the gross income of any corporation in which it is considered to own at least 25% of the shares by value, is passive income or (ii) at least 50% of its assets in a taxable year (ordinarily determined based on fair market value and averaged quarterly over the year), including its pro rata share of the assets of any corporation in which it is considered to own at least 25% of the shares by value, are held for the production of, or produce, passive income. Passive income generally includes dividends, interest, rents and royalties (other than rents or royalties derived from the active conduct of a trade or business), and gains from the disposition of passive assets.

Based on our analysis of our income, assets, activities and market capitalization, we believe that we were not treated as a PFIC for our taxable year, ended 31 December 2025. However, the determination of whether a non-U.S. corporation is a PFIC is a fact-intensive determination made on an annual basis and the applicable law is subject to varying interpretation. In particular, the characterization of our assets as active or passive may depend in part on our current and intended future business plans, which are subject to change. In addition, the total value of our assets for PFIC testing purposes may be determined in part by reference to the market price of Ordinary Shares from time to time, which may fluctuate considerably. As a result, there can be no assurance with respect to our status as a PFIC for any taxable year, and our U.S. counsel expresses no opinion with respect to our PFIC status for any taxable year.

Although PFIC status is generally determined annually, if we are determined to be a PFIC for any taxable year (or portion thereof) that is included in the holding period of a U.S. Holder in its Ordinary Shares and the U.S. Holder did not make either a mark-to-market election or a qualifying electing fund ("QEF") election or, which are referred to collectively as the "PFIC Elections" for purposes of this discussion, for the first taxable year in which we are treated as a PFIC, and in which the U.S. Holder held (or was deemed to hold) Ordinary Shares, or the U.S. Holder does not otherwise make a purging election, as described below, the U.S. Holder generally will be subject to special and adverse rules with respect to (i) any gain recognized by the U.S. Holder on the sale or other taxable disposition of its Ordinary Shares and (ii) any "excess distribution" made to the U.S. Holder (generally, any distributions to the U.S. Holder during a taxable year of the U.S. Holder that are greater than 125% of the average annual distributions received by the U.S. Holder in respect of its Ordinary Shares during the three preceding taxable years of the U.S. Holder or, if shorter, the U.S. Holder's holding period in its Ordinary Shares).

Under these rules:

- the U.S. Holder's gain or excess distribution will be allocated ratably over the U.S. Holder's holding period in its Ordinary Shares;
- the amount allocated to the U.S. Holder's taxable year in which the U.S. Holder recognized the gain or received the excess distribution, and to any period in the U.S. Holder's holding period before the first day of the first taxable year in which we are treated as a PFIC, will be taxed as ordinary income;
- the amount allocated to other taxable years (or portions thereof) of the U.S. Holder and included in the U.S. Holder's holding period will be taxed at the highest tax rate in effect for that year and applicable to the U.S. Holder; and

- an additional tax equal to the interest charge generally applicable to underpayments of tax will be imposed on the U.S. Holder with respect to the tax attributable to each such other taxable year of the U.S. Holder.

PFIC Elections

If we are treated as a PFIC and Ordinary Shares constitute "marketable stock," a U.S. Holder may avoid the adverse PFIC tax consequences discussed above if such U.S. Holder makes a mark-to-market election with respect to its Ordinary Shares for the first taxable year in which the U.S. Holder holds (or is deemed to hold) Ordinary Shares and each subsequent taxable year. Such U.S. Holder generally will include for each of its taxable years as ordinary income the excess, if any, of the fair market value of its Ordinary Shares at the end of such year over its adjusted tax basis in its Ordinary Shares. The U.S. Holder also will recognize an ordinary loss in respect of the excess, if any, of its adjusted tax basis in its Ordinary Shares over the fair market value of its Ordinary Shares at the end of its taxable year (but only to the extent of the net amount of previously included income as a result of the mark-to-market election). The U.S. Holder's adjusted tax basis in its Ordinary Shares will be adjusted to reflect any such income or loss amounts, and any further gain recognized on a sale or other taxable disposition of its Ordinary Shares will be treated as ordinary income.

The mark-to-market election is available only for "marketable stock," generally, stock that is regularly traded on a national securities exchange that is registered with the Securities and Exchange Commission, including the Nasdaq (on which Ordinary Shares are currently listed), or on a foreign exchange or market that the IRS determines has rules sufficient to ensure that the market price represents a legitimate and sound fair market value. As such, such election generally will not apply to any of our non-U.S. subsidiaries. As such, U.S. Holders may continue to be subject to the adverse PFIC tax consequences discussed above with respect to any lower-tier PFICs, as discussed below, notwithstanding their mark-to-market election.

If made, a mark-to-market election would be effective for the taxable year for which the election was made and for all subsequent taxable years unless Ordinary Shares cease to qualify as "marketable stock" for purposes of the PFIC rules or the IRS consents to the revocation of the election. U.S. Holders should consult their tax advisors regarding the availability and tax consequences of a mark-to-market election with respect to Ordinary Shares in their particular circumstances.

The tax consequences that would apply if we were a PFIC and a U.S. Holder made a valid QEF election would also be different from the adverse PFIC tax consequences described above. In order to comply with the requirements of a QEF election, however, a U.S. Holder generally must receive a PFIC Annual Information Statement from us. If we are determined to be a PFIC for any taxable year, we do not currently intend to provide the information necessary for U.S. Holders to make or maintain a QEF election. As such, U.S. Holders should assume that a QEF election will not be available with respect to Ordinary Shares.

If we are treated as a PFIC and a U.S. Holder failed or was unable to timely make a PFIC Election for prior periods, the U.S. Holder might seek to make a purging election to rid its Ordinary Shares of the PFIC taint. Under the purging election, the U.S. Holder will be deemed to have sold its Ordinary Shares at their fair market value and any gain recognized on such deemed sale will be treated as an excess distribution, as described above. As a result of the purging election, the U.S. Holder will have a new adjusted tax basis and holding period in Ordinary Shares solely for purposes of the PFIC rules.

Related PFIC Rules

If we are treated as a PFIC and, at any time, has a non-U.S. subsidiary that is treated as a PFIC, a U.S. Holder generally would be deemed to own a proportionate amount of the shares of such lower-tier PFIC, and generally could incur liability for the deferred tax and interest charge described above if we receive a distribution from, or sell or otherwise dispose of all or part of our interest in, such lower-tier PFIC, or the U.S. Holder otherwise was deemed to have sold or otherwise disposed of an interest in such lower-tier PFIC. U.S. Holders should consult their tax advisors regarding the application of the lower-tier PFIC rules in their particular circumstances.

A U.S. Holder that owns (or is deemed to own) shares in a PFIC during any taxable year, may have to file an IRS Form 8621 (whether or not a QEF election or a mark-to-market election is made) and to provide such other information as may be required by the U.S. Treasury Department. Failure to do so, if required, will extend the statute of limitations applicable to such U.S. Holder until such required information is furnished to the IRS and could result in penalties

THE PFIC RULES ARE VERY COMPLEX AND U.S. HOLDERS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE APPLICATION OF SUCH RULES IN THEIR PARTICULAR CIRCUMSTANCES.

Information Reporting and Backup Withholding

Payments of dividends and sales proceeds that are made within the United States or through certain U.S.-related financial intermediaries are subject to information reporting, and may be subject to backup withholding, unless (i) the U.S. Holder is a corporation or other exempt recipient or (ii) in the case of backup withholding, the U.S. Holder provides a correct taxpayer identification number and certifies that it is not subject to backup withholding.

Backup withholding is not an additional tax. The amount of any backup withholding from a payment to a U.S. Holder will be allowed as a credit against the U.S. Holder's U.S. federal income tax liability and may entitle the U.S. Holder to a refund, provided that the required information is timely furnished to the IRS.

U.S. Holders should consult their tax advisors regarding the information reporting requirements and the application of the backup withholding rules in their particular circumstances.

THIS DISCUSSION IS FOR GENERAL INFORMATIONAL PURPOSES ONLY AND IS NOT TAX ADVICE. U.S. HOLDERS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE U.S. FEDERAL, STATE, AND LOCAL AND NON-U.S. INCOME AND NON-INCOME TAX CONSEQUENCES OF THE ACQUISITION, OWNERSHIP, AND DISPOSITION OF ORDINARY SHARES, INCLUDING THE IMPACT OF ANY POTENTIAL CHANGE IN LAW, IN THEIR PARTICULAR CIRCUMSTANCES.

F. Dividends and Paying Agents

Not applicable.

G. Statement by Experts

Not applicable.

H. Documents on Display

We are subject to the information reporting requirements of the Exchange Act applicable to foreign private issuers and under those requirements will file reports with the SEC. Those reports may be inspected without charge at the locations described below. As a foreign private issuer, we are exempt from the rules under the Exchange Act related to the furnishing and content of proxy statements, and our officers, directors and principal shareholders are exempt from the reporting and short-swing profit recovery provisions contained in Section 16 of the Exchange Act.

In addition, we are not required under the Exchange Act to file periodic reports and financial statements with the SEC as frequently or as promptly as United States companies whose securities are registered under the Exchange Act. Nevertheless, we will file with the SEC an Annual Report on Form 20-F containing financial statements that have been examined and reported on, with and opinion expressed by an independent registered public accounting firm.

We maintain a corporate website at www.alvotech.com. We intend to post our Annual Report on our website promptly following it being filed with the SEC. Information contained on, or that can be accessed through, our website does not constitute a part of this Annual Report. We have included our website address in this Annual Report solely as an inactive textual reference.

The Securities and Exchange Commission maintains a website (www.sec.gov) that contains reports, proxy and information statements and other information regarding registrants, such as us, that file electronically with the SEC.

With respect to references made in this Annual Report to any contract or other document of our Company, such references are not necessarily complete, and you should refer to the exhibits attached or incorporated by reference to this Annual Report for copies of the actual contract or document.

I. Subsidiary Information

Not applicable.

J. Annual Report to Security Holders

We intend to submit any annual report provided to security holders in electronic format as an exhibit to a current report on Form 6-K.

Item 11. Quantitative and Qualitative Disclosures About Market Risk.

We are exposed to market risks that may result in changes in foreign currency exchange rates and interest rates, as well as the overall change in economic conditions in the countries where we conduct business. As of 31 December 2025 and 31 December 2024, we had cash and cash equivalents of $172.4 million and $51.4 million, respectively, excluding restricted cash. Our cash and cash equivalents include both cash in banks and cash on hand. Additional information regarding the Group's management of financial risks relating to its operations can be found in Note 27 of the audited consolidated financial statements, included elsewhere in this Form 20-F.

Foreign currency exchange risk

We are subject to foreign exchange risk in our operations, as some of our financial assets and financial liabilities are denominated in currencies other than the functional currency of our subsidiaries. Any strengthening or weakening of our significant foreign currencies against the USD could impact the measurement of financial instruments in a foreign currency and affect equity. Our significant asset and liabilities denominated in foreign currencies as of 31 December 2025 and 31 December 2024 are denominated in EUR, GBP, ISK, CHF, and SEK. We analyze at the end of each quarter the sensitivity to foreign currency exchange changes. Specifically, we have performed an analysis to understand the impact of an increase or decrease of a 10% strengthening or weakening of each significant foreign currency, keeping all other variables consistent, as of 31 December 2025. Through this analysis, we note that the only foreign currency that had a material impact was ISK, while all other currencies did not significantly fluctuate. Refer to Note 27 of the consolidated financial statements included elsewhere in this Annual Report on Form 20-F for further information.

Interest rate risk

Our interest-bearing investments and borrowings are subject to interest rate risk. Our exposure to the risk of fluctuations in market interest rates primarily relates to the borrowings and the cash in banks that is denominated with floating interest rates. We analyze at the end of each year the sensitivity to interest rate changes. Specifically, we have performed an analysis to understand the impact of an increase or decrease of a one hundred basis point on the interest rates, keeping all other variables consistent, as of 31 December 2025. Holding other variables constant, including the total amount of outstanding indebtedness, a 100-basis-point increase in interest rates on our variable-rate financial instruments would cause an estimated increase in loss before taxes of approximately $9.9 million based on the amounts outstanding as of 31 December 2025.

Credit risk

We are exposed to credit risk from our operating activities, primarily trade receivables, and cash, cash equivalents and deposits held with banks and financial institutions. Cash, cash equivalents and deposits are maintained with high-quality financial institutions in Iceland, Europe and United States. We are also potentially subject to concentrations of credit risk in our trade receivables. Concentrations of credit risk are with respect to trade receivables owed by a limited number of companies comprising our customer base. Our exposure to credit losses is low, however, owing largely to the credit quality of our collaboration partners which are significantly larger than us.

We continually monitor our positions with, and the credit quality of, the financial institutions and corporations, which are counterparts to our financial instruments and do not anticipate non-performance. The maximum default risk corresponds to the carrying amount of the financial assets shown in the statement of financial position. We monitor the risk of a liquidity shortage. The main factors considered here are the maturities of financial assets as well as expected cash flows from equity measures.

Liquidity Risk

Please see Item 5.B and risk factors, including "*We may be unable to generate sufficient cash flow to satisfy our significant debt service obligations, which would adversely affect our financial condition and results of operations.*" of this Annual Report.

Inflation Risk

We believe that inflation will have a general impact on our business in line with overall price increases, increases in the cost of borrowing, and operating in an inflationary economy. We cannot predict the timing, strength, or duration of any inflationary period or economic slowdown or its ultimate impact on the Company. If the conditions in the general economy significantly deviate from present levels and continue to deteriorate it could have a material adverse effect on the Group's business, financial condition, results of operations and growth prospects.

Interim Periods

Not applicable.

Safe Harbor

This Annual Report contains forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act and as defined in the Private Securities Litigation Reform Act of 1995. See "*Special Note Regarding Forward-Looking Statements".*

Item 12. Description of Securities Other than Equity Securities.

A. Debt Securities

Not applicable.

B. Warrants and Rights

Not applicable.

C. Other Securities

Not applicable.

D. American Depositary Shares

Not applicable.

PART II

Item 13. Defaults, Dividend Arrearages and Delinquencies.

Not applicable.

Item 14. Material Modifications to the Rights of Security Holders and Use of Proceeds.

A. Not applicable.

B. Not applicable.

C. Not applicable.

D. Not applicable.

E. Use of Proceeds.

Not applicable.

Item 15. Controls and Procedures.

A. Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as that term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) that are designed to ensure that information required to be disclosed in the Company's reports under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosures. Any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of 31 December 2025.

Based on the material weaknesses described below, our Chief Executive Officer and our Chief Financial Officer have concluded that, as of 31 December 2025, our disclosure controls and procedures were not effective. After giving full consideration to these material weaknesses, and the additional analyses and other procedures that we performed to ensure that our consolidated financial statements included in this Annual Report on Form 20-F were prepared in accordance with IFRS, our management has concluded that our consolidated financial statements present fairly, in all material respects, our financial position, results of operations and cash flows for the periods disclosed in conformity with IFRS.

Previously Disclosed Material Weaknesses

As previously disclosed in our Form 20-F for the year ended 31 December 2024, we identified material weaknesses in our internal control over financial reporting ("ICFR") across four of the components of the COSO framework (control environment, control activities, information and communication, and monitoring activities) at the entity level and accordingly, across our business and IT processes.

During the fiscal year ended 31 December 2025, we implemented a comprehensive remediation program to strengthen our internal controls over financial reporting and continued taking steps to execute our remediation plan.

We believe our remediation measures address the monitoring activities component material weakness and have concluded it to be fully remediated as of 31 December 2025. We have also made significant progress towards remediating the other components of the COSO framework and material weaknesses previously identified as described below. This includes remediating certain ITGCs, including monitoring of service organisations for information systems and firefighter access aspects of user access controls.

B. Management's Annual Report on Internal Control Over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act and for the assessment of the effectiveness of our internal control over financial reporting.

Our internal control system was designed to provide reasonable assurance to our management and board of directors regarding the reliability of financial reporting and the preparation and fair presentation of published financial statements for external purposes in accordance with IFRS Accounting Standards as issued by the IASB. Because of its inherent limitations, internal control over financial reporting, no matter how well designed, cannot provide absolute assurance of achieving financial reporting objectives and may not prevent or detect misstatements. Therefore, even if the internal control over financial reporting is determined to be effective it can provide only reasonable assurance with respect to financial statement preparation and presentation. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management has assessed the effectiveness of our internal control over financial reporting as of 31 December 2025 using criteria described in the Internal Control-Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on its assessment, management concluded that our internal control over financial reporting was not effective due to the identified material weaknesses in internal control over financial reporting as described below.

ILS Holding AG, together with its subsidiaries Ivers-Lee AG in Switzerland and IL-CSM Clinical Supplies Management GmbH in Germany (together, "Ivers-Lee") which we acquired on 8. July 2025, has been excluded from management's assessment of ICFR as of 31.12.2025. This exclusion is permitted under SEC rules for newly acquired businesses during the first year of integration. Ivers-Lee represented approximately 3.5% of total assets and 0.95% of total revenues of Alvotech as of and for the year ended 31 December 2025.

Identified Material Weaknesses

Although the measures described in Item 15.A were implemented during the year ended 31 December 2025, we did not remediate all the previously identified material weaknesses related to deficiencies in the design and operating effectiveness of controls across certain components of the COSO Internal Control—Integrated Framework (i) control environment, (ii) control activities, and (iii) information and communication.

As of 31 December 2025, the Company identified the following material weaknesses that is a continuation of identified material weaknesses as of 31 December 2024 except for the partial remediation of certain ITGCs as described above:

- The Company did not have a sufficient number of trained professionals with an appropriate level of internal control knowledge, training and experience.
- The Company did not consistently implement and operate all controls, specifically related to timely and consistent execution, adequate review procedures, and maintaining documentation to evidence control performance, including assessing the accuracy and completeness of information used in the execution of controls.
- The Company did not implement effective controls over the segregation of duties, including user access for information systems that are relevant to the preparation of our financial statements.

Additionally, previously identified material weaknesses have not been fully remediated, which gave rise to the following material weakness in business process controls as of 31 December 2025:

- We did not maintain effective internal controls over the deferred tax asset process.

Remediation Activities

During 2025, the Company continued executing its multi-year remediation plan to strengthen its internal control environment. These efforts included expanding the internal control function, enhancing training of control owners, improving control documentation, strengthening review procedures, and increased ongoing monitoring activities. As a result of these remediation efforts, significant progress has been made reflected in the number of identified control deficiencies that has decreased meaningfully during the year. Primarily controls within inventory and payroll processes require additional attention and time to remediate.

The Company also continued to perform remediation activities related to segregation of duties and ITGCs through enhancements to access governance, password configuration standards, change management and oversight of service organizations supporting systems relevant to financial reporting. For service organizations that did not have appropriate coverage from a SOC 1 Type 2 or equivalent report, management implemented controls or performed alternative monitoring procedures to provide comfort that the relevant financial reporting risks were sufficiently mitigated. These remediation actions coupled with mitigating controls and procedures that validated that existing open conflicts had not been exploited during the year ended 31 December 2025.

Management will continue to focus on reinforcing timely and consistent execution of period end controls, including enhanced planning and monitoring through enhanced quarter end calendars, automated reminders and escalation protocols within the ICFR compliance tool. Management will prioritize and complete segregation of duties, sensitive/ elevated access cleanup in early 2026. In addition, management will continue to conduct training, as deemed appropriate, around control documentation requirements, including proper evaluation of completeness and accuracy of information used in controls and adequate review procedures with a focus on the inventory and HR processes.

Management has developed a formalized plan for FY26 to monitor these controls across all quarters of identified process areas to support the requirement for sustained, timely execution. This plan includes but is not limited to the following: (i) continue training control owners to reaffirm expectations as it relates to the control design and execution of such controls, including enhancements to the documentation to evidence execution of the controls, (ii) developing systematic approach for continued ongoing monitoring and testing of our internal controls, including periodic reviews for all the processes to assess the design and effectiveness of the controls and make necessary adjustments. The Company will continue to engage outside consultants to assist in evaluating our internal controls, develop remediation plans to address control deficiencies identified, and actively measure compliance and remediation progress through a quarterly review process, and (iii) continue focusing on consistent and timely control execution, adequate review procedures, and improving control documentation, including the accuracy and completeness of information used in the performance of controls.

C. Attestation Report of the Registered Public Accounting Firm

The effectiveness of our internal control over financial reporting as of 31 December 2025, has been audited by Deloitte ehf., an independent registered public accounting firm. Deloitte ehf. has issued an adverse opinion on the Company's effectiveness of our internal control over financial reporting as stated in their report which is included below.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of Alvotech

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Alvotech and subsidiaries (the “Company”) as of December 31, 2025, based on criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, because of the effect of the material weaknesses identified below on the achievement of the objectives of the control criteria, the Company has not maintained effective internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control — Integrated Framework (2013) issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2025, of the Company and our report dated March 30, 2026, expressed an unqualified opinion on those financial statements.

As described in Management’s Annual Report on Internal Control Over Financial Reporting, management excluded from its assessment the internal control over financial reporting at ILS Holding AG, together with its subsidiaries Ivers - Lee AG in Switzerland and IL - CSM Clinical Supplies Management GmbH in Germany (collectively, “Ivers - Lee”), which was acquired on July 8, 2025, and whose financial statements constitute 3.5% of total assets and 0.95% of revenues, of the consolidated financial statement amounts as of and for the year ended December 31, 2025. Accordingly, our audit did not include the internal control over financial reporting at Ivers-Lee

Basis for Opinion

The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management’s Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control

based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Material Weaknesses

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis. The following material weaknesses have been identified and included in management's assessment:

The Company did not maintain controls to execute the criteria established in the COSO Framework for the following components of internal control: (i) control environment, (ii) control activities, and (iii) information and communication, including as follows:

a. the Company did not have a sufficient number of trained professionals with an appropriate level of internal control knowledge, training and experience;
b. the Company did not consistently implement and operate all controls, specifically related to timely and consistent execution, adequate review procedures, and maintaining documentation to evidence control performance, including assessing the accuracy and completeness of information used in the execution of controls;
c. the Company did not implement effective controls over the segregation of duties, including user access for information systems that are relevant to the preparation of our financial statements; and
d. the Company did not maintain effective internal controls over the deferred tax asset process.

These material weaknesses were considered in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements as of and for the year ended December 31, 2025, of the Company, and this report does not affect our report on such financial statements.

/s/ Deloitte ehf.

Kópavogur, Iceland

March 30, 2026

D. Changes in Internal Control Over Financial Reporting

Except as described above in "*Item 15.A Disclosure Controls and Procedures*" and "*Item 15.B Management's Annual Report on Internal Control Over Financial Reporting*", there were no other changes in our internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) that occurred during the period covered by this Annual Report that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Item 16. [Reserved]

Item 16A. Audit Committee Financial Expert

Our Board has determined that Mr. Pálsson (Chair), Ms. Merchant, and Mr. Davies each qualify as an "audit committee financial expert" as defined by SEC rules and have the requisite financial sophistication under the applicable

rules and regulations of the Nasdaq Stock Market. Mr. Pálsson (Chair), Ms. Merchant, and Mr. Davies are independent as such term is defined in Rule 10A-3 under the Exchange Act and under the listing standards of the Nasdaq Stock Market.

Item 16B. Code of Ethics

Alvotech's board of directors adopted a Code of Business Conduct applicable to the directors, executive officers and other team members that complies with the rules and regulations of Nasdaq, and Nasdaq Iceland Main Market, and the SEC. The Code of Ethics is available on Alvotech's website at https://investors.alvotech.com/corporate-governance/documents-charters. In addition, Alvotech posted on the Corporate Governance section of its website all disclosures that are required by law or Nasdaq listing standards concerning any amendments to, or waivers from, any provision of the Code of Ethics. The reference to Alvotech's website address in this Annual Report on Form 20-F does not include or incorporate by reference the information on Alvotech's website into this Annual Report on Form 20-F.

Item 16C. Principal Accountant Fees and Services

Deloitte ehf. has served as our independent registered public accountant since 2013 and has audited our consolidated financial statements for the years ended 31 December 2025 and 2024.

The following table shows the aggregate fees for services rendered by Deloitte ehf. to us and our subsidiaries, in the fiscal years ended 31 December 2025 and 2024.

	Year Ended 31 December	
(in thousands of dollars)	**2025**	**2024**
Audit Fees	3,509	3,335
Audit-Related Fees	856	265
Tax Fees	26	14
Total	4,391	3,614

Auditor Name	Auditor Location	Auditor Firm ID
Deloitte ehf.	Kópavogur, Iceland	1490

Audit fees. Audit fees consisted of fees for the audit of our annual financial statements and other professional services provided in connection with the statutory and regulatory filings or engagements, including fees for the review of our interim financial information.

Audit-related fees. Audit-related fees included fees for review of our current and historical financial information included in our SEC registration statements and prospectus for the listing in Sweden, including services that generally only the independent accountant can reasonably provide.

Tax Fees. Tax fees included fees for tax compliance, tax advice, and tax planning.

Audit and Risk Committee Pre-Approval Policies and Procedures

Our Audit and risk Committee reviews and pre-approves the scope and the cost of audit services related to us and permissible non-audit services performed by the independent auditors. All of the services related to us provided by Deloitte during the last fiscal year have been pre-approved by the Audit and Risk Committee.

Item 16D. Exemptions from the Listing Standards for Audit Committees.

Not applicable.

Item 16E. Purchases of Equity Securities by the Issuer and Affiliated Purchasers.

Not applicable.

Item 16F. Change in Registrant's Certifying Accountant.

Not applicable.

Item 16G. Corporate Governance.

We are a "foreign private issuer," as defined by the SEC. As a result, in accordance with Nasdaq rules, we comply with home country governance requirements and certain exemptions thereunder rather than complying with Nasdaq corporate governance standards. While we expect to voluntarily follow most Nasdaq corporate governance rules, we may choose to take advantage of the following limited exemptions:

- Exemption from quorum requirements for shareholder meetings. Luxembourg practice with respect to quorum requirements for shareholder meetings in lieu of the requirement under Nasdaq Listing Rules that the quorum be not less than 33 1/3% of the outstanding voting shares;
- Exemption from the Nasdaq rules applicable to domestic issuers requiring disclosure within four business days of any determination to grant a waiver of the code of business conduct and ethics to directors and officers;
- Exemption from the requirement to obtain shareholder approval for certain issuances of securities, including shareholder approval of share option plans and approval of other securities issuances;
- Exemption from the requirement that our audit and risk committee have review and oversight responsibilities over all "related party transactions," as defined in Item 7.B of this Annual Report on Form 20-F;
- Exemption from the requirement that a majority of the board of directors must be comprised of Independent Directors as defined in the Nasdaq listing standards. Four of our nine directors are independent as defined in Nasdaq listing standards and applicable SEC rules, and our board of directors has an independent audit and risk committee. In addition, the independence rules applicable to companies listed on the Icelandic Main Market differ from the rules of Nasdaq. One additional director is considered independent under the Icelandic rules but not under the Nasdaq listing rules; and
- Exemption from the requirements related to the composition of our compensation committee and nominating and corporate governance committee.

Furthermore, Nasdaq Rule 5615(a)(3) provides that a foreign private issuer, such as Alvotech, may rely on home country corporate governance practices in lieu of certain of the rules in the Nasdaq Rule 5600 Series and Rule 5250(d), provided that we nevertheless comply with Nasdaq's Notification of Noncompliance requirement (Rule 5625), the Voting Rights requirement (Rule 5640) and that we have an audit and risk committee that satisfies Rule 5605(c)(3), consisting of committee members that meet the independence requirements of Rule 5605(c)(2)(A)(ii). Although Alvotech is permitted to follow certain corporate governance rules that conform to Luxembourg requirements in lieu of many of the Nasdaq corporate governance rules, we comply with the Nasdaq corporate governance rules applicable to foreign private issuers.

Accordingly, our shareholders may not have the same protections afforded to shareholders of companies that are subject to all of the corporate governance requirements of Nasdaq. We may utilize these exemptions for as long as we continue to qualify as a foreign private issuer.

Item 16H. Mine Safety Disclosure.

Not applicable.

Item 16I. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

Not applicable.

Item 16J. Insider Trading Policy.

We have adopted an Insider Trading Policy governing the purchase, sale, and/or other dispositions of the Company's securities by directors, officers and employees that is designed to promote compliance with insider trading laws, rules and regulations, as well as procedures designed to further the foregoing purposes. Pursuant to our Insider Trading Policy, it is the Company's policy to comply with applicable laws and regulations relating to insider trading when engaging in transactions in the Company's securities. A copy of our insider trading policy is filed as an exhibit to this Annual Report on Form 20-F. In addition, it is the Company's intent to comply with applicable laws and regulations relating to insider trading.

Item 16K. Cybersecurity.

Cybersecurity Risk management and strategy

Our cybersecurity risk management program aims to fully identify threats, to present and evaluate them transparently, to mitigate, and manage them proactively. We have developed and implemented a cybersecurity risk management process intended to protect confidentiality, integrity, and availability of our critical systems and information.

Our cybersecurity risk management process guides us in making cybersecurity risk-informed decisions and provides the basis for evaluating and monitoring the cybersecurity risk profile of the Company. This process provides a shared understanding and promotes a consistent approach to cybersecurity risk management within the Company in line with our information security policy and includes a cybersecurity incident response plan.

As part of our cybersecurity risk management program, we review industry's best practices, including the NIST (National Institute of Standards and Technology) Cybersecurity Framework and ISO (International Organization for Standardization) 27001 to manage information security. We periodically conduct ongoing internal and external vulnerability analyses, including simulated attack as well as external testing via a third-party to evaluate the effectiveness of our cybersecurity process and controls.

To minimize third-party risk, we have established a process to assess the security practices of third-party vendors and service providers and related risks. Our process includes a security assessment informed by vendor questionnaires and contractual security requirements related to data privacy for certain vendors.

The Security Operations Center (SOC) is responsible for investigating all security incidents and alerts including determining the threat type, incident scope and incident severity. Where appropriate, major incidents are escalated according to the cybersecurity incident process.

Employee awareness and training are essential to our ability as a company to thwart cyber-attacks. We continuously raise employees' risk awareness with mandatory, regular online training for all employees and complimentary awareness campaigns.

In 2025, we did not identify any risks from cybersecurity threats, including as a result of any previous cybersecurity incidents, which have materially affected or are reasonably likely to materially affect us, including our business strategy, results of operations or financial condition. Despite our efforts, we cannot eliminate all risks from cybersecurity threats or provide assurance that we have not experienced an undetected cybersecurity incident. For more information about these risks, please see " *Risks Related to Legal and Regulatory Compliance Matters - A breakdown, cyberattack or information security breach could compromise the confidentiality, integrity and availability of our confidential information in internal systems or those used by third party collaborator partners or other contractors or consultants, could compromise the confidentiality, integrity and availability of our confidential information in information technology systems, network-connected control systems and/or our data, interrupt the operation of our business and/or affect our reputation." in Item 3. Key Information – D. Risk Factors.*

Cybersecurity Governance

Our board of directors has overall oversight responsibility for our risk management strategy, and delegates information security and related risk management oversight to the Audit and Risk Committee. Members of the audit and risk committee receive regular updates from management, including the CIO and the Cybersecurity and Risks Council, regarding cybersecurity related matters. This includes existing and new cybersecurity risks, how management is addressing, managing, and/or mitigating those risks, cybersecurity, and data privacy incidents (if relevant), and the status of key information security initiatives.

The Cybersecurity and Risks Council overseas regular review of cybersecurity risk management activities, is responsible for the management of our cyber risk exposure and monitoring the effectiveness of the cybersecurity program, including but not limited to, our cybersecurity tools and controls, and is responsible for establishing and reviewing our risk tolerance for our cyber risk framework.

The Cybersecurity and Risks Council includes the CIO, the Director of IT Infrastructure and Operations, and the Director of Cybersecurity. Those employees have decades of experience in cybersecurity and operations, cybersecurity education, and certifications from various organizations. The Cybersecurity and Risks Council is responsible for mobilizing the Materialization Board, which includes representatives from Legal and Finance, to review identified incidents.

PART III

Item 17. Financial Statements.

See pages F-1 through F-67 of this Annual Report.

Item 18. Financial Statements.

Not applicable.

Item 19. Exhibits

EXHIBIT INDEX

		Incorporation By Reference			
Exhibit	Description	Schedule/ Form	File Number	Exhibit	File Date
1.1*	Amended and Restated Articles of Association.				
2.1	Warrant Agreement, dated as of September 21, 2020, between Continental Stock Transfer & Trust Company and OACB	8-K	001-39526	4.1	22.09.2020
2.2	Warrant Assignment, Assumption and Amendment Agreement by and between OACB, Alvotech, Continental Stock Transfer & Trust Company, Computershare Inc. and Computershare Trust Company, dated June 15, 2022	20-F	001-41421	2.7	22.06.2022
2.3	Description of Securities	20-F	001-41421	2.11	01.03.2023
4.1†	License and supply agreement between Alvotech hf. and STADA for AVT02 (Adalimumab), dated August 30, 2019	F-4	333-261773	10.1	20.12.2021
4.2†	First Amendment to the license and supply agreement between Alvotech hf. and STADA for AVT02 (Adalimumab) dated August 30, 2019	F-4	333-261773	10.2	20.12.2021
4.3†	Second Amendment to the license and supply agreement between Alvotech hf. and STADA for AVT02 (Adalimumab) dated August 30, 2019, dated May 3, 2021	F-4	333-261773	10.3	20.12.2021
4.4†	License and supply agreement between Alvotech hf. and STADA for AVT04 (Ustekinumab), dated November 6, 2019	F-4	333-261773	10.6	20.12.2021
4.5†	First Amendment to the license and supply agreement between Alvotech hf. and STADA for AVT04 (Ustekinumab) dated November 6, 2019, dated March 13, 2020	F-4	333-261773	10.7	20.12.2021
4.6†	License and supply agreement between Alvotech hf. and STADA for AVT06 (Aflibercept), dated November 6, 2019	F-4	333-261773	10.10	20.12.2021
4.7†	First Amendment to the license and supply agreement between Alvotech hf. and STADA for AVT06 (Aflibercept), dated March 13, 2020	F-4	333-261773	10.11	20.12.2021
4.8†	License and supply agreement between Alvotech hf. and STADA for AVT16, dated November 6, 2019	F-4	333-261773	10.12	20.12.2021
4.9†	First Amendment to the license and supply agreement between Alvotech hf. and STADA for AVT16, dated November 6, 2019, dated March 13, 2020	F-4	333-261773	10.13	20.12.2021
4.10†	Product Supply Agreement between Alvotech hf. and Teva, dated August 5, 2020	F-4	333-261773	10.16	20.12.2021

Exhibit	Description	Incorporation By Reference			
		Schedule/ Form	File Number	Exhibit	File Date
4.11†	License and Development Agreement between Alvotech hf. and Teva, dated August 5, 2020	F-4	333-261773	10.17	20.12.2021
4.12†	Settlement Agreement, Release and Amendment to the License and Development Agreement between Alvotech hf. and Teva dated August 5,	F-4	333-261773	10.18	20.12.2021
4.13†	Amended and Restated Services Agreement between Alvogen and Alvotech, dated April 11, 2022	F-4	333-261773	10.17	20.12.2021
4.14+	BCA Framework Agreement between Alvotech Holdings S.A., Alvotech Lux Holdings S.A.S., Floki Holdings S.à r.l, and certain other shareholders	F-4	333-261773	10.22	20.12.2021
4.15	Product Rights Agreement between Alvotech hf. and Alvogen, dated January 22, 2018	F-4	333-261773	10.25	20.12.2021
4.16†	First Amendment to the Product Rights Agreement between Alvotech hf. and Alvogen dated January 22, 2018, dated December 14, 2018	F-4	333-261773	10.26	20.12.2021
4.17†	Settlement and License Agreement between Alvotech hf. and AbbVie, dated March 8, 2022	F-4	333-261773	10.29	14.03.2022
4.18†	Settlement and License Agreement between Alvotech hf. and AbbVie, dated April 4, 2022	F-4	333-261773	10.31	19.04.2022
4.19#	Management Incentive Plan.	20-F	001-41421	4.39	22.06.2022
4.20	Investor Rights and Lock-Up Agreement between Alvotech and certain Investors, dated June 15, 2022	F-1	333-266136	10.37	14.07.2022
4.21	Warrant Agreement by and between Alvotech and Alvogen Lux Holdings S.à r.l., dated November 16, 2022	6-K	001-41421	99.7	17.11.2022
4.22	Form of Indemnification Agreement between Alvotech and Non-Executive Directors	20-F	001-41421	4.46	01.03.2023
4.23†	Second amendment to the License and Development Agreement between Alvotech hf. and Teva dated August 5, 2020, dated February 27, 2023	20-F	001-41421	4.47	01.03.2023
4.24	Master License and Supply Agreement by and between Alvotech and Mercury Pharma Group Limited (trading as Advanz Pharma Holdings), dated as of May 22, 2023	6-K	001-41421	99.4	12.07.2023
4.25*†	Amendment No. 5 dated as of December 31, 2025 to the Term Loan Agreement dated as of June 7, 2024, by and among Alvotech, Glass USA LLC, Glass Americas LLC and the Lenders party thereto				
4.26*†+	Super-Priority Credit Agreement dated as of December 31, 2025, by and among Alvotech, Glass USA LLC, Glass Americas LLC and the Lenders party thereto				

Exhibit	Description	Incorporation By Reference			
		Schedule/ Form	File Number	Exhibit	File Date
8.1*	Subsidiaries of the Registrant	20-F	001-41421	8.1	01.03.2023
11.1*	Insider Trading Policy				
12.1*	Certification by the Principal Executive Officer pursuant to Securities Exchange Act Rules 13a-14(a) and 15d-14(a) as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002				
12.2*	Certification by the Principal Financial Officer pursuant to Securities Exchange Act Rules 13a-14(a) and 15d-14(a) as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002				
13.1**	Certification by the Principal Executive Officer and the Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002				
15.1*	Consent of Deloitte ehf., independent registered accounting firm for Alvotech.				
97.1	Incentive Compensation Recoupment Policy.	20-F	001-41421	97	20.03.2024
101.INS*	Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document)				
101.SCH*	Inline XBRL Taxonomy Extension Schema Document				
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document				
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document				
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document				
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document				
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)				

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* Filed herewith.
** Furnished herewith.
† Certain confidential portions (indicated by brackets and asterisks) have been omitted from this exhibit.
+ Certain schedules and exhibits to this Exhibit have been omitted pursuant to Regulation S-K Item 601(a)(5). The Company agrees to furnish supplementally a copy of any omitted schedule or exhibit to the SEC upon request.
# Indicates a management contract or any compensatory plan, contract or arrangement

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this report on its behalf.

30 March 2026

ALVOTECH

By: */s/ Robert Wessman*

Name: Robert Wessman

Title: Chief Executive Officer

Alvotech

Consolidated Financial Statements as
of 31 December 2025 and 2024 and
for the years ended 31 December 2025, 2024, and 2023

Table of Contents

Deloitte.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of Alvotech

Opinion on the Financial Statements

We have audited the accompanying consolidated statements of financial position of Alvotech and subsidiaries (the "Company") as of December 31, 2025 and 2024, the related consolidated statements of profit or loss and other comprehensive income or loss, changes in equity, and cash flows, for each of the three years in the period ended December 31, 2025, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and adopted by the European Union.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated March 30, 2026, expressed an adverse opinion on the Company's internal control over financial reporting because of material weaknesses.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex

judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Income Taxes —Recognition of Deferred Tax Assets — Refer to Notes 2 and 10 to the financial statements

Critical Audit Matter Description

The Company recognizes deferred tax assets for deductible temporary differences arising from unused tax losses, amortization, depreciation, reserves and employee benefits in accordance with IAS 12, Income Taxes.

The Company's deferred tax assets balance as of December 31, 2025 was $192.2 million. The deferred tax assets balance is reviewed at the end of each reporting period and recognized to the extent that it is probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered. The majority of the deferred tax assets recognized relates to tax losses that have arisen in Iceland, whereby it is probable that future forecasted taxable profits, driven by management's assumptions for unit price and market share, will be available to offset the cumulative tax losses as of December 31, 2025.

We identified management's determination that it is probable that there will be sufficient taxable profits generated in the future against which the deferred tax assets can be utilized as a critical audit matter because of the significant estimate management makes related to future taxable profits. This required a high degree of auditor judgment and an increased extent of effort, particularly related to unit price and market share assumptions for certain products in management's estimates of future taxable profits.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the determination of whether sufficient taxable profits will be generated in the future against which the deferred tax assets can be utilized, particularly as it pertains to estimates for unit price and market share, included the following, among others:

- We evaluated the appropriateness of the Company's methodology to determine whether sufficient future taxable profits will be available, including assessment of the number of years of forecasted future taxable profits used.

- We evaluated the unit price and market share assumptions to determine if such assumptions are consistent with internal and external data as well as relevant existing market information, industry and other external factors such as:
    - The Company's historical and current prices for certain products, including current year prices for established products and prevailing prices for products under development, complemented by analysis of historical price erosion trends related to biosimilar entry and year on year price developments;
    - Historical market trends in the Company's two principal geographic markets, based on market reports; and
    - Analyst and industry reports for the Company and its peer companies.

- We evaluated management’s ability to accurately estimate taxable profits by comparing actual results to management’s historical estimates.

- We assessed unit price and market share assumptions utilized within the future forecasts for potential manipulation or bias by considering contradictory evidence.

- We involved tax specialists to assess whether the recognition and calculation of deferred tax assets is in accordance with Icelandic tax legislation, including the conditions for the utilization of tax losses carried forward before expiry against future taxable income.

- We tested the mathematical accuracy of the model used to determine forecasted taxable profits.

- We evaluated the appropriateness of the Company's disclosures in the consolidated financial statements.

/s/ Deloitte ehf.

Kópavogur, Iceland
March 30, 2026
We have served as the Company's auditor since 2013.

Consolidated Statements of Profit or Loss and Other Comprehensive Income or Loss for the years ended 31 December 2025, 2024, and 2023

USD in thousands, except for per share amounts	Notes	2025	2024	2023
Product and service revenue	5	276,271	273,472	48,699
License and other revenue	5	310,050	216,210	42,735
Other income		2,583	2,296	1,948
Cost of product and service revenue		(235,558)	(185,309)	(160,856)
Research and development expenses		(184,193)	(171,312)	(210,827)
General and administrative expenses		(90,946)	(65,713)	(76,559)
Operating profit		78,207	69,644	(354,860)
Share of net loss of joint venture		—	—	(7,153)
Impairment loss on investment in joint venture		—	—	(21,519)
Loss on sale of interest in joint venture	26	—	(2,970)	—
Effects resulting from business combination	1	7,977	—	—
Finance income	7	198,492	80,145	4,823
Finance costs	7	(149,190)	(303,165)	(267,157)
Exchange rate differences		(16,841)	8,161	(5,183)
Net gain / (loss) on modification and extinguishment of financial liabilities	21	17,703	(69,378)	—
Non-operating profit / (loss)		58,141	(287,207)	(296,189)
Profit / (loss) before taxes		136,348	(217,563)	(651,049)
Income tax (expense) benefit	10	(108,429)	(14,301)	99,318
Profit / (loss) for the year		27,919	(231,864)	(551,731)
Other comprehensive profit / (loss)				
Item that will be reclassified to profit or loss in subsequent periods:				
Exchange rate differences on translation of foreign operations		3,570	(690)	(86)
Total comprehensive profit / (loss)		31,489	(232,554)	(551,817)
Profit / (loss) per share				
Basic profit / (loss) for the year per share	11	0.10	(0.87)	(2.43)

The accompanying notes are an integral part of these Consolidated Financial Statements.

USD in thousands

Non-current assets	**Notes**	**31 December 2025**	**31 December 2024**
Property, plant and equipment	12	356,398	284,546
Right-of-use assets	13	138,294	125,198
Goodwill	14	12,835	11,330
Other intangible assets	15	81,834	20,621
Contract assets	5	122,934	22,710
Other long-term assets	24	8,578	3,615
Deferred tax assets	10	192,211	298,360
Total non-current assets		913,084	766,380
Current assets			
Inventories	17	220,054	127,889
Trade receivables		69,740	160,217
Contract assets	5	64,440	67,304
Other current assets	18	46,984	48,064
Receivables from related parties	24	438	118
Cash and cash equivalents	16	172,359	51,428
Total current assets		574,015	455,020
Total assets		1,487,099	1,221,400

The accompanying notes are an integral part of these Consolidated Financial Statements.

USD in thousands

Equity	Notes	31 December 2025	31 December 2024
Share capital	19	2,929	2,826
Share premium	19	2,105,691	2,007,058
Other reserves	20	15,331	17,272
Translation reserve		1,352	(2,218)
Accumulated deficit		(2,409,790)	(2,437,709)
Total equity		(284,487)	(412,771)
Non-current liabilities			
Borrowings	21	1,262,147	1,035,882
Derivative financial liabilities	27	53,994	210,224
Lease liabilities	13	137,999	112,137
Contract liabilities	5	5,500	80,721
Deferred tax liability	10	7,868	1,811
Total non-current liabilities		1,467,508	1,440,775
Current liabilities			
Trade and other payables		126,124	67,126
Lease liabilities	13	12,078	9,515
Current maturities of borrowings	21	36,921	32,702
Liabilities to related parties	24	3,325	8,465
Contract liabilities	5	30,364	15,980
Taxes payable		1,041	204
Other current liabilities	25	94,225	59,404
Total current liabilities		304,078	193,396
Total liabilities		1,771,586	1,634,171
Total equity and liabilities		1,487,099	1,221,400

The accompanying notes are an integral part of these Consolidated Financial Statements.

USD in thousands

Cash flows from operating activities	Notes	2025	2024	2023
Profit / (loss) for the year		27,919	(231,864)	(551,731)
Adjustments for non-cash items:				
Long-term incentive plan expense		—	—	78
Depreciation, amortization and impairment	8	37,851	31,301	24,210
Impairment of other intangible assets		—	—	1,779
Impairment loss on investment in joint venture		—	—	21,519
Change in allowance for receivables		703	(946)	18,500
Change in inventory reserves	17	646	(3,483)	8,341
Share-based payments	21	7,378	7,626	18,033
Loss on disposal of property, plant and equipment		—	—	365
Effects resulting from business combination	1.3	(7,977)	—	—
Loss on sale of interest in joint venture	26	—	2,970	—
Share of net loss of joint venture		—	—	7,153
Finance income	7	(198,492)	(80,145)	(4,823)
Finance costs	7	149,190	303,165	267,157
Exchange rate difference		16,841	(8,161)	5,183
Net (gain) / loss on modification and extinguishment of financial liabilities	21	(17,703)	69,378	—
Income tax expense / (benefit)	10	108,429	14,301	(99,318)
Operating cash flow before movement in working capital		124,785	104,142	(283,554)
Increase in inventories	17	(90,129)	(49,973)	(11,304)
Decrease / (increase) in trade receivables		93,182	(119,063)	(8,320)
(Decrease) increase in receivables with related parties	24	(320)	20	881
Increase in contract assets	5	(94,947)	(45,192)	(17,393)
Increase in other assets		(4,244)	(7,125)	(802)
Increase / (decrease) in trade and other payables		45,312	(13,695)	31,772
(Decrease) / increase in contract liabilities	5	(69,334)	(31,446)	35,396
(Decrease) / increase in liabilities with related parties	24	(2,233)	(7,871)	1,280
Increase / (decrease) in other liabilities		5,074	(14,299)	(5,182)
Cash from (used in) operations		7,146	(184,502)	(257,226)
Interest received		2,387	4,617	3,649
Interest paid		(58,950)	(54,921)	(57,254)
Income tax paid		(780)	(2,037)	(1,354)
Net cash used in operating activities		(50,197)	(236,843)	(312,185)

Cash flows from investing activities				
Acquisition of property, plant and equipment	12	(64,470)	(53,661)	(33,234)
Disposal of property, plant and equipment		—	—	133
Acquisition of intangible assets	15	(31,659)	(3,339)	(13,239)
Restricted cash in connection with debt extinguishment		—	26,132	—
Net cash outflow on acquisition of subsidiary	1.3	(14,036)	—	—
Proceeds from the sale in joint venture	26	5,950	12,000	—
Net used in investing activities		(104,215)	(18,868)	(46,340)
Cash flows from financing activities				
Repayments of borrowings	21	(25,419)	(749,082)	(99,367)
Repayments of principal portion of lease liabilities	13	(10,368)	(10,197)	(8,269)
Proceeds from new borrowings	21	233,482	896,263	278,831
Transaction cost from new borrowings		(5,585)	(4,236)	(9,004)
Gross proceeds from equity offering	19	82,481	150,451	136,879
Fees from equity offering		(3,759)	(5,812)	(4,141)
Proceeds from warrants		—	4,843	6,390
Stock options exercised		—	76	—
Proceeds from loans from related parties		—	24,500	—
Repayment of loans from related parties		—	(9,500)	—
Net cash generated from financing activities		270,832	297,306	301,319
(Decrease) increase in cash and cash equivalents		116,420	41,595	(57,206)
Cash and cash equivalents at the beginning of the year	16	51,428	11,157	66,427
Effect of movements in exchange rates on cash held		4,511	(1,324)	1,936
Cash and cash equivalents at the end of the year	16	172,359	51,428	11,157

Supplemental cash flow disclosures (Note 28)

The accompanying notes are an integral part of these Consolidated Financial Statements.

USD in thousands

	Share capital	Share premium	Other reserves	Translation reserve	Accumulated deficit	Total equity
At 1 January 2023	2,126	1,058,432	30,582	(1,442)	(1,654,114)	(564,416)
Loss for the year	—	—	—	—	(551,731)	(551,731)
Foreign currency translation differences	—	—	—	(86)	—	(86)
Total comprehensive loss	—	—	—	(86)	(551,731)	(551,817)
Capital contribution	118	132,618	—	—	—	132,736
Vested earn-out shares	6	8,300	—	—	—	8,306
Penny warrants exercised	25	27,159	—	—	—	27,184
Public warrants exercised	6	7,612	—	—	—	7,618
Recognition of share-based payments	—	—	16,985	—	—	16,985
Settlement of RSUs with shares	8	5,095	(5,781)	—	—	(678)
Settlement of SARs with shares	(10)	(9,526)	(4,231)	—	—	(13,767)
Recognition of equity component of convertible bonds	—	—	5,356	—	—	5,356
At 31 December 2023	2,279	1,229,690	42,911	(1,528)	(2,205,845)	(932,493)
Loss for the year	—	—	—	—	(231,864)	(231,864)
Foreign currency translation differences	—	—	—	(690)	—	(690)
Total comprehensive loss	—	—	—	(690)	(231,864)	(232,554)
Capital contribution	92	144,547	—	—	—	144,639
Vested earn-out shares	198	310,703	—	—	—	310,901
Penny warrants exercised	17	24,293	—	—	—	24,310
Public warrants exercised	4	6,691	—	—	—	6,695
Recognition of share-based payments	—	—	6,486	—	—	6,486
Stock options recognised	—	—	276	—	—	276
Settlement of RSUs with shares	15	5,890	(10,981)	—	—	(5,076)
Settlement of options with shares	0	105	(29)	—	—	76
Conversion of convertible bond	221	285,139	(21,391)	—	—	263,969
At 31 December 2024	2,826	2,007,058	17,272	(2,218)	(2,437,709)	(412,771)
Profit for the year	—	—	—	—	27,919	27,919
Foreign currency translation differences	—	—	—	3,570	—	3,570
Total comprehensive profit	—	—	—	3,570	27,919	31,489
Capital contribution	79	78,210	—	—	—	78,289
Convertible debt settled with shares	13	14,820	—	—	—	14,833
Recognition of share-based payments	—	—	7,017	—	—	7,017
Stock options recognised	—	—	347	—	—	347
Settlement of RSUs with shares	11	5,603	(9,305)	—	—	(3,691)
At 31 December 2025	2,929	2,105,691	15,331	1,352	(2,409,790)	(284,487)

The accompanying notes are an integral part of these Consolidated Financial Statements.

1. General information

Alvotech (the "Parent" or the "Company" or "Alvotech") is a Luxembourg public limited company (société anonyme) incorporated and existing under the laws of the Grand Duchy of Luxembourg, having its registered office at 9, rue de Bitbourg, L-1273 Luxembourg, Grand Duchy of Luxembourg and is registered with the Luxembourg Trade and Companies' Register under number B 258884. The Company was incorporated on 23 August 2021. These consolidated financial statements were approved by the Group's Board of Directors, and authorized for issue, on 30 March 2026.

The Company and its subsidiaries (collectively referred to as the "Group") are a global biotech company specialized in the development and manufacture of biosimilar medicines for patients worldwide. The Group has commercialized a certain biosimilar product and has multiple biosimilar molecules.

1.1 Capital Reorganization

On 15 June 2022 (the "Closing Date"), the Company consummated the capital reorganization with Alvotech Holdings S.A. and OACB (the "Business Combination" or "Capital Reorganization") pursuant to the business combination agreement, dated as of 7 December 2021, as amended by an amendment agreement dated 18 April 2022 and 7 June 2022 (the "Business Combination Agreement"), by and among the Company, Oaktree Acquisition Corp. II ("OACB") and the Predecessor. The closing of the Business Combination resulted in the following transactions:

- OACB merged with and into the Company, whereby (i) all of the outstanding ordinary shares of OACB ("OACB Ordinary Shares") were exchanged for ordinary shares of Alvotech ("Ordinary Shares") on a one-for-one basis, pursuant to a share capital increase of Alvotech and (ii) all of the outstanding warrants of OACB ceased to represent a right to acquire OACB Ordinary Shares and now represent a right to be issued one Ordinary Share, with Alvotech as the surviving company in the merger. Prior to the merger OACB shares were redeemed, resulting in $9.8 million of cash proceeds from the OACB trust account;
- Alvotech redeemed and canceled the initial shares held by the initial sole shareholder of Alvotech pursuant to a share capital reduction of Alvotech;
- The legal form of Alvotech changed from a simplified joint stock company (société par actions simplifiée) to a public limited liability company (société anonyme) under Luxembourg law; and
- The Predecessor merged with and into the Parent, whereby all outstanding ordinary shares of the Predecessor ("Predecessor Ordinary Shares") were exchanged for Ordinary Shares, pursuant to a share capital increase of Alvotech, with Alvotech as the surviving company in the merger.

Concurrently with the execution of the Business Combination Agreement, OACB and Alvotech entered into subscription agreements ("Subscription Agreements") with certain investors (the "PIPE Financing"). On 15 June 2022, immediately prior to the closing of the Business Combination, the PIPE Financing was closed, pursuant to the Subscription Agreements, in which subscribers collectively subscribed for 17,493,000 Ordinary Shares at $10.00 per share for an aggregate subscription price equal to $174.9 million.

As part of the Business Combination, Predecessor shareholders were granted a total of 38,330,000 Ordinary Shares subject to certain vesting conditions ("Predecessor Earn Out Shares"). Former OACB shareholders were granted a total of 1,250,000 Ordinary Shares subject to certain vesting conditions ("OACB Earn Out Shares"). Additionally, as part of the Business Combination the Company assumed the 10,916,647 outstanding warrants ("OACB Warrants"), on substantially the same contractual terms and conditions as were in effect immediately prior to the Business Combination. See Note 28 for further details.

The Business Combination was accounted for as a capital reorganization. Under this method of accounting, OACB was treated as the "acquired" company for financial reporting purposes, with Alvotech Holdings S.A. being the accounting acquirer and accounting predecessor. Accordingly, the capital reorganization was treated as the equivalent of Alvotech issuing shares at the closing of the Business Combination for the net assets of OACB as of the Closing Date, accompanied by a recapitalization. The capital reorganization, which was not within the scope of IFRS 3 since OACB did not meet the definition of a business in accordance with that guidance, was accounted for within the scope of IFRS 2. In accordance with IFRS 2, Alvotech recorded a one-time non-cash share listing expense of $83.4 million, recognized as a general and administrative expense, based on the excess of the fair value of

Alvotech shares issued, at the Closing Date, over the fair value of OACB's identifiable net assets acquired. The fair value of shares issued was estimated based on a market price of $9.38 per share as of 15 June 2022.

	Shares	(in 000s)
OACB Shareholders		
Class A Shareholders	976,505	
Class B Shareholders	5,000,000	
OACB Earn Out Shares	1,250,000	
Total Alvotech Shares issued to OACB shareholders	7,226,505	
Fair value of Shares issued to OACB as of 15 June 2022		$56,060
Fair value of OACB Earn Out Shares issued to OACB as of 15 June 2022		9,100
Estimated fair market value		65,160
Adjusted net liabilities of OACB as of 15 June 2022		(18,251)
Difference – being the share listing expense		83,411

In connection with the Business Combination and PIPE Financing, the Company incurred $28.5 million of transaction costs, which represent legal, financial advisory, and other professional fees in connection with the Business Combination and PIPE Financing, during the year ended 31 December 2022. Of this amount, $5.6 million represented equity issuance costs related to PIPE Financing that were capitalized in share premium. The remaining $22.9 million was recognized as general and administrative expense.

1.2 Asset Acquisition

On 4 June 2025, the Company completed the acquisition of Xbrane Biopharma AB's ("Xbrane") research and development operations and the biosimilar candidate XB003 (referencing Cimzia), further expanding the Company's development capabilities, and establishing a footprint in the Swedish life science sector. The purchase price for the acquisition amounts to SEK 275 million (or $28.9 million) consisting of a cash payment for SEK 116.5 million (or $12.2 million), SEK 5.7 million (or $0.6 million) in short-term liabilities, and the assumption of SEK 152.8 million (or $16.1 million) in convertible debt. The Group incurred SEK 14.3 million (or $1.5 million) of transaction costs as part of the asset acquisition. The creditors agreed to accept payment for SEK 152.8 million of the debt in exchange of 1,295,507 shares of the Company upon close of the transaction.

The Company determined that this acquisition did not qualify as a business combination in accordance with IFRS 3 B*usiness Combinations* and therefore was accounted for as an asset acquisition. Most of the fair value of the acquired assets is attributable to a single identifiable asset which is the in-process research and development biosimilar candidate. The purchase consideration for this acquisition was allocated based on their relative fair values as follows:

In-process research and development	28,204
Property, plant and equipment	2,364
Right-of-use assets	5,870
Other assets	1,144
Lease liabilities	(5,870)
Other liabilities	(3,266)
Net assets acquired	28,445

1.3 Business combination

On 8 July 2025, the Group acquired 100% of the shares of ILS Holding AG, together with its subsidiaries Ivers-Lee AG in Switzerland and IL-CSM Clinical Supplies Management GmbH in Germany (together, "Ivers-Lee"). The acquisition provides the Group with expanded capabilities in pharmaceutical packaging, assembly and clinical supply services and supports the Group's strategy to strengthen its integrated European supply chain.

The transaction was accounted for as a business combination in accordance with IFRS 3 B*usiness Combinations,* the identifiable assets acquired and liabilities assumed were recognized at their acquisition-date fair values.

The total consideration transferred amounted to CHF 14.9 million, paid in cash at closing. Transaction costs incurred in connection with the acquisition were expensed in the period in which they were incurred.

The resulting net fair value of identifiable net assets exceeded the consideration transferred and a bargain purchase gain of CHF 6.4 million (approximately $8 million) was recognized in profit or loss, reflecting primarily the uplift in the value of the real estate acquired compared with the negotiated purchase price.

Since the acquisition date, Ivers-Lee revenue and loss included in the consolidated statement of profit or loss amounted to $14.1 million and $0.6 million respectively.

The fair values of identifiable assets acquired and liabilities assumed at the acquisition date are presented below:

Value at acquisition date	CHF 000s	USD 000s
Real estate	25,278	31,654
Equipment	3,951	4,948
Right-of-use assets	845	1,058
Inventory	2,197	2,751
Trade receivables	4,835	6,055
Other current receivables	639	800
Cash and Cash equivalents	3,651	4,572
Trade payables	(1,934)	(2,422)
Other current liabilities	(2,588)	(3,241)
Debt	(10,799)	(13,523)
Lease liabilities	(473)	(592)
Deferred tax liability	(4,390)	(5,497)
Net assets acquired	21,212	26,563
Purchase price	(14,860)	(18,608)
Effects resulting from business combination	6,352	7,977

These amounts are provisional and may be adjusted within the 12-month measurement period if better information becomes available.

1.4 Information about subsidiaries and joint ventures

Entity name	Principal activity	Issued and paid capital *(presented in whole shares)*	Place of establishment	Proportion of ownership and voting power held by Alvotech	
				2025	**2024**
Alvotech hf.	Biopharm.	4,356,613	Iceland	100.00%	100.00%
Fasteignafélagið Sæmundur hf.	Real estate	6,068,029	Iceland	100.00%	100.00%
Alvotech Manco ehf.	Group Serv.	215,390	Iceland	100.00%	100.00%
Alvotech Swiss AG	Biopharm.	153,930	Switzerland	100.00%	100.00%
GlycoThera Holding S.à.r.l.	Holding Co	15,000	Luxembourg	100.00%	100.00%
Glycothera Analytics GmbH (formerly Alvotech Hannover GmbH)	Biopharm.	29,983	Germany	100.00%	100.00%
Glycothera Development GmbH (formerly Alvotech Germany GmbH)	Biopharm.	31,182	Germany	100.00%	100.00%
Alvotech Biosciences India Pvt Limited	Biopharm.	96,113	India	100.00%	100.00%
Alvotech USA Inc	Group Serv.	10	USA	100.00%	100.00%
Alvotech UK Limited	Group Serv.	135	UK	100.00%	100.00%
Alvotech Malta Limited	Group Serv.	13,533	Malta	100.00%	100.00%
Alvotech Spain, S.L.	Inactive	3,114	Spain	100.00%	100.00%
Alvotech Jülich GmbH	Biopharm.	29,400	Germany	100.00%	100.00%
Alvotech Sweden AB	Group Serv.	2,719	Sweden	100.00%	—%
ILS Holding AG	Holding Co	1,239,092	Switzerland	100.00%	—%
Ivers-Lee AG	Assembling / Packaging	632,190	Switzerland	100.00%	—%
IL-CSM Swiss GmbH	Inactive	25,288	Switzerland	100.00%	—%
IL-CSM Clinical Supplies Management GmbH	Biopharm.	192,861	Germany	100.00%	—%

1.5 Information about shareholders

Significant shareholders of the Company are Aztiq Pharma Partners S.à r.l. (Aztiq) and Alvogen Lux Holdings S.à r.l. (Alvogen), with 32.4% and 28.9% ownership interest as of 31 December 2025, respectively. The remaining 38.7% ownership interest is held by various entities, with no single shareholder holding more than 2.4% ownership interest as of 31 December 2025.

1.6 Going concern

The Group has primarily funded its operations with proceeds from the issuance of ordinary shares, proceeds from out-license agreements with commercial partners, and the issuance of loans and borrowings to both related parties and third parties. Prior to 2025, the Group has incurred recurring losses since its inception, including net loss of $231.9 million, and $551.7 million for the years ended 31 December 2024, and 2023, respectively. For the year ended 31 December 2025, the Group reported a net profit of $27.9 million, and had an accumulated deficit of $2,409.8 million as of 31 December 2025 and $2,437.7 million as of 31 December 2024. The improvement in

profitability in 2025 reflects continued growth in product revenues, higher milestone income received from commercial partners, and improved operating leverage.

As of 31 December 2025, the Group had cash and cash equivalents of $172.4 million and current assets less current liabilities of $269.9 million. The Group has not generated positive operational cash flow, largely due to the continued focus on biosimilar product development and expansion efforts.

Throughout 2025, the Group strengthened its liquidity position through a combination of equity and debt financing transactions. In May and June 2025, the Group completed oversubscribed equity offerings on Nasdaq Stockholm, raising gross proceeds of approximately SEK 789 million from Swedish and international investors. These equity financings expanded the Group's investor base and increased liquidity in its listed instruments.

In June 2025, the Group's lenders agreed to amend its existing senior secured term loan facility (the "Secured Loan Facility") executed in July 2024, by consolidating the two tranches into a single tranche and reducing the interest rate to SOFR plus 6.0%, with all interest payable in cash (see Note 21 — Borrowings). In December 2025, the Group further enhanced its liquidity through the completion of two financing transactions consisting of: (i) the issuance of $108 million in senior unsecured convertible bonds due 2030 (the "2025 Convertible Bonds"), and (ii) the arrangement of a $100 million senior term loan facility maturing in December 2027 (the "Senior Term Loan Facility").

These financings provided additional liquidity to support product launches, regulatory submissions and operational activities occurring in 2026.

Operationally, the Group continued to expand commercialization of its biosimilar portfolio, including AVT02 (adalimumab) across more than 55 markets and AVT04 (ustekinumab) in the United States, Europe, Canada and Japan through its established partner network. Several key regulatory milestones were achieved during 2025, including Japanese market approvals for AVT03 (denosumab), AVT05 (golimumab) and AVT06 (aflibercept) in September 2025 and a positive CHMP opinion for AVT06 in June 2025. The Group also expanded its operational capabilities through the acquisition of Xbrane's research and development organization in Sweden and Ivers-Lee Group in Switzerland, strengthening upstream development and downstream fill-finish/packaging capacity.

The Group expects to fund its activities through a combination of existing cash, projected cash generated from milestone collections and product revenues under commercial agreements, and financing arrangements available to the Group.

As several of the Group's biosimilar programs were launched recently, and others are proceeding through regulatory approval in key markets, uncertainty remains regarding the timing and amount of future cash inflows from commercial operations. Additionally, access to external financing—whether in the form of equity or debt—may be required to support the Group's long-term development plans and is subject to market conditions and the willingness of financing partners.

Due to the relatively recent launch of AVT02 (adalimumab) and AVT04 (ustekinumab) products on which the Group is currently reliant for cash flow generation, the recent debt refinancing as set out above, and the anticipated launches of AVT03 (denosumab), AVT05 (golimumab), and AVT06 (aflibercept), which advanced materially during 2025 through significant regulatory milestones—including Japanese marketing approvals for all three products, positive CHMP opinions for AVT03 (denosumab), AVT05 (golimumab) and AVT06 (aflibercept), and the subsequent European Commission approval of AVT03 (denosumab) in November 2025—there is still some level of uncertainty associated with the timing of future cash flow generation. This may mean that the Group ultimately might need to rely on other financing arrangements in the future, such as successive capital increases or debt financings that are not wholly within the control of the Group. If such funding is unavailable, then management may be required to delay, limit, reduce or terminate one or more of its research or product development programs or future commercialization efforts to free up sufficient cash. However, in light of the strengthened liquidity position resulting from the 2025 equity raises and year-end financing transactions, together with continued commercialization activities under existing partnership agreements, such uncertainty does not represent a material uncertainty which gives rise to significant doubt over going concern.

In conclusion, based on the existing cash on hand, funding received to date, and projected future cash flows, management concluded that the Group has the ability to continue as a going concern for at least one year after the date that the consolidated financial statements are issued. As such, the consolidated financial statements have been prepared on a going concern basis.

2. Summary of significant accounting policies

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance and in compliance with IFRS® Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), which comprise all standards and interpretations approved by the IASB, and as adopted by the European Union ("EU").

All amendments to IFRSs issued by the IASB that are effective for annual periods that begin on or after 1 January 2025 have been adopted as further described within the footnotes to the consolidated financial statements. The Group has not adopted any standards or amendments to standards in issue that are available for early adoption.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities which have been measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. The consolidated financial statements are presented in U.S. Dollar ("USD") and all values are rounded to the nearest thousand unless otherwise indicated.

2.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statements of profit or loss and other comprehensive income or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary. The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

All intra-group transactions, balances, income and expenses are eliminated in full in consolidation.

2.3 Investments in joint ventures

To the extent the Group concludes that it does not control, and thus consolidate, a joint venture, the Group accounts for its interest in joint ventures using the equity method of accounting. As such, investments in a joint venture are initially recognized at cost and the carrying amount is subsequently adjusted for the Group's share of the profit or loss of the joint venture, as well as any distributions received from the joint venture. The Group carries its ownership interest in a joint venture as "Investment in joint venture" on the consolidated statements of financial position. The Group's profit or loss includes its share of the profit or loss of the joint venture and, to the extent applicable, other comprehensive income or loss for the Group includes its share of other comprehensive income or loss of the joint venture. The Group's share of a joint venture's profit or loss in a particular year is presented as "Share of net loss of joint venture" in the consolidated statements of profit or loss and other comprehensive income or loss.

The carrying amount of equity-accounted investments is assessed for impairment as a single asset. Impairment losses are incurred only if there is objective evidence of impairment as a result of loss events that have an impact on estimated future cash flows and that can be reliably estimated. Losses expected as a result of future events are not recognized. The Group recognized an impairment loss of $21.5 million related to its investment in the joint venture for the year ended 31 December 2023; the interests in the joint venture were sold during the year 2024, resulting in a net loss of $3.0 million (refer to Note 26).

2.4 Critical accounting judgments and key sources of estimation uncertainty

Alvotech has prepared its financial statements in accordance with IFRS. The preparation of these financial statements requires Alvotech to make estimates, assumptions and judgments that affect the reported amounts of assets, liabilities and related disclosures at the date of the financial statements, as well as revenue and expense recorded during the reporting periods. Alvotech evaluates its estimates and judgments on an ongoing basis. Alvotech bases its estimates on historical experience and other relevant assumptions that it believes to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions.

An accounting policy is deemed to be critical if it requires an accounting estimate to be made based on assumptions about matters that are highly uncertain at the time the estimate is made, if different estimates reasonably could have been used, or if changes in the estimate that are reasonably possible could materially impact the financial statements.

The estimates and associated assumptions are based on information available when the consolidated financial statements are prepared, historical experience and other factors that are considered to be relevant. Judgments and assumptions involving key estimates are primarily made in relation to the measurement and recognition of revenue, the valuation of derivative financial liabilities, and the valuation of deferred tax assets.

Existing circumstances and assumptions may change due to events arising that are beyond the Group’s control. Therefore, actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

During the year ended 31 December 2025, the Group reassessed its method for measuring progress toward satisfaction of performance obligations related to out-license contracts. Specifically, the Group transitioned from an input method to an output method for recognizing revenue associated with upfront payments and development milestones. This transition reflects updated expectations regarding the timing and value of goods and services transferred to customers, in light of evolving regulatory and operational developments. This has been accounted for prospectively as a change in estimate in accordance with IAS 8. The net effect in the year ended 31 December 2025 resulted in an increase of $17.5 million in revenue related to development services (refer to Note 5).

Revenue recognition

Product revenue

The Company recognizes revenue from the sale of its biosimilar product to commercial partners, identified as the customer, when control is transferred, and the performance obligations have been satisfied. This is when the title passes to the customer, which is upon shipment of the product. At that point, the commercial partner has full discretion over the channel and price to sell the products. Revenue is recognized based on the net selling price from the commercial partners, which is considered to be the transaction price and includes estimated rebates, returns and chargebacks, and other forms of variable consideration recognized by the Customer. Variable consideration is accounted for by the Company only to the extent that it is highly probable that a significant reversal in the revenue recognized will not occur. Variable consideration, which includes any adjustments to the net selling price, is estimated based on the most likely amount method on a contract-by-contract basis. The Company uses historical and market data in determining the most likely amount of variable consideration. These estimates are reviewed each reporting period and involve inherent uncertainty and management’s judgment.

Out-licensing revenue

The consideration to which Alvotech is entitled pursuant to these contracts generally includes upfront payments and payments based upon the achievement of development and regulatory milestones. All contracts include a potential refund obligation whereby Alvotech must refund the consideration paid by the partner in the event of a technical failure or the occurrence of certain other matters that result in partial or full cancellation of the contract. As such, the entire transaction price is comprised of variable consideration. For development-service performance obligations, the Group measures progress using an output method based on achievement of defined development milestones and time elapsed, as this methodology best reflects the value transferred to the customer over time. The transaction price includes variable consideration only when the Group concludes that it is highly probable that a significant reversal will not occur; for development-service performance obligations this assessment is generally resolved when key early-development outputs are achieved.

The standalone selling prices of the development services and the license to intellectual property are not directly observable and, therefore, are estimated. The standalone selling price of the development services is estimated using the expected cost plus a margin approach, using various data points such as the underlying development budget, contractual milestones, and performance completed at the time of entering into the contract with a partner. The standalone selling price of the license is estimated using the residual approach on the basis that the Alvotech licenses intellectual property for a broad range of amounts and has not previously licensed intellectual property on a standalone basis. Therefore, Alvotech first allocates the transaction price to the development services and subsequently allocates the remainder of the transaction price to the license. Inputs used to determine the standalone selling price of the development services are reviewed by management each reporting period. Changes to these inputs, including changes to the underlying development budget, could impact the timing in which revenue is recognized. The Company has not made any changes to the inputs used in determining the standalone selling price.

Valuation of derivative financial instruments

Alvotech recognized derivative financial liabilities related to warrants, earn out shares and conversion features. The fair values of the derivative liabilities were determined using an option pricing-based approach that incorporated a range of inputs that are both observable and unobservable in nature. The observable and unobservable inputs used in the initial and subsequent fair value measurements relate to (i) the fair value of Ordinary Shares, (ii) the volatility of the Ordinary Shares, (iii) a risk-adjusted discount rate corresponding to the credit risk associated with the repayment of the host debt instruments, and (iv) the probabilities of each derivative being exercised by the holder and the timing of such exercises. The probabilities are determined based on all relevant internal and external information available and are reviewed and reassessed at each reporting date.

The assumptions underlying the valuations represent Alvotech's best estimates, which involve inherent uncertainties and the application of management's judgment. As a result, if Alvotech used significantly different assumptions or estimates, its finance costs and income for prior periods could have been materially different.

Valuation of deferred tax assets

Alvotech recognizes deferred tax assets for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profits will be available against the deductible temporary differences that can be utilized after consideration of all available positive and negative evidence. Estimation of the level of future taxable profits and the application of relevant jurisdictional tax legislation regarding loss expiry rules, non-deductible expenses, and other guidance are required in order to determine the appropriate carrying value of deferred tax assets.

Alvotech's estimation of the level of future taxable profits is primarily driven by an evaluation of out-license contracts and the expected timing of revenue recognition from such contracts. Alvotech considers the amount of revenues that relate to the various phases of development for its biosimilar product candidates, with greater certainty attributed to revenues earned upon contract execution and before later-stage clinical studies. These forecasts are also evaluated to incorporate potential uncertainty associated with the amount and timing of expected future revenues, driven by factors such as potential competition and the inherent risk associated with biosimilar product development. Changes to these forecasts, and the inputs used in determining the underlying cash flows involve inherent uncertainties and the application of management's judgment. As a result, if Alvotech used significantly different assumptions or estimates, its valuation of deferred tax assets for current and prior periods could have been materially different.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and is reduced to the extent it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

2.5 Segment reporting

The Group operates and manages its business as one operating segment based on the manner in which the Chief Executive Officer, the Group's chief operating decision maker, assesses performance and allocates resources across the Group.

2.6 Revenue recognition

Product revenue

The Company recognizes revenue from the sale of its biosimilar product to commercial partners, identified as the customer, when control is transferred, and the performance obligations have been satisfied. This is when the title passes to the customer, which is upon shipment of the product. At that point, the commercial partner has full discretion over the channel and price to sell the products. Revenue is recognized based on the net selling price from the commercial partners, which is considered to be the transaction price and includes estimated rebates, returns and chargebacks, and other forms of variable consideration recognized by the customer. Variable consideration is accounted for by the Company only to the extent that it is highly probable that a significant reversal in the revenue recognized will not occur. Variable consideration, which includes any adjustments to the net selling price, is estimated based on the most likely amount method on a contract-by-contract basis.

Out-licensing revenue

A significant part of the Group's revenue is generated from long-term out-license contracts which provide the customer with an exclusive right to market and sell products in a particular territory once such products are approved for commercialization. These contracts typically include the Group's promises to continue development of the underlying compound and to provide supply of the product to the customer upon commercialization. The Group concludes that the license, development services and commercial supply are separate performance obligations. This is because customers generally have the capabilities to perform the necessary development, manufacturing and commercialization activities on their own or with readily available resources and have the requisite expertise in the industry and the territory for which the license has been granted. Further, the intellectual property is generally in a later phase of development at the time the license is granted such that any subsequent development activities performed by the Group are not expected to significantly modify or transform the intellectual property. The fact that the Group is contractually obligated to perform development activities for and provide commercial supply to the customer does not impact this conclusion. The Group's promise to provide commercial supply to its customers is contingent upon the achievement of regulatory approval in the particular territory for which the license has been granted.

The consideration to which the Group is entitled pursuant to these contracts generally includes upfront payments and payments based upon the achievement of development and regulatory milestones. All contracts include a potential refund obligation whereby the Group must refund the consideration paid by the customer in the event of a technical failure or the occurrence of certain other matters that result in partial or full cancellation of the contract. As such, the entire transaction price is comprised of variable consideration. For development-service performance obligations, the Group measures progress using an output method based on achievement of defined development milestones and time elapsed, as this methodology best reflects the value transferred to the customer over time. The transaction price includes variable consideration only when the Group concludes that it is highly probable that a significant reversal will not occur; for development-service performance obligations this assessment is generally resolved when key early-development outputs are achieved.

Such variable consideration is included in the transaction price only when it is highly probable that doing so will not result in a significant reversal of cumulative revenue recognized when the underlying uncertainty associated with the variable consideration is subsequently resolved. The Group does not account for a significant financing component since a substantial amount of consideration promised by the customer is variable and the amount or timing of that consideration varies on the basis of a future event that is not substantially within the control of either party. Certain contracts also include commercialization milestones upon the first commercial sale of a product in a particular territory, as well as royalties. Commercialization milestones and royalties are accounted for as sales-based royalties;

therefore, such amounts are not included in the transaction price and recognized as performance revenue until the underlying sale that triggers the milestone or royalty occurs.

Upfront payments, when applicable, are received in advance of transferring control of all goods and services. Therefore, a portion of upfront payments is recorded as a contract liability upon receipt. Due to the existence of refund provisions, upfront payments and certain development milestone payments are included in the transaction price only once the related variable consideration constraint has been resolved. Beginning in January 2025, consistent with the Group's change in accounting estimate, such uncertainty is generally resolved earlier in the development cycle at which point it becomes highly probable that a significant reversal of cumulative revenue will not occur. Other development and regulatory milestones may not be included in the transaction price until such milestones are achieved due to the degree of uncertainty associated with achieving these milestones. Contract liabilities are presented on the consolidated statements of financial position as either current or non-current based upon forecasted performance. In certain contracts, the Group may transfer control of goods and services, and thus recognize revenue, prior to having the right to invoice the customer. In these circumstances, the Group recognizes contract assets for revenue recognized, and subsequently reclasses the contract asset to trade receivables upon issuing an invoice and the right to consideration is only conditional on the passage of time. Contract assets are presented on the consolidated statements of financial position as either current or non-current based upon the expected timing of settlement.

The standalone selling prices of the development services and the license to intellectual property are not directly observable and, therefore, are estimated. Beginning in January 2025, consistent with the Group's change in accounting estimate, the standalone selling price of the development services is estimated using an output-based approach that reflects the value delivered through the achievement of defined development milestones and the corresponding pattern of transfer of services to the customer. The standalone selling price of the license is estimated using the residual approach on the basis that the Group licenses intellectual property for a broad range of amounts and has not previously licensed intellectual property on a standalone basis. Therefore, the Group first allocates the transaction price to the development services and subsequently allocates the remainder of the transaction price to the license. If the product is still in early phase of development and the constraint on variable consideration has not been resolved, all the transaction price is allocated to the development service.

The standalone selling price of the commercial supply is directly observable and the stated prices in the Group's supply contracts reflect the standalone selling price of such goods.

The licenses to intellectual property are right of use licenses on the basis that the ongoing development work performed by the Group does not significantly affect the intellectual property to which the customer has rights. Therefore, control of the license transfers to the customer at the point in time when the right to use the license is granted to the customer. The license is generally granted to the customer at the time the contract is executed with the customer.

The Group satisfies its performance obligation related to the development services over time as the Group's performance enhances the value of the licensed intellectual property controlled by the customer throughout the performance period. The Group recognizes revenue using a cost-based input measure since this measure best reflects the progress of the development services and, therefore, the pattern of transfer of control of the services to the customer. In certain instances, the Group may subcontract services to other parties for which the Group is ultimately responsible. Costs incurred for such subcontracted services are included in the Group's measure of progress for satisfying its performance obligation. Changes in the total estimated costs to be incurred in measuring the Group's progress toward satisfying its performance obligation may result in adjustments to cumulative revenue recognized at the time the change in estimate occurs.

Upon the achievement of regulatory approval and the commencement of commercial sale of its products, the Group will satisfy its performance obligation related to commercial supply at the point in time when control of the manufactured product is transferred to the customer. Transfer of control for such goods will occur in accordance with the stated shipping terms.

The Group does not incur incremental costs of obtaining a contract with a customer that would require capitalization. Costs to fulfill performance obligations are not incurred in advance of performance and, as such, are expensed when incurred.

Other revenue

Other revenue primarily consists of clinical trial support services rendered by the Group for its customers, which is recognized as the service is provided. Revenue for such services is presented in the consolidated statements of profit or loss and other comprehensive income or loss net of any discounts.

2.7 Cost of product revenue

Cost of product revenue includes the cost of inventory sold, labor costs, manufacturing overhead expenses and reserves for expected scrap, as well as shipping and freight costs and royalty costs related to in-license agreements.

2.8 Research and development expenses

Research and development expenses primarily consist of personnel costs, material and other lab supply costs, facility costs and internal and external costs related to the execution of studies and other development program advancement initiatives. Such expenses also include costs incurred in preparation for commercial launch, such as designing and developing commercial-scale manufacturing capabilities and processes, quality control processes, production asset validation and other related activities. The costs also include amortization, depreciation and impairment losses related to software, property, plant and equipment, and right-of-use assets used in research and development activities and pre-commercial manufacturing and quality control activities.

An internally generated intangible asset arising from the Group's development is recognized only if the Group can demonstrate: the technical feasibility of completing the intangible asset so that it will be available for use or sale; the intent to complete the intangible asset and use or sell it; how the intangible asset will generate probable future economic benefits; the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognized for internally-generated intangible assets is the sum of the expenditures incurred from the date when the intangible asset first meets the aforementioned recognition criteria. If an internally-generated intangible asset cannot be recognized, the related development expenditure is charged to profit or loss in the period in which it is incurred.

The Group capitalizes development expenditures when the IAS 38 recognition criteria are met, including technical feasibility, intention to complete the asset, and availability of resources. Research expenditures are expensed as incurred.

2.9 General and administrative expenses

General and administration expenses primarily consist of personnel-related costs, including salaries and other related compensation expense, for corporate and other administrative and operational functions including finance, human resources, information technology and legal, as well as facility-related costs. These costs relate to the operation of the business and are not related to research and development initiatives.

Expenditures related to general and administration activities are recognized as an expense in the period in which they are incurred.

2.10 Finance income and finance cost

Finance income consists of changes in the fair value of derivative financial liabilities and interest income. Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Finance cost consists of changes in the fair value of derivative financial liabilities, interest expense related to lease liabilities and borrowings, accretion of borrowings and amortization of deferred debt issue costs.

2.11 Foreign currency translation

The consolidated financial statements are presented in U.S. Dollars, which is the Group's presentation currency. The Group maintains the financial statements of each entity within the Group in its respective functional currency. The majority of the Group's expenses are incurred in U.S. Dollars and Icelandic Krona, and the majority of the Company's cash and cash equivalents are held in a combination of Icelandic Krona, Euros and U.S. Dollars. Transactions in currencies other than the Group's presentation currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non- monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognized in profit or loss in the period in which they arise.

Exchange differences arising on translation of a foreign controlled subsidiary are recognized in other comprehensive income or loss and accumulated in a translation reserve within equity. The cumulative translation amount is reclassified to profit or loss if and when the net investment in the foreign controlled subsidiary is disposed.

2.12 Fair value measurements

The Group measures certain financial liabilities at fair value through profit or loss (FVTPL) at each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure the fair values of such financial liabilities, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques, as follows:

- Level 1: quoted prices in active markets for identical assets and liabilities;
- Level 2: inputs other than quoted prices that are observable for the asset or liability, either directly (e.g., prices) or indirectly (e.g., derived from prices); and
- Level 3: inputs for the asset or liability that are unobservable.

The carrying amounts of cash and cash equivalents, restricted cash, trade receivables, other current assets, contract assets, trade and other payables and other current liabilities in the Group's consolidated statements of financial position approximate their fair value because of the short maturities and nature of these instruments.

For liabilities that are measured at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the fair value hierarchy by reassessing the inputs used in determining fair value at the end of each reporting period.

2.13 Goodwill and other intangible assets

Goodwill and business combinations

Acquisitions are first reviewed to determine whether a set of assets acquired constitute a business and should be accounted for as a business combination. If the assets acquired do not meet the definition of a business, the Group will account for the transaction as an asset acquisition. If the definition of a business combination is met, the Group will account for the transaction using the acquisition method of accounting. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognized in the consolidated statements of profit or loss and other comprehensive income or loss as incurred.

Goodwill represents the excess of the purchase price of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities, contingent liabilities, the amount of any noncontrolling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree. Goodwill is reviewed for impairment at least annually, and whenever there is an indication that the asset may be impaired. An impairment loss

is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. The value in use calculation is performed using discounted expected future cash flows. The discount rate applied to these cash flows is based on the weighted average cost of capital and reflects current market assessments of the time value of money.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the business combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or as additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date.

The Group completed one business combination during the year ended 31 December 2025, relating to the acquisition of Ivers Lee on 8 July 2025 (refer to Note 1.3); no business combinations were completed during the year ended 31 December 2024.

Other intangible assets

Other intangible assets consist of software, customer relationships, and intellectual property rights. Intangible assets acquired in a business combination are identified and recognized separately from goodwill if they satisfy the definition of an intangible asset and their fair values can be reliably measured. The cost of intangible assets is their fair value at the acquisition date.

Intangible assets with finite useful lives are reported at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over an asset's estimated useful life. The estimated useful life and amortization method are reviewed at each balance sheet date, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The following useful lives are used in the calculation of amortization:

Software	3 - 10 years
Intellectual property rights*	10 years

* *From launch date*

Certain of the Group's intellectual property rights have been pledged to secure borrowings as further described in Note 21.

Intangible assets with indefinite useful lives are reviewed for impairment at least annually, and whenever there is an indication that the asset may be impaired. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. The value in use calculation is performed using discounted expected future cash flows. The discount rate applied to these cash flows is based on the weighted average cost of capital and reflects current market assessments of the time value of money.

2.14 Income tax

Income tax includes the current tax and deferred tax charge recorded in the consolidated statements of profit or loss and other comprehensive income or loss.

Current tax

The current tax expense is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated statements of profit or loss and other comprehensive income or loss because it excludes items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax expense is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Accruals for tax contingencies are made when it is not probable that a tax authority will accept the tax position, based upon management's interpretation of applicable laws and regulations and the expectation of how the tax authority will resolve the matter. Accruals for tax contingencies are measured using either the most likely amount or

the expected value amount depending on which method the entity expects to better predict the resolution of the uncertainty.

Deferred tax

Deferred tax is provided in full for all temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit, except to the extent the temporary difference arises from:

- The initial recognition of an asset or a liability in a transaction that is not a business combination and that affects neither the taxable profit nor accounting profit;
- The initial recognition of residual goodwill (for deferred tax liabilities only); or
- Investments in subsidiaries, branches, associates and joint ventures, where the Group is able to control the timing of the reversal of the temporary difference and it is not probable that it will reverse in the foreseeable future.

The tax value of tax loss carry-forwards is included in deferred tax assets to the extent that these are expected to be utilized against future taxable income. The deferred taxes are measured according to the respective territorial current tax rules and tax rates assumed in the year in which the assets are expected to be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and deferred tax assets reflects the tax consequences that would follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amount of the assets and liabilities.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is charged or credited to the consolidated statements of profit or loss and other comprehensive income or loss, except when the tax arises from a business combination or it relates to items charged or credited directly to equity, in which case the deferred tax is also taken directly to equity.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis in that taxation authority.

2.15 Property, plant and equipment

Property, plant and equipment is recognized as an asset when it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured in a reliable manner. Property, plant and equipment which qualifies for recognition as an asset are initially measured at cost.

The cost of property, plant and equipment includes an asset’s purchase price and any directly attributable costs of bringing the asset to working condition for its intended use.

Depreciation is calculated and recognized as an expense on a straight-line basis over an asset's estimated useful life. The estimated useful lives, residual values and depreciation method are reviewed at each balance sheet date, with the effect of any changes in estimate accounted for on a prospective basis. The following useful lives are used in the calculation of depreciation:

Facility	40 years
Facility equipment	5 - 20 years
Computer equipment	3 years
Leasehold improvements	3 - 15 years
Furniture and fixtures	5 years

Certain of the Group's property, plant and equipment assets have been pledged to secure borrowings as further described in Note 21. Significant disposals of pledged assets are subject to lender approval. Upon disposal or retirement of an asset, the difference between the sales proceeds, if applicable, and the carrying amount of the asset is recognized in the consolidated statements of profit or loss and other comprehensive income or loss at the time of disposal or retirement.

At the end of each reporting period, or sooner if events triggering an interim impairment assessment occur, the Group reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that the value of such assets are impaired. Triggering events that warrant an interim impairment assessment include, but are not limited to, the technical obsolescence of equipment or failure of such equipment to meet regulatory requirements. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss and the carrying amount of the asset is reduced to its recoverable amount, which is the higher of fair value less costs of disposal and value in use.

2.16 Inventories

Inventories, which consist of raw materials and supplies, work in progress and finished goods are stated at the lower of cost or net realizable value. Net realizable value is the expected sales price less completion costs and costs to be incurred in marketing, selling and distributing the inventory. Cost is calculated using the weighted average cost method or the first-in, first-out method, depending on the nature of the inventory.

Inventories include direct costs for raw materials and supplies and, as applicable, direct and indirect labor and overhead expenses that have been incurred to bring inventories to their present location and condition.

If the net realizable value is lower than the carrying amount, a write-down of inventory is recognized for the amount by which the carrying amount exceeds net realizable value.

The Group's inventories have been pledged to secure borrowings as further described in Note 21.

2.17 Financial assets

Recognition of financial assets

Financial assets are recognized when the Group becomes a party to the contractual provisions of the instrument. Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, other than financial assets measured at FVTPL, are added to or deducted from the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at FVTPL are recognized immediately in profit or loss. There were no transaction costs related to the acquisition of financials assets in 2025, 2024, or 2023. All of the Group's financial assets are measured at amortized cost as of 31 December 2025 and 2024.

Financial assets measured at amortized cost

Financial assets measured at amortized cost are debt instruments that give rise to contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. The Group's financial assets measured at amortized cost are trade receivables, certain other current assets, receivables from related parties, restricted cash and cash and cash equivalents.

Interest income is recognized by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial.

Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses ("ECL") on its trade receivables and other debt instruments that are measured at amortized cost. In addition, although contract assets are not financial assets, a loss allowance for ECL are also recognized for such assets. ECL is based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognizes lifetime ECL for trade receivables and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecasted direction of conditions at the reporting date, including time value of money where appropriate.

The Group writes off a financial asset when there is no reasonable expectation of recovery, such as information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. A trade receivable or contract asset that is considered uncollectible is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss. The Group did not write off any trade receivables or contract assets during the years ended 31 December 2025, 2024, and 2023, except for the Biosana related asset which was fully reserved (see Note 27).

The Group estimates impairment for related party receivables on an individual basis. No impairment is recognized for restricted cash or cash and cash equivalents as management has estimated that the effects of any calculated ECL would be immaterial.

Derecognition of financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset as well as an associated liability. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income or loss and accumulated in equity is recognized in profit or loss.

2.18 Financial liabilities

Financial liabilities

The Group's financial liabilities consist of trade and other payables, certain other current liabilities loans and borrowings, lease liabilities, derivative financial instruments, long-term incentive plans, share appreciation right plans and other long-term liability to a related party. All financial liabilities are initially measured at fair value. Loans and borrowings are recorded net of directly attributable transaction costs and less the value attributable to any embedded derivative financial instruments, if applicable.

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled, substantially modified or have expired. Additionally, management elected, as part of its accounting policy, to recognize the difference between the carrying amount of the financial liabilities and the fair value of the consideration paid for the extinguishment in the consolidated statement of profit or loss and other comprehensive income or loss.

Financial liabilities subsequently measured at amortized cost

After initial recognition, financial liabilities other than derivative financial instruments and awards issued pursuant to long-term incentive plans are subsequently measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that discounts all estimated future cash payments through the expected life of the financial liability, or a shorter period if appropriate, to the amortized cost of a financial liability. The effective interest rate includes the effects of any discount or premium on acquisition of the financial liability, as well as any fees or costs incurred upon acquisition.

Financial liabilities subsequently measured at FVTPL

Derivative financial instruments

Certain rights and features pursuant to borrowing arrangements and other contracts may provide the counterparty with one or more financial instruments that need to be evaluated and potentially accounted for separately by the Group. These financial instruments are either embedded in a host instrument or are treated as a separate financial instrument if they are contractually transferable independent from the host instrument. Such rights and features pursuant to the Group's contracts with both third parties and related parties include earn out rights, conversion rights and warrant rights.

Equity conversion features within host debt instruments that meet the definition of a derivative and have economic and risk characteristics that are not closely related to the host instrument are embedded derivatives that are separated from the host instrument and accounted for separately. As part of the accounting for embedded derivatives or separate financial instruments, management considers the appropriate accounting classification under IAS 32.

Embedded derivatives and separate financial instruments that meet the fixed-for-fixed criteria are classified as equity and initially measured at fair value. Warrant rights that provide the holder with an option to purchase ordinary shares at a specified price or pursuant to a specified formula are generally separate derivative financial instruments that are accounted for as derivative liabilities. Earn Out Shares grant the holder with a variable number of Ordinary Shares based on certain vesting conditions tied to the stock price and are accounted for as derivative liabilities. In the event that the fair value of any derivative liabilities, determined using unobservable inputs, exceeds the transaction price of a borrowing arrangement, the Group records a deferred loss at the inception of the borrowing arrangement for the difference between the fair value of the derivative liabilities and the transaction price of the borrowing arrangement. Such deferred losses are recognized over the term of the related borrowing arrangement using the straight-line method of amortization. The deferred loss is netted against derivative financial liabilities on the consolidated statements of financial position. Amortization of the deferred loss is recognized as a component of "Finance costs" in the consolidated statements of profit or loss and other comprehensive income or loss.

The Group recognized derivative liabilities related to the Predecessor Earn Out Shares, OACB Earn Out Shares and assumed OACB warrants. Additionally, the Group recognized an embedded derivative for the conversion feature associated with the Tranche A Convertible Bonds, as further described in Note 27. These features are liability-classified, rather than equity-classified, because the Group is obligated to issue a variable number of ordinary shares to the holder upon conversion or exercise of the feature. Therefore, these derivative liabilities were initially recorded at fair value and remeasured to fair value at each reporting period with gains and losses arising from changes in the fair value recognized in finance income or finance costs, as appropriate.

The fair values of the derivative liabilities were determined using a valuation approach that incorporated a range of inputs that are both observable and unobservable in nature. The inputs used in the initial and subsequent fair value measurements predominantly relate to (i) the price of the Group's Ordinary Shares (ii) the volatility of the Group's Ordinary Shares, (ii) a risky discount rate corresponding to the credit risk associated with the repayment of the host debt instruments, and (iii) the probabilities of each derivative being exercised by the holder and the timing of such exercises. The probabilities are determined based on all relevant internal and external information available and are reviewed and reassessed at each reporting date.

The Group will derecognize any derivative liabilities if and when the rights are exercised by the holders or the time period during which the rights can be exercised expires.

Long-term incentive plans

Management Incentive Plan

The Group can issue share options, restricted share units ("RSUs"), and other share-based awards under the Company's new incentive plan (the "Management Incentive Plan") which was approved by the Board in June 2022. Awards issued under the Management Incentive Plan are accounted for in accordance with IFRS 2. Share-based payments are classified as equity-settled share-based payments as the Company intends to settle the awards with equity and has the commercial substance to do so. Share-based payments are measured at the grant date fair value of the instruments issued and recognized over the expected vesting periods. The number of shares expected to vest are reviewed and adjusted at the end of each reporting period such that the amount of expense recognized shall be based on the number of equity instruments that will eventually vest.

2.19 Provisions and contingencies

Restructuring provisions

A provision for restructuring is recognized only when the Group has a present obligation arising from a formal restructuring plan and when the plan has been communicated to those affected or implementation has begun. A restructuring provision includes only the direct, incremental costs associated with the restructuring that are not related to ongoing activities (e.g., contract termination penalties, facility closure costs).

Costs related to the termination of employees, including statutory or contractual severance and related payroll charges, are accounted for in accordance with IAS 19. Termination benefits are recognized as a liability and expense when the Group is demonstrably committed to the termination, which occurs once a detailed plan has been communicated to affected employees.

Where a restructuring consists solely of employee terminations, the Group recognizes no IAS 37 restructuring provision. Only the IAS 19 termination benefit liability is recorded.

Litigation and other contingencies

The Group may, from time to time, become involved in legal proceedings arising out of the normal course of its operations. For instance, as a developer and manufacturer of biosimilars, the Group may be subject to lawsuits alleging patent infringement or other similar claims filed by the reference product sponsor. Similarly, the Group may utilize patent challenge procedures to challenge the validity, enforceability or infringement of the reference product sponsor's patents. Other parties may also file patent infringement claims against the Group alleging that the Group's products or manufacturing process techniques infringe their patents.

The Group establishes reserves for specific legal matters when it determines that the likelihood of an unfavorable outcome is probable and the loss is reasonably estimable. When such conditions are not met for a specific legal matter, no reserve is established. Although management currently believes that resolving claims against the Group, including claims where an unfavorable outcome is reasonably possible, will not have a material impact on the liquidity, results of operations, or financial condition of the Group, these matters are subject to inherent uncertainties and management's view of these matters may change in the future. It is possible that an unfavorable outcome of a lawsuit or other contingency could have a material impact on the liquidity, results of operations, or financial condition of the Group.

Significant judgment is required in both the determination of probability of loss and the determination as to whether the amount of loss can be reasonably estimated. Accruals are based only on information available at the time of the assessment, due to the uncertain nature of such matters. As additional information becomes available, management reassesses potential liabilities related to pending claims and litigation and may revise its previous estimates, which could materially affect the Group's results of operations in a given period.

The Group maintains liability insurance coverages for various claims and exposures. The Group's insurance coverage limits its maximum exposure on claims; however, the Group is responsible for any uninsured portion of losses. Management believes that present insurance coverage is sufficient to cover potential exposures.

2.20 Leases

The Group assesses whether a contract is or contains a lease at inception of the contract. The Group recognizes a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for those with a lease term of twelve months or less and leases of low value assets. For these leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. The Group's leased assets consist of various real estate, fleet and equipment leases.

Right-of-use assets reflect the initial measurement of the lease liability, lease payments made at or before the lease commencement date and any initial direct costs less lease incentives that may have been received by the Group. These assets are subsequently measured at cost less accumulated depreciation, impairment losses and remeasurements of the underlying lease liability. Right-of-use assets are depreciated over the shorter of the lease term and the useful life of the underlying asset. If a lease transfers ownership of the underlying asset to the Group or

the lease includes a purchase option that the Group is reasonably certain to exercise, the related right-of-use asset is depreciated over the useful life of the underlying asset. Depreciation starts at the commencement date of the lease.

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate, which is the rate of interest that the Group would need to pay to borrow, on a collateralized basis, an amount equal to the lease payments over a similar term in a similar economic environment based on information available at the commencement date of the lease. The lease payments included in the measurement of the lease liability comprise fixed payments (including in-substance fixed payments) less any incentives, variable lease payments that depend on an index or rate, expected residual guarantees and the exercise price of purchase options reasonably certain to be exercised by the Group.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability, using the effective interest method, and by reducing the carrying amount to reflect payments made during the lease term. The Group remeasures the lease liability if the lease term has changed, when lease payments based on an index or rate change or when a lease contract is modified and the modification is not accounted for as a separate lease.

Variable payments that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs.

As a practical expedient, lessees are not required to separate non-lease components from lease components, and instead account for any lease and associated non-lease components as a single lease component. The Group has used this practical expedient.

2.21 Profit (loss) per share

Holders of the Predecessor Earn Out Shares and OACB Earn Out Shares have equal dividend and participation rights to the ordinary shareholders. However, these participating securities are classified as liabilities and as such, the shares held are not included in the weighted average number of ordinary shares outstanding in the basic profit (loss) per share calculation.

The calculation of basic profit (loss) per share is based on the profit (loss) for the year attributable to ordinary shareholders of the Group and the weighted average number of ordinary shares outstanding during the period.

Diluted profit (loss) per share is computed by dividing the profit (loss) for the year attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding in the basic profit (loss) per share calculation, both of which are adjusted for the effects of all dilutive potential ordinary shares. Antidilutive effects of potential ordinary shares, which result in an increase in earnings per share or an increase / reduction in profit (loss) per share, are not recognized in the computation of diluted profit (loss) per share.

3. New accounting standards

Management has assessed that new or amended IFRS Accounting Standards and interpretations issued by the IASB effective on or after 1 January 2025 has not had a significant effect on the Consolidated financial statements, specifically:

- Amendment to IAS 21 *The Effects of Changes in Foreign Exchange Rate – Lack of Exchangeability*

New or amended IFRS Accounting Standards and interpretations issued by the IASB not yet effective – Management does not anticipate any significant impact on the consolidated financial statements in the period of initial application from the adoption of these new standards and amendments, apart from IFRS 18 *Presentation and Disclosure in Financial Statements* which replaces IAS 1 effective from 1 January 2027. The new IFRS 18 is expected to change the presentation of the statements of profit or loss and other comprehensive income or loss and to differentiate between earnings from operating activities, investment activities and financing activities. IFRS 18 will also add additional disclosures but will not change any accounting policies on recognition and measurement, hence it will not change reported net results. Management is currently assessing the impact of this new standard.

4. Segment reporting

As disclosed in Note 2, the Group operates and manages its business as one operating segment.

A significant portion of the Group's revenue is generated from long-term out-license contracts which provide the customer with exclusive or semi-exclusive rights to a particular territory, which generally span multiple countries or a particular continent, as well as the Group's promises to continue development of the underlying compound and to provide supply of the product to the customer upon commercialization. Therefore, based on the nature of the customer agreements, revenue information is not currently available on a country-by-country basis.

Revenue from customers based on the geographic market in which the revenue is earned, which predominantly aligns with the rights conveyed to the Group's customers pursuant to its out-license contracts, is as follows:

	2025	2024	2023
Europe	307,220	157,587	63,510
USA	241,370	273,036	9,430
Rest of World	37,731	59,059	18,494
	586,321	489,682	91,434

Non-current assets, excluding financial instruments and deferred tax assets, based on the location of the asset is as follows:

	2025	2024
Europe	615,498	451,066
USA	96,523	6,407
Rest of World	8,852	10,547
	720,873	468,020

Revenue from transactions with individual customers that exceeds ten percent or more of the Group's total revenue is as follows:

	2025		2024		2023	
	Revenue	% Total	Revenue	% Total	Revenue	% Total
Customer A	159,747	27.2%	72,339	14.8%	16,556	18.1%
Customer B	131,838	22.5%	144,384	29.5%	9,430	10.3%
Customer C	131,699	22.5%	72,105	14.7%	46,954	51.4%
Customer D	71,000	12.1%	—	—%	—	—%
Customer E	36,821	6.3%	101,862	20.8%	—	—%

5. Revenue

Disaggregated revenue

The following table summarizes the Group's revenue from contracts with customers, disaggregated by the type of good or service and timing of transfer of control of such goods and services to customers during the years ended 31 December 2025, 2024, and 2023:

	2025	2024	2023
Product and service revenue (point in time revenue recognition)	276,271	273,472	48,699
License revenue (point in time revenue recognition)	110,982	75,813	7,775
Performance revenue (point in time revenue recognition)	48,959	42,391	4,402
Development and other service revenue (over time revenue recognition)	150,109	98,006	30,558
	586,321	489,682	91,434

Performance revenue is disaggregated from license revenue as the Company reached significant performance milestones during the year. Those were previously reported under license revenue for the year ended 31 December 2023.

Reassessment of measure of progress

During the year ended 31 December 2025, the Group reassessed its method for measuring progress toward satisfaction of performance obligations related to out-license contracts. Specifically, the Group transitioned from an input method to an output method for recognizing revenue associated with upfront payments and development milestones. This transition reflects updated expectations regarding the timing and value of goods and services transferred to customers, in light of evolving regulatory and operational developments. This has been accounted for prospectively as a change in estimate in accordance with IAS 8. The net effect in the year ended 31 December 2025 resulted in an increase of $17.5 million in revenue related to development services.

Subsequent changes to the estimate of the transaction price are recorded as adjustments to revenue in the period of change. The Group updates the measure of progress estimates on a quarterly basis. The quarterly changes in estimates did not result in material adjustments to the Group's previously reported revenue or trade receivables during the years ended 31 December 2025, 2024, and 2023.

Contract assets and liabilities

A reconciliation of the beginning and ending balances of contract assets and contract liabilities is shown in the table below:

	Contract Assets	Contract Liabilities
31 December 2023	46,049	132,444
Contract asset additions	133,756	—
Amounts transferred to trade receivables	(88,564)	—
Derecognition of contract liability	—	(331)
Customer prepayments	—	51,255
Revenue recognized	—	(82,454)
Foreign currency adjustment	(1,227)	(4,213)
31 December 2024	90,014	96,701
Contract asset additions	153,918	—
Amounts transferred to trade receivables	(58,878)	—
Derecognition of contract liability	—	(4,157)
Customer prepayments	—	42,067
Revenue recognized	—	(107,173)
Foreign currency adjustment	2,320	8,426
31 December 2025	187,374	35,864

The net increase in contract assets as of 31 December 2025 is due to the revenue recognized when the performance obligation has been met which is offset by transfer of amounts to trade receivables on the basis that the Group's right to that consideration is no longer contingent on its performance. The net decrease in contract liabilities as of 31 December 2025 is due to revenue recognized when the performance obligation has been met which is offset by customer prepayments in advance of the Group's performance. As of 31 December 2025, $122.9 million and $64.4 million are recorded as non-current contract assets and current contract assets, respectively. Non-current contract assets will materialize over the next 2 to 4 years. As of 31 December 2025, $5.5 million and $30.4 million are recorded as non-current contract liabilities and current contract liabilities, respectively. Non-current contract liabilities will be recognized as revenue over the next 2 to 3 years as either services are rendered or contractual milestones are achieved, depending on the performance obligation to which the payment relates.

Remaining performance obligations

Due to the long-term nature of the Group's out-license contracts, the Group's obligations pursuant to such contracts represent partially unsatisfied performance obligations at year-end. The revenues under existing out-license contracts with original expected durations of more than one year are estimated to be $351.7 million. The Group expects to recognize the majority of these revenues over the next 5 years.

Out-license agreements

Teva Pharmaceutical Industries Ltd. (Teva)

In August 2020, the Group entered into an exclusive strategic agreement with Teva for the commercialization in the United States for five of the Group's biosimilar product candidates. The initial pipeline contains biosimilar candidates addressing multiple therapeutic areas. Under this agreement, the Group will be responsible for the development, registration and supply of the biosimilars, while Teva will be exclusively commercializing the products in the United States pursuant to an intellectual property license granted by the Group to Teva. This agreement was subsequently amended in June 2021, February 2023, and July 2023, for the exclusive commercialization of additional biosimilar products in the United States.

In connection with the agreement, Teva made upfront payments of $40 million up to 31 December 2025. The Group also received $70.0 million in development milestones, $40.0 million in milestones related to the first commercial sale and other sales target through 31 December 2025, and is entitled to receive up to an additional $465 million in development and sales target milestones. Subject to some limitations, as consideration for supply of product the Group will receive 40% of the value of Teva's net sales of the products.

STADA Arzneimittel AG (Stada)

In November 2019, the Group entered into an exclusive strategic agreement with Stada for the commercialization of six biosimilar products in all key European markets and selected markets outside Europe. The initial pipeline contains biosimilar candidates aimed at treating autoimmunity, oncology, ophthalmology and inflammatory conditions. Under this agreement, the Group will be responsible for the development, registration and supply of the biosimilars, while Stada will be exclusively commercializing the products in the relevant territories pursuant to an intellectual property license granted by the Group to Stada.

Three product agreements were terminated in May 2023, resulting in repayment of €17.4 million and reversion of rights to the Group. Subsequent amendments expanded Stada's commercial rights for the remaining three biosimilars to additional territories.

In connection with the agreement, Stada made an upfront payment of $6.7 million up to 31 December 2025. The Group also received $73.4 million in development milestones, $24.5 million in milestones related to the first commercial sale and other sales target through 31 December 2025, and is entitled to receive up to an aggregate of $8.0 million in development and sales target milestones. The Group is also expected to receive a royalty of approximately 40% of the estimated net selling price from Stada's and its affiliates' commercialization of the contracted biosimilar products.

Advanz Pharma Holdings (Advanz Pharma)

In February 2023, the Group entered into an exclusive strategic agreement with Advanz Pharma for the commercialization of one biosimilar in the European Economic Area, UK, Switzerland, Canada, Australia, and New Zealand. Under the agreement, the Group is responsible for development and supply, while Advanz Pharma handles registration and commercialization. The partnership was expanded in May 2023 to include five additional biosimilar products in Europe.

Further amendments in June 2024 and May 2025 extended the partnership to include five additional biosimilar products. Advanz Pharma holds exclusive commercialization rights in Europe, with semi-exclusive rights in Germany and France for two of the products.

In connection with the agreements, Advanz Pharma made upfront payments of $127.0 million up to 31 December 2025. The Group also received $60.6 million development milestones, $4.2 million in milestones related to the first commercial sale and other sales target through 31 December 2025. Additionally, the Group is eligible to receive up to an additional $578.7 million in development and sales target milestones. The Group is also expected to receive a

royalty of 40% of the estimated net selling price from Advanz Pharma's and its affiliates' commercialization of the contracted biosimilar products.

Alvogen Inc. (Alvogen)

In December 2025, the Group entered into an exclusive strategic agreement with Alvogen for the commercialization of three biosimilar in United States. Under the agreement, the Group is responsible for development and supply, while Alvogen handles registration and commercialization.

In connection with the agreement, Alvogen made upfront payments of $15.0 million up to 31 December 2025. Additionally, the Group is eligible to receive up to an additional $195.0 million in development, regulatory and sales target milestones. The Group is also expected to receive a royalty of 40% of the estimated net selling price from Alvogen's and its affiliates' commercialization of the contracted biosimilar products. Alvogen is a related party to the Company (refer to Note 24 for further details).

6. Salaries and other employee expenses

The average number of individuals employed by the Group during the years ended 31 December 2025, 2024, and 2023 was 1,279, 1,011, and 999, respectively. The aggregate salary and other employee expenses incurred by the Group for these employees were as follows:

	2025	2024	2023
Salary expense	146,877	109,042	107,067
Defined contribution plan expense [(1)]	14,698	11,168	11,518
Long-term incentive plan expense	—	198	78
Share-based payments (see Note 22)	7,378	7,626	18,033
Other employee expense	20,804	19,998	19,718
Temporary labor	4,252	5,994	8,495
	194,009	154,026	164,909

(1) *Defined contribution plan expense consists of costs incurred by the Group for employees of certain subsidiaries that are required by local laws to participate in pension schemes. These pension schemes are not sponsored or administered by the Group. Pursuant to the requirements of the schemes, the Group is required to contribute a certain percentage of its payroll costs to the pension schemes. Such contributions are charged to the consolidated statements of profit or loss and other comprehensive income or loss as they are incurred in accordance with the rules of the pension schemes.*

In 2025, the Group undertook several workforce reductions and leadership changes across certain functions. These actions included the departure of several senior executives earlier in the year and a reduction of eleven roles within the Quality organization in November 2025. Affected employees were formally notified during 2025.

In accordance with IAS 19, the Group recognized a liability for termination benefits when it became demonstrably committed to these reductions. All unpaid termination benefits were accrued as of 31 December 2025 and are presented within Other Current Liabilities. Termination benefits comprise statutory and contractual severance obligations and related employer charges. The total termination benefit expense recognized in 2025 amounted to $3.5 million.

The movements in the termination benefit liability for the year ended 31 December 2025 were as follows:

	2025
Balance at 1 January 2025	—
Expenses recognized	3,468
Utilization	(891)
Balance at 31 December 2025	2,577

Salaries and other employee expenses are included within the consolidated statements of profit or loss and other comprehensive income or loss as follows:

	2025	2024	2023
Cost of product revenue	116,032	77,241	76,908
Research and development expenses	38,416	37,652	44,339
General and administrative expenses	39,561	39,133	43,662
Total salary and other employee expenses	194,009	154,026	164,909

7. Finance income and finance costs

Finance income earned for the years ended 31 December 2025, 2024, and 2023 are as follows:

	2025	2024	2023
Changes in the fair value of derivatives (see Note 27)	194,962	75,528	—
Interest income from cash and cash equivalents	2,162	4,577	4,547
Interest on financial assets	204	—	—
Gain on lease termination	765	—	—
Other interest income	399	40	276
	198,492	80,145	4,823

Finance costs incurred for the years ended 31 December 2025, 2024, and 2023 are as follows:

	2025	2024	2023
Changes in the fair value of derivatives (see Note 27)	(3,112)	(145,564)	(132,333)
Interest on debt and borrowings	(127,632)	(147,373)	(129,327)
Interest on lease liabilities (see Note 13)	(9,238)	(6,614)	(3,840)
Amortization of deferred debt issue costs	(9,208)	(3,614)	(1,657)
	(149,190)	(303,165)	(267,157)

8. Depreciation, amortization and impairment

Depreciation, amortization and impairment expenses incurred during the years ended 31 December 2025, 2024, and 2023 are as follows:

	2025	2024	2023
Depreciation and impairment of property, plant and equipment (see Note 12)	21,174	17,105	14,353
Depreciation of right of use assets (see Note 13)	14,485	13,377	8,913
Amortization and impairment of intangible assets (see Note 15)	2,192	819	2,723
	37,851	31,301	25,989

Depreciation, amortization and impairment expenses are included within the consolidated statements of profit or loss and other comprehensive income or loss as follows:

	2025	2024	2023
Cost of product revenue	21,972	18,683	15,582
Research and development expenses	9,851	8,359	6,886
General and administrative expenses	6,028	4,259	3,521
	37,851	31,301	25,989

9. Audit fees

	2025	2024	2023
Financial Statement audit fees	3,509	3,335	2,876
Other fees, including tax services	882	279	462
	4,391	3,614	3,338

Financial Statements audit fees consist of fees for the audit of our annual financial statements and other professional services provided in connection with the statutory and regulatory filings or engagements, including fees for the review of our interim financial information.

Other fees, including tax services, include fees for review of our current and historical financial information included in our SEC registration statements and prospectus for the listing in Sweden, fees for tax compliance, tax advice, tax planning, and other services.

10. Income tax

Taxation recognized in the consolidated statements of profit or loss and other comprehensive income or loss during the years ended 31 December 2025, 2024, and 2023 is as follows:

	2025	2024	2023
Current tax			
Direct taxes - current	1,906	1,149	1,307
Direct taxes – prior year	(80)	(48)	(60)
Total current tax	1,826	1,101	1,247
Deferred tax			
Current	137,476	7,284	(89,847)
Prior year	(30,872)	5,916	(10,719)
Total deferred tax	106,604	13,200	(100,565)
Total income tax charge / (benefit)	108,429	14,301	(99,318)

The prior year deferred tax impact of $30.9 million mainly relates to foreign currency impact on losses denominated in Icelandic krona.

The tax charge for the year ended 31 December 2025 is impacted by the derecognition of previously recognized deferred tax asset on accumulated tax losses in Iceland as, based on updated expectations of future taxable profits, management considered no longer probable that the related deferred tax asset will be fully utilized . Other factors affecting the tax charge for the year relate to favorable foreign currency impact on accumulated tax losses denominated in Icelandic Krona and are predominantly represented as prior year deferred taxes. The factors affecting the tax charge during the year ended 31 December 2024 relate primarily to the utilization of the deferred tax asset on accumulated tax losses previously recognized, as management had assessed at that time that it was probable that the accumulated tax losses would be fully utilized.

There were no accruals for tax contingencies during the years ended 31 December 2025, 2024, and 2023.

The effective tax rate for the year of 79.5% (2024: (6.6)%, 2023: 15.3%) is higher than the applicable Luxembourgish statutory rate of corporation income tax. The reconciling items between the statutory rate and the effective tax rate are as follows:

	2025	2024	2023
Tax rate	23.9%	24.9%	24.9%
Effect of tax rate in foreign jurisdictions	(1.4%)	0.8%	(3.4%)
Permanent Differences	(37.1%)	(17.4%)	(6.7%)
Derecognition of tax losses previously recognized	95.3%	—%	—%
Non-recognition of tax losses	21.6%	(12.2%)	(1.5%)
Other items	(22.8%)	(2.8%)	1.9%
Effective tax rate	79.5%	(6.6%)	15.3%

The movement in net deferred taxes during the years ended 31 December 2025 and 2024 is as follows:

	2025	2024
Balance at 1 January	296,549	309,754
Acquisition of subsidiaries	(5,551)	—
Deferred tax credited to profit or loss	(106,655)	(13,205)
Balance at 31 December	184,343	296,549
Deferred tax assets	192,211	298,360
(Deferred tax liabilities)	(7,868)	(1,811)

	2025		2024	
Deferred Tax Assets and Liabilities	DTA	(DTL)	DTA	(DTL)
Intangible Assets	713	522	751	—
Tangible Assets	4,213	(6,458)	530	(849)
Inventory Reserves	1,518	(203)	1,384	—
Bad Debt Reserves	172	—	3,483	—
Employee Benefits	3,973	—	4,611	—
Provisions and accruals	—	(871)	—	(679)
Other	202	(857)	(275)	(283)
Taxable Losses	181,421	—	287,874	—
Total Deferred Taxes	192,211	(7,868)	298,360	(1,811)

Where there is a right of offset of deferred tax balances within the same tax jurisdiction, IAS 12 requires these to be presented after such offset in the consolidated statements of financial position. The closing deferred tax balances included above are after offset; however, the disclosure of deferred tax assets by category below are presented before such offset.

The amount of deferred tax recognized in the consolidated statements of financial position as of 31 December 2025 and 2024 is composed of:

	2025	2024
Deferred tax assets attributable to tax loss carryforwards	181,421	287,874
Deferred tax asset attributable to other temporary differences	11,312	10,760
(Deferred tax liabilities) attributable to other temporary differences	(8,390)	(2,086)
Net deferred tax assets / (liabilities)	184,343	296,549

A deferred tax liability has been recognized in relation to ordinary timing differences arising from depreciation, reserves and other provisions. A deferred tax liability of $8.4 million and $2.1 million has been recognized as of 31 December 2025 and 2024, respectively.

A net deferred tax asset of $184.3 million and $296.5 million is recognized as of 31 December 2025 and 31 December 2024, respectively.

A deferred tax asset has been recognized in relation to ordinary timing differences arising from amortization, depreciation, reserves, employee benefits, other provisions and tax losses carried forward in the Group. The deferred tax asset related to tax losses reflect the portion of accumulated tax losses in Iceland that management considers probable of being utilized. In reaching this conclusion, management evaluated all available positive and negative

evidence, including long-term profitability expectations associated with product, license and other revenues, and assessed the extent to which future profits could be used to offset cumulative tax losses as at 31 December 2025.

The recoverability assessment is performed annually in accordance with IAS 12 and considers the robustness of the long-term financial plan (which is the six year plan for 2026–2031) supporting forecast taxable results. As part of this year's assessment, the key assumptions were updated and incorporated risks associated to potential variability in product volumes (market share), unit prices, timing of product launches and the probability of success for pipeline products, and included the effects of 2025 regulatory changes, pricing and demand, acknowledging that development, regulatory-timing and commercial assumptions may evolve over time. Projected revenue streams were included only where a sufficient level of substantiation exists (for example, launched products, partner purchase orders and signed licensing agreements).

Based on this assessment, certain tax losses arising in 2016 and 2017 are set to expire unused and tax losses arising in 2022 onwards are not expected to be fully utilized by 2031, resulting in the derecognition of $130.0 million of previously recognized deferred tax assets on accumulated tax losses, which was mainly a result of a combination of delays in regulatory approval, more pronounced pricing pressure than anticipated and regulatory changes in the US . An amount of $181.4 million of deferred tax asset on accumulated tax losses remains recognized and reflects the portion of tax losses for which management has determined that are probable of being utilized . The Group continues not to recognize a deferred tax asset for tax losses arising in Luxembourg, as their recoverability is considered unlikely.

There is an inherent uncertainty and estimation in the valuation of deferred tax assets and, therefore, this is an area subject to risk of material change as a result of underlying assumptions and judgements used, in particular the forecast of future profitability used to determine the recoverability of deferred tax. It is possible that to the extent that actual outcomes differ from management's estimates, material income tax charges or credits, and material changes in deferred tax assets may arise within the next financial year or in future years. In this context, Management notes that adverse movements, in key assumptions—such as slower-than-expected revenue growth, shifts in market conditions, pricing pressures, or delays in the timing of projected taxable profits—could impact materially the recognition of deferred tax assets over taxable losses.

These tax losses expire as follows:

2026-2028	208,484
2029-2031	549,965
Later	889,170
Indefinite	—
Total	1,647,618

As of 31 December 2025 the Group has total unused tax losses of $1,647.6 million. Of this, $740.5 million represent unused losses for which no deferred tax asset has been recognized in the statement of financial position but are available to offset future taxable income: $650.0 million reside in Iceland and $90.5 million reside in Luxembourg. The remaining total of unused tax losses of $907.1 million represent unused losses in Iceland for which a deferred tax asset has been recognized in the statement of financial position and which are available to offset future taxable income.

11. Profit (loss) per share

Basic profit (loss) per share is computed by dividing loss for the year by the weighted average number of ordinary shares outstanding during the period.

Diluted profit (loss) per share is computed by adjusting the calculation of basic profit (loss) per share for the effects of dilutive potential ordinary shares from financial instruments that may be converted or exercised into ordinary shares of the Group. For the years ended 31 December 2025, 2024, and 2023, 30,864,506, 31,432,382, and 86,745,377, respectively, potential ordinary shares pursuant to the RSUs, 2025 Convertible Bonds, Senior Bond Warrants, Aztiq Convertible Bond, 2022 Convertible Bonds, OACB Warrants, Predecessor Earn Out Shares, and OACB Earn Out Shares (as defined and discussed in Notes 21 and 27) were excluded in the calculation of diluted

profit (loss) per share, since the effect of doing so would result in an increase (reduction) of profit (loss) per share and thus be antidilutive.

The calculation of basic and diluted profit (loss) per share for the years ended 31 December 2025, 2024, and 2023 is as follows (in thousands, except for share and per share amounts):

	2025	2024	2023
Earnings			
Profit / (loss) for the year	27,919	(231,864)	(551,731)
Number of shares			
Weighted average number of ordinary shares outstanding	289,727,741	267,924,570	227,256,469
Basic profit / (loss) per share	0.10	(0.87)	(2.43)

Diluted earnings per share is calculated to give effect to the potential dilutive effect that could occur if additional ordinary shares were assumed to be issued under securities or instruments that may entitle their holders to obtain ordinary shares in the future, which include share-based compensation awards (see Note 22—Share-based payments for additional details). The number of additional shares for inclusion in the diluted earnings per share calculation was determined using the treasury stock method.

The calculation of diluted profit (loss) per share for the years ended 31 December 2025, 2024, and 2023 is as follows (in thousands, except for share and per share amounts):

	2025	2024	2023
Earnings			
Profit (loss) for the year	27,919	(231,864)	(551,731)
Fully diluted profit (loss) for the year	27,919	(231,864)	(551,731)
Number of shares			
Weighted average number of ordinary shares outstanding	289,727,741	267,924,570	227,256,469
Dilutive effect of share-based compensation	1,614,734	—	
Weighted average number of diluted ordinary shares outstanding	291,342,475	267,924,570	227,256,469
Diluted profit / (loss) per share	0.10	(0.87)	(2.43)

12. Property, plant and equipment

Property, plant and equipment consists of facility, facility equipment, furniture, fixtures and leasehold improvements, and computer equipment. Movements within property, plant and equipment during the years ended 31 December 2025 and 2024 are as follows:

	Facility	Facility Equipment	Furniture, fixtures and leasehold improvements	Computer equipment	Total
Cost					
Balance at 1 January 2025	115,000	237,471	14,301	2,388	369,160
Acquisition of Ivers Lee assets	31,654	4,596	131	37	36,418
Additions	—	56,173	2,546	264	58,983
Disposals	—	(1,192)	(4,628)	(138)	(5,958)
Translation difference	304	1,814	188	4	2,310
Balance at 31 December 2025	146,958	298,862	12,538	2,555	460,913
Depreciation					
Balance at 1 January 2025	6,109	72,107	4,569	1,829	84,614
Depreciation	3,424	16,428	1,041	281	21,174
Disposals	—	(1,193)	(1,344)	(126)	(2,663)
Translation difference	—	1,272	115	3	1,390
Balance at 31 December 2025	9,533	88,614	4,381	1,987	104,515
Net carrying amount					
Balance at 31 December 2025	137,425	210,248	8,157	568	356,398

	Facility	Facility Equipment	Furniture, fixtures and leasehold improvements	Computer equipment	Total
Cost					
Balance at 1 January 2024	115,000	176,718	10,878	2,312	304,908
Additions	—	61,633	3,517	98	65,248
Translation difference	—	(880)	(94)	(22)	(996)
Balance at 31 December 2024	115,000	237,471	14,301	2,388	369,160
Depreciation					
Balance at 1 January 2024	3,234	59,497	3,815	1,583	68,129
Depreciation	2,875	13,189	776	265	17,105
Translation difference	—	(579)	(22)	(19)	(620)
Balance at 31 December 2024	6,109	72,107	4,569	1,829	84,614
Net carrying amount					
Balance at 31 December 2024	108,891	165,364	9,732	559	284,546

As part of the Ivers Lee business combination (refer to Note 1.3), the Group recognized the acquiree's identifiable Property, Plant and Equipment amounting to $36.8 million. These assets were measured at their acquisition-date fair values in accordance with IFRS 3. The fair value assessment was performed by an independent qualified valuer and reflect current market conditions at the acquisition date.

On 12 December 2024, the Group entered into a settlement with Fasteignafélagið Eyjólfur hf. with respect to Alvotech hf.'s equipment located in the leased premises and operated by Alvotech hf., which had been acquired by

Faseignafélagið Eyjólfur hf. This resulted in an amendment of the lease agreement (refer to Note 13). The settlement amount was $14.8 million.

The Group pledged $356.4 million and $284.5 million of property, plant and equipment as collateral to secure bank loans with third parties as of 31 December 2025 and 2024, respectively.

13. Leases

The Group's leased assets consist of facilities, fleet and equipment pursuant to both arrangements with third parties and related parties. The carrying amounts of the Group's right-of-use assets and the movements during the years ended 31 December 2025 and 2024 are as follows:

	2025	2024
Right-of-use assets		
Balance at 1 January	125,198	119,802
Adjustments for indexed leases	4,882	6,283
New leases	24,594	41,506
Cancelled leases	(2,132)	(476)
Remeasurement due to acquisition of equipment	—	(27,902)
Depreciation	(14,485)	(13,377)
Translation difference	237	(638)
Balance at 31 December	138,294	125,198

The Group entered into a lease agreement with Fasteignafélagið Eyjólfur hf. in April 2023 for a new facility in Iceland with remaining lease terms of approximately 13 years as of 31 December 2025. The building is 140,000 square feet. The construction was completed in 2024 and the final details were finalized in 2025. The lease amount was in substance fixed and is based on construction cost. On 12 December 2024 the Group entered into a settlement with Fasteignafélagið Eyjólfur hf. with respect to Alvotech hf.'s equipment located in the leased premises and operated by Alvotech hf., which had been acquired by Faseignafélagið Eyjólfur hf. This resulted in an amendment of the lease agreement which resulted in a partial termination of the right-of-use asset amounting to $27.9 million and remeasurement of the lease liability reducing the liability by $28.3 million. The Group recognized $0.4 million income due to this remeasurement in the consolidated statements of profit or loss and other comprehensive income or loss. The related right-of-use asset as of 31 December 2025 amounts to $81.4 million.

The Group's right-of-use assets as of 31 December 2025 and 2024 are comprised of the following:

	2025	2024
Right-of-use assets		
Facilities	131,573	117,931
Fleet	171	268
Equipment	6,550	6,999
Balance at 31 December	138,294	125,198

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The Group's lease liabilities and the movements during the years ended 31 December 2025 and 2024 are as follows:

	2025	2024
Lease liabilities		
Balance at 1 January	121,652	115,315
Adjustments for indexed leases	4,880	6,325
New leases	24,470	41,584
Cancelled leases	(3,889)	(484)
Installment payments	(11,189)	(10,725)
Remeasurement due to acquisition of equipment	—	(28,252)
Foreign currency adjustment	13,803	(1,695)
Translation difference	350	(416)
Balance at 31 December	150,077	121,652
Current liabilities	(12,078)	(9,515)
Non-current liabilities	137,999	112,137

The amounts recognized in the consolidated statements of profit or loss and other comprehensive income or loss during the years ended 31 December 2025, 2024, and 2023 in relation to the Group's lease arrangements are as follows:

	2025	2024	2023
Depreciation expense from right-of-use assets			
Facilities	(13,706)	(11,922)	(7,631)
Fleet	(159)	(161)	(180)
Equipment	(620)	(1,294)	(1,102)
Total depreciation expense from right-of-use assets	(14,485)	(13,377)	(8,913)
Interest expense on lease liabilities	(9,238)	(6,614)	(3,840)
Foreign currency difference on lease liability	(13,803)	(1,695)	(1,932)
Gain/(loss) from extinguishment of lease agreement	1,757	375	(28)
Total amount recognized in profit and loss	(35,769)	(21,311)	(14,713)

The maturity analysis of undiscounted lease payments as of 31 December 2025 and 2024 is as follows:

	2025	2024
Less than one year	21,577	16,731
One to five years	75,002	58,722
Thereafter	116,424	101,703
	213,003	177,156

The Group's lease liabilities as of 31 December 2025 and 2024 do not include short-term leases and low value leases. During these years the Group expensed $0.4 million and $0.2 million, respectively, in relation to such leases.

14. Goodwill

The Group's goodwill balances as of 31 December 2025 and 2024 are as follows:

	2025	2024
Balance as of 1 January	11,330	12,058
Translation difference	1,505	(728)
Balance as of 31 December	12,835	11,330

Goodwill is recognized at the Group level and allocated to group of cash-generating units, which represents the lowest level at which goodwill is monitored. The recoverable amount of the cash-generating unit is determined based on a value in use calculation which uses cash flow projections based on the financial forecast for the period 2026-2031 which reflect the recent business developments of the Group and has been approved by management and the Board of Directors. The Group determined that the terminal growth rate and the discount rate are the key assumptions used in determining the current estimate of value in use.

Cash flows beyond 2031 have been extrapolated using a negative 5% terminal rate in both the 2025 and 2024 value in use calculations, respectively. A discount rate of 23.9% (2024: 24.3%) per annum was used in determining the current estimate of value in use. Since the recoverable amount of the cash-generating unit was substantially in excess of its carrying amount as of 31 December 2025 and 2024, management believes that any reasonably possible change in the key assumptions on which the recoverable amount of the cash-generating unit is based would not cause the carrying amount of the cash-generating unit to exceed its recoverable amount.

There were no goodwill impairment charges recognized in the consolidated statements of profit or loss and other comprehensive income or loss in any prior periods.

15. Other Intangible assets

Other intangible assets consist of software, customer relationships, and licensed intellectual property rights. Movements in intangible assets during the years ended 31 December 2025 and 2024 are as follows:

	Software	Customer relationships	Intellectual property rights	Total
Cost				
Balance at 1 January 2025	19,234	2,134	6,000	27,368
Acquisition of Ivers Lee assets	185	—	—	185
Additions	1,823	—	61,182	63,005
Derecognition	—	(2,134)	—	(2,134)
Translation difference	313	—	—	313
Balance at 31 December 2025	21,555	—	67,182	88,737
Amortization				
Balance at 1 January 2025	4,613	2,134	—	6,747
Amortization	2,192	—	—	2,192
Derecognition	—	(2,134)	—	(2,134)
Translation difference	98	—	—	98
Balance at 31 December 2025	6,903	—	—	6,903
Net carrying amount				
Balance at 31 December 2025	14,652	—	67,182	81,834

During the twelve months ended 31 December 2025, the Group acquired $35.0 million of intangible assets, mainly in-process research and development, including $28.2 million through the Xbrane asset acquisition as described in

Note 1.2. The Group recognized $2.2 million and $0.8 million of amortization expense for the twelve months ended 31 December 2025 and 2024, respectively.

	Software	Customer relationships	Intellectual property rights	Total
Cost				
Balance at 1 January 2024	17,073	2,271	6,000	25,344
Additions	2,409	—	—	2,409
Translation difference	(248)	(137)	—	(385)
Balance at 31 December 2024	19,234	2,134	6,000	27,368
Amortization				
Balance at 1 January 2024	3,997	2,271	—	6,268
Amortization	819	—	—	819
Translation difference	(203)	(137)	—	(340)
Balance at 31 December 2024	4,613	2,134	—	6,747
Net carrying amount				
Balance at 31 December 2024	14,621	—	6,000	20,621

Additions during the year ended 31 December 2024 were primarily the implementation of our new SAP system.

At 31 December 2025 the Group performed a review of its intangible assets and determined that there was no impairment in 2025 and 2024. At 31 December 2023, the Group determined certain software development had been abandoned. In assessing recoverable amount, the Group determined the market for resale was non-existent. Management therefore determined to fully impair the assets, resulting in an impairment charge of $1.8 million during the year ended 31 December 2023. The impairment charge for the year ended 31 December 2023 was recognized as an expense within “General and administrative expense”.

Alvotech entered into an exclusive product licensing and supply agreement with Kashiv for the development and commercialization of AVT23 in September 2023. Under the terms of the agreement, Kashiv granted Alvotech an exclusive right for AVT23 which will be produced using Kashiv’s proprietary process technology and commercialized by Alvotech in specific territories. In exchange, Alvotech made an upfront payment of $3.0 million upon the signing of the agreement, with an additional $3.0 million due upon the beginning of Phase 3 which coincides with the clinical trial application ("CTA") submission. During 2025 Alvotech made milestone payments to Kashiv for $6.7 million.

In addition, Alvotech may be obligated to pay Kashiv up to an aggregate of $25 million (including the above mentioned payments), payable upon the achievement of various development and regulatory milestones, as well as certain tiered royalty payments up to an aggregate of $15 million based on commercial sales of AVT23. The agreement terminates 10 years after the launch of AVT23 and is subject to certain customary termination rights.

Additions during the year 2025 mainly relate to capitalized costs arising from co-development and in-licensing arrangements, representing acquired intellectual property rights.

16. Cash and cash equivalents

Cash and cash equivalents include both cash in banks and on hand. Cash and cash equivalents as of 31 December 2025 and 31 December 2024 are as follows:

	31 December 2025	31 December 2024
Cash and cash equivalents denominated in US dollars	11,060	36,930
Cash and cash equivalents denominated in other currencies	161,299	14,498
	172,359	51,428

Restricted cash

Restricted cash relates to cash that may only be used pursuant to certain of the Group's borrowing arrangements (see note 21). Therefore, these deposits are not available for general use by the Group. Movements in restricted cash balances during the years ended 31 December 2025 and 31 December 2024 are as follows:

	31 December 2025	31 December 2024
Balance at 1 January	—	26,132
Interest income	—	740
Released during the year	—	(26,872)
Balance at 31 December	—	—

17. Inventories

The Group's inventory balances as of 31 December 2025 and 31 December 2024 are as follows:

	31 December 2025	31 December 2024
Raw materials and supplies	102,158	53,566
Work in progress	124,330	81,243
Finished goods	1,383	—
Inventory reserves	(7,817)	(6,920)
Total Balance	220,054	127,889

The increase in inventory from 31 December 2024 to 31 December 2025 is due to the expansion of the commercial launch of certain of the Group's biosimilar products.

The Group recognized $174.2 million, $118.0 million and $42.8 million within cost of goods sold during the years ended 31 December 2025, 2024 and 2023 respectively.

During the years ended 31 December 2025, 2024, and 2023, write-down of inventories amounted to $7.8 million, $6.9 million, and $10.4 million, respectively, due to product expiration and results from quality control inspections.

There were no reversals of inventory write-downs during the years ended 31 December 2025 and 31 December 2023. There was a reversal of inventory write-downs of $7.4 million during the year ended 31 December 2024.

18. Other current assets

The composition of other current assets as of 31 December 2025 and 31 December 2024 is as follows:

	31 December 2025	31 December 2024
Value-added tax	17,924	17,719
Prepaid expenses	27,816	23,984
Proceeds receivable from sale of joint venture	—	5,950
Other short-term receivables	1,244	411
	46,984	48,064

19. Share capital

Share capital and share premium of the Group's Ordinary Shares issued as of 31 December 2025, and 2024 are as follows (in thousands, except for share amounts):

	2025		2024	
	Shares	Share capital and share premium	Shares	Share capital and share premium
Ordinary Shares	312,021,375	2,108,620	301,805,677	2,009,884
	312,021,375	2,108,620	301,805,677	2,009,884

The authorised capital, excluding the share capital, is set at $4.4 million, consisting of 4,407,629 shares, each having a nominal value of $0.01.

On 26 February 2024, Alvotech announced it had received and accepted an offer from investors outside the U.S. for the sale of 10,127,132 Ordinary Shares, for an approximate gross value of $166 million, at a purchase price of $16.41 per share, or ISK 2,250, at the foreign exchange rate on 23 February 2024. The shares were to be delivered to investors from previously issued treasury shares held by Alvotech´s subsidiary Alvotech Manco. As of 31 December 2024, the settlement of the sale offers resulted in 9,213,333 Ordinary Shares delivered to investors upon the payment of $150.5 million, the net proceeds of the transaction totaling $144 million.

The Company announced in June 2024 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. Similarly, some holders of the Aztiq Convertible Bonds decided to exercise similar conversion right into ordinary shares at the same conversion price. Based on the current exchange rate, a total of approximately 22.1 million new shares were issued on 1 July 2024, corresponding to approximately $220.7 million of aggregate value of these bonds with accrued interest. The holders of the 2022 Convertible Bonds and the Aztiq Convertible Bonds that did not exercise their right to conversion, obtained repayment from the Group in July 2024, upon the closing of the Secured Loan Facility of $965.0 million.

On 16 May 2025, the Company announced the outcome of an offering of SDRs, in connection with its listing on Nasdaq Stockholm (the "Offering"). The Offering, which was directed solely into Sweden and had an application period from 9 May 2025 to 16 May 2025, attracted strong interest from the general public in Sweden and was multiple times oversubscribed, resulting in more than 3,000 new shareholders for the Company. The gross proceeds of the Offering amounted to SEK 39 million, before the deduction of transaction costs.

On 4 June 2025, the Company carried out a private placement of ordinary shares and SDRs (the "Placement") directed to Swedish and international institutional investors which was completed on 11 June 2025. About 40 institutional investors participated in the Placement, which was oversubscribed. About 60% of the demand came from institutional investors based in Sweden, Norway or the UK, and about 30% from US-based funds. Over 80% of the shares and SDRs allocated in the placement were sold to investors that were not previously shareholders in Alvotech. Gross proceeds from the sale of shares and SDRs were SEK 750 million, before the deduction of transaction costs.

On 22 December 2025, the Company issued Convertible Bonds. Alvotech Manco ehf ("Manco"), a wholly owned subsidiary of the Company, provided a stock lending facility for the duration of the Convertible Bonds for the purpose of facilitating Convertible Bond investors' hedging activities. The facility covers the full number of shares underlying the Convertible Bonds, which total 18,235,850 shares. As of the year-end 2025, 13,559,915 shares have been lent under this facility.

Movements in the Group's Ordinary shares, share capital and share premium during the years ended 31 December 2025, 2024, and 2023 are as follows (in thousands, except for share amounts):

	Ordinary Shares	Share capital	Share premium	Total
Balance at 1 January 2023	252,160,087	2,126	1,058,432	1,060,558
Capital contribution	11,834,061	118	132,618	132,736
Vested earn-out shares	—	6	8,300	8,306
Penny warrants (Note 27)	2,479,962	25	27,159	27,184
Public warrants (Note 27)	553,552	6	7,612	7,618
Settlement of RSUs with shares (Note 22)	838,919	8	5,095	5,103
Settlement of SARs with shares	(1,044,737)	(10)	(9,526)	(9,536)
Balance at 31 December 2023	266,821,844	2,279	1,229,690	1,231,969
Capital contribution	9,213,333	92	144,547	144,639
Vested earn-out shares	—	198	310,703	310,901
Penny warrants (Note 27)	1,718,845	17	24,293	24,310
Public warrants (Note 27)	419,660	4	6,691	6,695
Settlement of RSUs with shares (Note 22)	1,549,290	15	5,890	5,905
Settlement of options with shares	9,127	0	105	105
Conversion of convertible bonds (Note 21)	22,073,578	221	285,139	285,360
Balance 31 December 2024	301,805,677	2,826	2,007,058	2,009,884
Capital contribution	7,941,600	79	78,210	78,289
Convertible debt settled with shares	1,295,507	13	14,820	14,833
Settlement of RSUs with shares	978,591	11	5,603	5,614
Balance at 31 December 2025	312,021,375	2,929	2,105,691	2,108,620

No dividends were paid or declared during the years ended 31 December 2025, 2024, and 2023.

At 31 December 2025 and 2024 Alvotech Manco ehf., a subsidiary of Alvotech hf., owned 22,016,772 and 22,995,363 Ordinary Shares in Alvotech. Such shares are intended for the future issuance of Ordinary Shares under the Management Incentive Plan and other equity offerings.

20. Other reserves

The composition of other reserves as of 31 December 2025 and 2024 is as follows:

	2025	2024
Share based payments	15,331	17,272
	15,331	17,272

21. Borrowings

The Group's debt consists of interest-bearing borrowings from financial institutions and third parties. Outstanding borrowings, net of transaction costs and debt discounts, presented on the consolidated statements of financial position as current and non-current as of 31 December 2025 and 31 December 2024 are as follows:

	31 December 2025	31 December 2024
Senior Secured First Lien Term Loan Facility	1,031,565	990,744
2025 Convertible Bonds	68,367	—
Senior Term Loan Facility	96,719	—
Other borrowings	102,417	77,840
Total outstanding borrowings, net of debt issue costs	1,299,068	1,068,584
Less: current portion of borrowings	(36,921)	(32,702)
Total non-current borrowings	1,262,147	1,035,882

Senior Secured First Lien Term Loan Facility

On 7 June 2024, the Company entered into a $965.0 million senior secured first lien term loan facility ("Secured Loan Facility"), enabling the Company to improve cost of capital, address upcoming debt maturities in 2025 and add incremental cash to the statement of financial position. Upon the closing of the Secured Loan Facility, the Company was required to settle its existing debt obligations.

On 10 July 2024, the Company closed its previously executed Secured Loan Facility. The closing has allowed Alvotech to refinance outstanding debt obligations on 10 July 2024 and 11 July 2024, reducing the cost of capital and improving its overall debt maturity profile. The Secured Loan Facility, for $965.0 million in aggregate principal amount, matures in July 2029. The first tranche is a first lien $900.0 million term loan which bears an interest rate of SOFR plus 6.5% per annum (the "First Tranche Facility"). The second tranche is a $65.0 million first lien, second out term loan, which bears an interest rate of SOFR plus 10.5% per annum (the "Second Tranche Facility"). This resulted in the concurrent settlement of its existing debt obligations as described below.

The refinancing resulted in net cash proceeds of $140.5 million after transaction costs paid of $32.6 million. The Group has pledged key assets, including trade receivables, inventory, bank accounts, equity interests in its subsidiaries, intellectual property, equipment (1st lien pledge), and the manufacturing facility (2nd lien pledge) as collateral to secure the Secured Loan Facility.

On 26 June 2025, the Company entered into an amendment (the "Amendment") of its Secured Loan Facility, by and among, among others, Alvotech, as borrower, GLAS USA LLC, as administrative agent, GLAS Americas LLC, as collateral agent, and the Lenders thereto, which provides for, among other things, the reduction of the interest rate under the Company's existing Secured Loan Facility. In conjunction with this Amendment, part of the Lenders agreed to increase the first tranche by $169.0 million in order to absorb the second tranche, thereby creating one single tranche going forward, further simplifying the Company's capital structure. The interest rate for this Secured Loan Facility is SOFR plus 6.0% per annum, and all interest will be payable in cash. The Company used the proceeds of the new incremental senior secured term loans to prepay its existing second tranche, to prepay a portion of its existing first tranche, and to pay related premiums, closing payments, fees, costs and expenses.

A net gain on modification and extinguishment of financial liabilities of $17.7 million was recognized during the year ended 31 December 2025 in connection with the Amendment and partial repayment of the Secured Loan Facility. This amount reflects the financial impact of the extinguishment of the second tranche and certain lenders of the first tranche, as well as the modification of terms under the consolidated Facility, which now bears interest at SOFR plus 6.0% per annum.

The Group is in compliance with all representations and non-financial covenants required by the Secured Loan Facility agreement.

As of 31 December 2025, the carrying amount of the Secured Loan Facility is $1,031.6 million compared to $990.7 million as of 31 December 2024.

Convertibles Bonds issued in December 2025

On 22 December 2025, the Company issued $108 million of senior unsecured convertible bonds due 2030 (the "2025 Convertible Bonds"). The 2025 Convertible Bonds were issued at par, carry a 6.875% fixed coupon payable semi-annually in arrears, and mature on 22 December 2030.

The 2025 Convertible Bonds are convertible into SDRs at an initial Conversion Price of $5.9224, subject to standard anti-dilution adjustments and a single reset feature linked to certain equity issuances. The Convertible Bonds also include standard issuer call options and holder put rights upon defined events, all redeemable at par plus accrued interest.

The conversion option does not meet the fixed-for-fixed criterion and is therefore accounted for as a derivative financial liability measured at fair value through profit or loss (refer to Note 27). The issuer and holder redemption features were determined to be closely related to the host debt and were not separated. The host debt is measured at amortized cost using the effective interest method. Transaction costs directly attributable to the issuance were deducted from the initial carrying amount and are amortized over the term of the Convertible Bonds.

As of 31 December 2025, the carrying amount of the 2025 Convertible Bonds is $68.4 million and the fair value of the conversion option had a fair value of $38.7 million (see Note 27).

Term Loan Facility executed in December 2025

On 31 December 2025, the Company entered into a $100 million senior secured term loan facility (the "Senior Term Loan Facility") maturing in December 2027. The loan bears 12.50% cash interest, payable monthly, and is repayable in full at maturity. The facility includes customary optional and mandatory prepayment provisions, including make-whole and prepayment premiums, as well as standard excess-cash-flow and asset-sale sweep requirements.

The facility is therefore measured at amortized cost, with interest expense recognized under the effective interest method. Transaction costs directly attributable to the issuance were deducted from the initial carrying amount and are amortized over the term of the Senior Term Loan Facility.

As of 31 December 2025, the carrying amount of the Secured Loan Facility is $96.7 million.

Conversion of the 2022 Convertible Bonds and the Aztiq Convertible Bonds

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. Similarly, some holders of the Aztiq Convertible Bonds decided to exercise similar conversion right into ordinary shares at the same conversion price. Based on the transaction date exchange rate, a total of approximately 22.1 million new shares were issued on 1 July 2024, corresponding to approximately $220.7 million of aggregate value of these bonds with accrued interests. The holders of the 2022 Convertible Bonds and the Aztiq Convertible Bonds that did not exercise their right to conversion obtained repayment from the Group in July 2024 upon settlement of the Secured Loan Facility.

A loss on extinguishment of financial liabilities of $58.3 million related to the conversion of existing debt obligations was recorded during the year ended 31 December 2024, including the following:

- Conversion of all the Tranche A and some of the Tranche B of the 2022 Convertible Bonds with a principal value of $195.2 million, and $0.6 million of accrued interest, resulting in a loss on extinguishment of $56.3 million; and
- Conversion of some of the Aztiq Convertible Bonds with a principal value of $24.5 million, and $0.4 million of accrued interest, resulting in a loss on extinguishment of $2.0 million.

Refinancing of existing debt obligations

As described above, the Company refinanced its outstanding debt obligations following the close of the Secured Loan Facility. This resulted in the extinguishment of the Senior Bonds, the Alvogen Facility, and a portion of other outstanding borrowings.

A loss on extinguishment of financial liabilities of $10.7 million related to the refinancing of existing debt obligations was recorded during the year ended 31 December 2024, including the following:

- Repayment of the Senior Bonds with a principal value of $550.8 million, and $4.7 million of accrued interest, resulting in a loss on extinguishment of $1 million;
- Repayment of the unconverted 2022 Convertible Bonds with a principal value of $43.7 million, and $0.5 million of accrued interest, resulting in a loss on extinguishment of $2.9 million; and
- Repayment of the unconverted Aztiq Convertible Bonds with a principal value of $72.4 million, and $1.0 million of accrued interest, resulting in a loss on extinguishment of $6.8 million.

Facility loans

The Group assumed the Facility loans as part of the asset acquisition for the manufacturing facility in Reykjavik. On 9 December 2022, the Group extinguished the assumed loans from Arion banki hf., with an outstanding balance of $30.9 million, with two new loans from Landsbankinn hf. for $48.8 million, with variable interest rate. The refinancing resulted in net cash proceeds of $17.2 million after transaction costs paid. The Group has pledged the facility as collateral to secure these loans (1st lien pledge), as further described in Note 12.

These two loans were denominated in Icelandic Krona and included a conversion clause to convert them into USD. The conversion of these two loans took place in March 2023.

Under the terms of the loan agreements after conversion, the first loan includes annuity payments that are due monthly with a final maturity in December 2029 and a variable interest rate of SOFR plus a margin of 4.75%. The second loan is a bullet loan with a final maturity in December 2027 and a variable interest rate of SOFR plus a margin of 3.75%.

The Group determined that conversion to USD of the two loans was a substantial modification to loan agreements and accounted for the transaction as an extinguishment. No gain or loss was recognized as part of the extinguishment.

As part of securing the Secured Loan Facility in June 2024, the two loans have been merged into one loan with annuity payments that is due monthly with a final maturity in February 2030 and a variable interest rate of SOFR plus a margin of 4.05%.

As of 31 December 2025, the carrying amount of the Facility loans is $42.5 million, compared to $45.8 million as of 31 December 2024.

Other borrowings

On 22 February 2022, the Group entered into a credit facility agreement with Landsbankinn hf., which was amended in November 2025, with the ability to draw down an amount up to $15.4 million. The credit facility is in place to help finance equipment purchases in the future. Per the terms of the credit facility, the agreement expires in December 2026 and the borrowings have a variable interest rate of USD SOFR plus a margin of 4.95%. As of 31 December 2025, the outstanding balance on the credit facility was $10.5 million, compared to $18.3 million as of 31 December 2024.

On 22 February 2022, the Group entered into a loan agreement with Landsbankinn hf. for a principal amount of $3.2 million. The loan is in place to help finance equipment purchases. Per the terms of the loan agreement, annuity payments are due monthly with a final maturity in February 2030. The loan has a variable interest rate of USD SOFR plus a margin of 4.25%. As of 31 December 2025, the outstanding balance on the loan was $1.8 million, compared to $2.2 million as of 31 December 2024.

On 5 August 2022, the Group entered into a loan agreement with Landsbankinn hf. for a principal amount of $1.8 million. The loan is in place to help finance equipment purchases. Per the terms of the loan agreement, annuity payments are due monthly with a final maturity in February 2030. The loan has a variable interest rate of USD SOFR plus a margin of 4.25%. As of 31 December 2025, the outstanding balance on the loan was $1.1 million, compared to $1.3 million as of 31 December 2024.

On 4 August 2023, the Group entered into a loan agreement with Landsbankinn hf. for a principal amount of $11.5 million. The loan is in place to help finance equipment purchases. Per the terms of the loan agreement, annuity payments are due monthly with a final maturity in July 2030. The loan has a variable interest rate of USD SOFR plus a margin of 4.25%. As of 31 December 2025, the outstanding balance on the loan was $8.3 million, compared to $9.7 million as of 31 December 2024.

On 1 October 2025, the Group entered into a loan agreement with Landsbankinn hf. for a principal amount of $18.4 million. The loan is in place to help finance equipment purchases. Per the terms of the loan agreement, annuity payments are due monthly with a final maturity in October 2032. The loan has a variable interest rate of USD SOFR plus a margin of 4.25%. As of 31 December 2025, the outstanding balance on the loan was $18.1 million.

On 11 December 2025, the Group entered into a loan agreement with Credit Suisse and UBS Switzerland AG for a principal amount of CHF 4.6 million. The loan is in place to help finance equipment purchases. Per the terms of the loan agreement, annuity payments are due monthly with a final maturity in December 2030. The loan has a fixed interest rate of 1.75%. As of 31 December 2025, the outstanding balance on the loan was $1.6 million.

As part of the acquisition of Ivers-Lee in July 2025, the Group assumed various financing arrangements, including a shareholder loan and mortgage loans, which were recognized at fair value on the acquisition date. These borrowings bear interest at rates ranging from 1.9% to 3.15% and mature between 2028 and 2030. The obligations are secured by real estate property. These borrowings are measured at amortized cost using the effective interest method. As of 31 December 2025, the outstanding balance on the shareholder loan and mortgage loans was $4.2 million and $8.5 million, respectively.

The Group is in compliance with all representations and non-financial covenants required by these agreements. In addition, the Group has pledged equipment as collateral to secure these borrowings, as further described in Note 12.

Factoring agreement

In February 2025, the Company entered into a factoring agreement with Raiffeisen Bank International AG to sell eligible trade receivables at a discount. The factoring program has an available capacity of up to EUR 7 million with weekly settlements and has a variable interest rate of EURIBOR plus a margin of 2.2%. The agreement is collateralized by assigned eligible trade receivables. The factoring program has scheduled term of 365 days and is subject to automatic one-year renewal unless terminated with three months' prior notice.

The arrangement is subject to discounts, program fees, insurance premiums, and service charges, which are expensed as incurred. This transaction was accounted for as a secured borrowing based on the terms of the agreement.

As of 31 December 2025, $5.3 million was outstanding under the factoring arrangement.

Movements in the Group's outstanding borrowings during the year ended 31 December 2025 are as follows:

	2025
Borrowings, net at 1 January	1,068,584
Recognition of deferred debt issue costs	(8,633)
Accretion/derecognition of borrowings discount	158
Recognition of new borrowings discount	(35,620)
Net gain on modification and extinguishment	(17,703)
Proceeds from new borrowings	233,482
New borrowings through refinancing	179,547
Borrowings acquired in business combination[1]	13,523
Repayments of borrowings	(25,419)
Settlement of borrowings through refinancing	(173,380)
Premiums and fees from repayments of borrowings	(2,697)
Accrued interest	57,348
Amortization of deferred debt issue costs	9,208
Foreign currency exchange difference	670
Borrowings, net at 31 December	1,299,068

[1] *Borrowings assumed through the acquisition of Ivers Lee (refer to Note 1.3).*

The table below details the changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated cash flow statement as cash flows from financing activities.

	1 January 2025	Financing Cash flows (a)	Capitalized loan cost changes	Fair value changes, including accretion	Other changes (b)	Foreign exchange impact	Conversion to equity	31 December 2025
2025 Convertible Bonds	—	108,000	(4,171)	(35,462)	—	—	—	68,367
Senior Term Loan Facility	—	100,000	(3,281)	—	—	—	—	96,719
Senior Secured First Lien Term Loan Facility	990,744	(6,807)	4,878	(14,555)	57,305			1,031,565
Other borrowings	77,840	19,057	—	—	54	207	—	97,158
Factoring	—	4,807	—	—	(11)	463	—	5,259
Borrowings, net	1,068,584	225,057	(2,574)	(50,017)	57,348	670		1,299,068

(a) This represents the proceeds from the 2025 Convertibles Bonds and the Senior Term Loan Facility, the debt assumed through the Ivers Lee acquisition (see Note 1.3), and the repayment from the amendment of the Secured Loan Facility in the cash flow statement as described above.

(b) Other changes include PIK interest, interest accruals and effects of interest payments from the Secured Loan Facility.

	1 January 2024	Financing Cash flows (a)	Capitalized loan cost changes	Fair value changes, including accretion	Other changes (b)	Foreign exchange impact	Conversion to equity	31 December 2024
2022 Convertible Bonds and Aztiq Convertible Bonds	236,577	(116,108)	761	80,829	21,454	(2,777)	(220,736)	—
Senior Bonds	549,411	(550,755)	—	1,344	—	—	—	—
Senior Secured First Lien Term Loan Facility	—	927,899	2,852		59,993			990,744
Other borrowings	97,615	(19,760)	—	—	(15)	—	—	77,840
Alvogen Facility	76,556	(83,330)	—	—	6,773	—	—	—
Borrowings, net	960,159	157,945	3,614	82,174	88,205	(2,777)	(220,736)	1,068,584

(a) This represents the proceeds from the Secured Loan Facility and the repayments of the existing borrowings in the cash flow statement as described above.

(b) Other changes include interest accruals and effects of interest payments including $60 million PIK interest from the Secured Loan Facility and $15.1 million of PIK interest converted to equity following the settlement of existing debt obligations.

The weighted-average interest rates of outstanding borrowings for the years ended 31 December 2025 and 31 December 2024 are 9.58% and 12.4%, respectively.

Contractual maturities of principal amounts on the Group's outstanding borrowings as of 31 December 2025 are as follows:

	31 December 2025
Within one year	36,921
Within two years	120,840
Within three years	21,016
Within four years	1,051,257
Thereafter	154,071
	1,384,105

22. Share-based payments

On 1 December 2022, the Remuneration Committee authorized and the Group granted RSUs to employees, executives, and directors, granting rights to Ordinary Shares once vesting conditions are met. Compensation expense for RSUs is determined based upon the market price of the Ordinary Shares underlying the awards on the date of grant and expensed over the vesting period, which is generally a 1 to 4-year period, with a 1-year cliff vesting period

and either subsequent monthly vesting or annual vesting, resulting from participants completing a service condition. Movements in RSUs during the years ended 31 December 2025 and 2024 are as follows:

	2025		2024	
	RSUs	Weighted Average Fair Value	RSUs	Weighted Average Fair Value
Outstanding at 1 January	2,341,818	$8.17	3,745,781	$7.04
New grants during the year	1,744,789	$8.84	673,425	$11.66
Forfeited during the year	(897,259)	$9.26	(589,482)	$7.98
Vested during the year	(1,433,276)	$7.70	(1,487,906)	$6.99
Outstanding at 31 December	1,756,072	$8.65	2,341,818	$8.17

The Group recognized $7.4 million, $7.6 million and $18.0 million of share-based payment expense during the years ended 31 December 2025, 2024 and 2023, respectively, as follows:

	2025	2024	2023
Cost of product revenue	1,282	941	3,319
Research and development expenses	1,538	1,879	3,991
General and administrative expenses	4,558	4,806	10,723
	7,378	7,626	18,033

23. Litigation

The Group was involved with the following IP (Intellectual property) litigations during 2025:

- Litigation between Alvotech and its commercial partner Dr. Reddy's Laboratories in the United States that was brought by Amgen relating to AVT03, denosumab products that are biosimilars of Amgen’s Prolia and XGEVA products.
- Litigation between Alvotech and its commercial partners STADA and Advanz in Germany that were brought by Regeneron relating to AVT06, aflibercept products that are biosimilars of Regeneron's and Bayer's Eylea 2mg product.
- Post Grant Review proceeding filed by Alvotech against Regeneron regarding U.S. Patent No. 12,168,036.

The Group was previously involved in four IP litigations in the United States adverse to AbbVie related to the development of AVT02 and the filing of its biologics license application. All such matters were fully resolved prior to 2025 pursuant to the AbbVie U.S. Agreement, under which the parties agreed to dismiss all claims and counterclaims, with each party bearing its own fees and costs, and mutually released each other from certain claims.

The Group incurred $3.1 million in legal expenses during the year ended 31 December 2025 and there were no legal expenses in 2024 and 2023, respectively, in connection with these now-resolved matters.

24. Related parties

Related parties are those parties which have considerable influence over the Group, directly or indirectly, including a parent company, owners or their families, large investors, key management personnel and their families and parties that are controlled by or dependent on the Group, such as affiliates and joint ventures. Key management personnel

include the Group's executive officers and directors, since these individuals have the authority and responsibility for planning, directing and controlling the activities of the Group. Interests in subsidiaries are set out in Note 1.

Transactions with related parties

A related party transaction is a transfer of resources, services or obligations between the Group and a related party, regardless of whether a price is charged. The Group engages with related parties for both purchased and sold services, loans and other borrowings and other activities.

In December 2025, the Group entered into an exclusive commercialization agreement with Alvogen, as further described in Note 5, under which Alvogen is considered a related party to the Company.

The Group entered into a lease agreement with Fasteignafelagid Eyjolfur hf. in April 2023 for a new facility in Iceland with remaining lease terms of approximately 13 years as of 31 December 2025. The building is 140,000 square feet. The construction was completed in 2024 and the final details were finalized in 2025. Lease liabilities as of 31 December 2025 amount to $96.3 million.

The Group entered into nineteen separate lease agreements with Flóki Fasteignir ehf. in 2025 for apartment buildings in Iceland. These facilities are used to provide temporary housing for international employees and specialized third-party contractors engaged to support the Group's global development, manufacturing, and regulatory activities. The remaining lease terms approximate 10 years, on average, as of 31 December 2025. Lease liabilities as of 31 December 2025 for the new leases amount to $7.6 million.

In 2025, the Group entered into a lease agreement with Klettagarðar 6 ehf. for a portion of a facility in Iceland that is utilized for research and development activities. The leased premises comprise approximately 18,500 square feet. The lease liability amounted to $8.7 million as of 31 December 2025.

Service expenses with related parties are presented as "General and administrative expenses" or "Research and development expenses" in the consolidated statements of profit or loss and other comprehensive income or loss, depending on the nature of the service performed and expense incurred by the Group. Rental liabilities from lease arrangements with related parties are presented as a component of "Lease liabilities" on the consolidated statements of financial position. Service payables are presented as "Liabilities to related parties" on the consolidated statements of financial position.

Sold service includes services provided to related parties, as described above. Income from related parties for such services are presented as "Other income" in the consolidated statements of profit or loss and other comprehensive income or loss. Amounts receivable for such activities are presented as "Receivables from related parties" on the consolidated statements of financial position. The Group has not recorded bad debt provisions for its receivables from related parties.

Related party transactions as of 31 December 2025 are as follows:

	Purchases / interest	Sold service	Receivables	Payables/ borrowings
Alvogen Lux Holdings S.à r.l. – Sister company (a)	7,874	—	—	—
ATP Holdings ehf. - Sister company	125	—	—	125
Aztiq Consulting ehf. – Sister company	234	32	5	—
Flóki-Art ehf. - Sister company	—	—	—	430
Alvogen Iceland ehf. - Sister company	5	—	—	—
Alvogen ehf. - Sister company	—	18	—	—
Alvogen UK - Sister company	120	—		28
Alvogen Finance B.V. - Sister Company	415	—	—	—
Lotus Pharmaceuticals Co. Ltd. - Sister company	1	—	—	—
Alvogen Inc. - Sister company (b)	37	71,003	—	656
Adalvo Limited - Sister company (c)	738	235		—
Klettagarðar 6 ehf. - Sister company (d)	1,303	4,856	4,037	2,923
L41 ehf. - Sister company	39	—	—	6
Flóki Invest ehf - Sister company	838	—	—	276
Alvogen Malta Sh. Services - Sister company (c)	13	—	—	—
Alvogen Spain SL - Sister company	—	—	—	16
Norwich Clinical Services Ltd - Sister company	1,552	—	—	605
Hlíðarvegur 20 ehf.	38	—	—	—
Fasteignafélagið Eyjólfur ehf - Sister company	10,520	—	—	96,304
Flóki fasteignir ehf. - Sister company	2,640	—	—	15,838
	26,492	76,144	4,042	117,207

(a) The full amount of purchased service relates to royalty expenses.

(b) The amount includes $71.0 million of milestone revenue, whereof $15.0 million has been collected, see further Note 5.

(c) No longer a related party at 31.12.2025

(d) The receivable is classified within Other long-term assets in the Consolidated Statement of Financial Position

Related party transactions as of 31 December 2024 are as follows:

	Purchased service / interest	Sold service	Receivables	Payables/ borrowings
Alvogen Lux Holdings S.à r.l. – Sister company (a)	9,754	—	—	—
ATP Holdings ehf. - Sister company (a)	4,926	—	—	—
Aztiq Fjárfestingar ehf. – Sister company	—	—	—	—
Aztiq Consulting ehf. – Sister company	192	—	—	2
Flóki-Art ehf. - Sister company	52	—	—	410
Alvogen Iceland ehf. - Sister company	25	—	—	—
Alvogen ehf. - Sister company	—	132	18	—
Alvogen UK - Sister company	233	—	—	76
Alvogen Finance B.V. - Sister Company	565	—	—	—
Alvogen Inc. - Sister company	355	—	3	619
Adalvo Limited - Sister company	265	220	97	149
L41 ehf. - Sister company	53	—	—	—
Flóki Invest ehf - Sister company	696	32	—	60
Alvogen Spain SL - Sister company	—	—	—	14
Norwich Clinical Services Ltd - Sister company	906	—	—	177
Fasteignafélagið Eyjólfur ehf - Sister company	28,456	—	—	87,946
Flóki fasteignir ehf. - Sister company	2,300	—	—	10,937
	48,778	384	118	100,390

(a) The full amount of purchased service relates to interest expenses from long-term liabilities which have been extinguished (see Note 21).

Related party transactions for the year ended 31 December 2023 are as follows:

	Purchased service / interest	Sold service
Alvogen Lux Holdings S.à r.l. – Sister company (a)	11,968	—
ATP Holdings ehf. - Sister company (a)	9,193	—
Aztiq Consulting ehf. - Sister company	178	69
Flóki-Art ehf. - Sister company	88	—
Alvogen Iceland ehf. - Sister company	19	1
Alvogen ehf. - Sister company	—	152
Alvogen UK - Sister company	273	—
Alvogen Finance B.V. - Sister company	3,382	—
Lotus Pharmaceuticals Co. Ltd. - Sister company (b)	—	29
Lotus International Pte. Ltd. - Sister company	—	2
Alvogen Emerging Markets - Sister company	108	—
Alvogen Inc. - Sister company	305	—
Adalvo Limited - Sister company	402	189
Adalvo UK - Sister company	—	49
Flóki Invest ehf. - Sister company	680	4
Floki Holdings S.à r.l. – Sister company	40	—
Alvogen Spain SL - Sister Company	14	—
Norwich Clinical Services Ltd - Sister company	642	—
Fasteignafélagið Eyjólfur ehf - Sister company (d)	3,807	102
Flóki fasteignir ehf. - Sister company	1,682	—
	32,781	597

(a) The full amount of purchased service relates to interest expenses from long-term liabilities and the full amount of payables / loans are interest-bearing long-term liabilities (see Note 21).

Commitments and guarantees

The Group does not have any contractual commitments with its related parties other than the receivables, loans and payables previously disclosed.

Key management personnel

At 31 December 2025 and 2024 there were no loans to the members of the Board of Directors and the CEO. In addition, there were no transactions carried out between the Group and members of the Board of Directors nor the CEO in the years ended 31 December 2025 and 2024. The Board of Directors' remuneration is shown in the table below.

Board of Directors' fee for the year and shares at year end (board fees in thousands and shares in whole amounts).	2025			
	Board fees	Pension contribution	Other long-term benefits	Shares at year-end**
Robert Wessman, Chairman of the board*	—	—	—	—
Richard Davies, Vice-Chairman	185	—	122	1,174,004
Ann Merchant, Board Member	119	—	122	31,746
Árni Harðarson, Board Member*	—	—	—	—
Faysal Kalmoua, Board Member* (until 25 June 2025)	—	—	—	N/A
Hjörleifur Pálsson, Board Member	94	—	55	7,116
Linda McGoldrick, Board Member (until 25 June 2025)	49	—	122	N/A
Lisa Graver, Board Member	64	—	122	31,746
Tomas Ekman, Board Member*	—	—	—	—
	511	—	543	1,244,612

* Waived their board compensation (both cash and equity)
** Direct share ownership

	2025			
Key employees	Salaries and benefits	Pension contribution	Termination benefits	Other long- term benefits
Robert Wessman CEO	2,830	62	—	—
Other Executive Team Members (11)	5,602	414	1,806	5,727
	8,432	476	1,806	5,727

Board of Directors' fee for the year and shares at year end (board fees in thousands and shares in whole amounts).	2024			
	Board fees	Pension contribution	Other long-term benefits	Shares at year-end**
Robert Wessman, Chairman of the board*	—	—	—	—
Richard Davies, Vice-Chairman	156	—	183	1,163,422
Ann Merchant, Board Member	112	—	183	21,164
Árni Harðarson, Board Member*	—	—	—	—
Faysal Kalmoua, Board Member*	—	—	—	—
Hjörleifur Pálsson, Board Member (from 7 June 2024)	41	—	—	2,350
Linda McGoldrick, Board Member	92	—	183	21,164
Lisa Graver, Board Member	68	—	183	21,164
	469	—	732	1,229,264

* Waived their board compensation (both cash and equity)
** Direct share ownership

	2024			
Key employees	Salaries and benefits	Pension contribution	Termination benefits	Other long- term benefits
Robert Wessman CEO	2,176	147	—	—
Other Executive Team Members (10)	5,332	362	125	13,844
	7,508	509	125	13,844

25. Other current liabilities

The composition of other current liabilities as of 31 December 2025 and 2024 is as follows:

	31 December 2025	31 December 2024
Unpaid salary and salary related expenses [(1)]	9,866	14,465
Accrued interest	19,860	428
Accrued vacation leave	9,337	6,631
Accrued commercial fees	24,718	—
Accrued royalties	10,933	15,858
Accrued profit sharing	—	12,604
Accrued other expenses	19,511	9,418
	94,225	59,404

[(1)] Includes $2.6 million of termination benefit liability(refer to Note 6 - Salaries and Other Employee Expenses).

Accrued other expenses as of 31 December 2025 include $6.7 million associated with the collaboration and license agreement with Dr. Reddy's, $2.5 million accrual for termination cost and increased VAT liabilities by $2.0 million. The remainder of the balance is composed of recurring liabilities.

26. Interests in joint ventures

In June 2024, Alvotech hf. sold its share in the joint venture for a gross proceeds of $18.0 million (less $1.3 million in transaction costs). The sale resulted in a net loss of $3.0 million, including accumulated translation difference, recognized during the year ended 31 December 2024. $6.0 million of the proceeds received was paid in 2025.

The following table provides the change in the Group’s interest in a joint venture during the years ended 31 December 2025 and 2024:

	2025	2024
Balance at 1 January	—	18,494
Share in losses	—	—
Sale of shares in joint venture	—	(18,494)
Translation difference	—	—
Balance at 31 December	—	—

27. Financial instruments

Accounting classification and carrying amounts

Financial assets as of 31 December 2025 and 2024, all of which are measured at amortized cost, are as follows:

	31 December 2025	31 December 2024
Cash and cash equivalents	172,359	51,428
Trade receivables	69,740	160,217
Other current assets	1,244	6,361
Receivables from related parties	438	118
Other long-term assets	3,604	213
	247,385	218,337

Financial liabilities as of 31 December 2025 and 2024 are as follows:

	31 December 2025	31 December 2024
Borrowings (measured at amortized cost)	1,299,068	1,068,584
Derivative financial liabilities (measured at FVTPL)	53,994	210,224
Trade and other payables (measured at amortized cost)	126,124	67,126
Lease liabilities (measured at amortized cost)	150,077	121,652
Liabilities to related parties (measured at amortized cost)	3,325	8,465
Other current liabilities	94,225	58,557
	1,726,813	1,534,608

It is management's estimate that the carrying amounts of financial assets and financial liabilities carried at amortized cost approximate their fair value, with the exception of, in 2025, the 2025 Convertible Bonds and the Secured Loan Facility, and, in 2024, the Secured Loan Facility, since any applicable interest receivable or payable is either close to current market rates or the instruments are short-term in nature. Material differences between the fair values and carrying amounts of these borrowings are identified as follows:

	31 December 2025	
	Carrying Amount	Fair Value
Senior Secured First Lien Term Loan Facility	1,031,565	1,108,552
2025 Convertible Bonds	68,367	72,765
	1,099,932	1,181,317

	31 December 2024	
	Carrying Amount	Fair Value
Senior Secured First Lien Term Loan Facility	990,744	969,077
	990,744	969,077

Fair value measurements

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments measured at fair value on a recurring basis as of 31 December 2025 and 31 December 2024:

	31 December 2025			
	Level 1	Level 2	Level 3	Total
Conversion Feature	—	—	38,732	38,732
Predecessor Earn Out Shares	—	8,800	—	8,800
OACB Warrants	6,462	—	—	6,462
	6,462	8,800	38,732	53,994

	31 December 2024			
	Level 1	Level 2	Level 3	Total
Predecessor Earn Out Shares	—	179,300	—	179,300
OACB Warrants	30,924	—	—	30,924
	30,924	179,300	—	210,224

The Group did not recognize any transfer of assets or liabilities between levels of the fair value hierarchy during the year ended 31 December 2025.

During the year ended 31 December 2024, Senior Bond Warrant holders elected to exercise their warrants. As a result, 1,718,845 Ordinary Shares were issued in exchange for the exercising of the penny warrants. The Company received an immaterial amount of cash and recognized the transaction as an extinguishment of the derivative financial liabilities. The difference between the equity issued and carrying value of the derivative financial liabilities was recognized in the consolidated statements of profit or loss and other comprehensive income or loss.

The Tranche A Conversion Feature was extinguished upon the conversion of the Tranche A 2022 Convertible Bonds on 1 July 2024 (refer to Note 21 for further details).

In February 2024, the second tranche of OACB Earn Out Shares vested resulting in the issuance of 625,000 Ordinary Shares. The issuance of Ordinary Shares for the second tranche was accounted for as an extinguishment of a financial liability in the consolidated statements of profit or loss and other comprehensive income or loss.

Conversion Feature

The Convertible Bonds issued on 22 December 2025 include a conversion option that entitles holders to convert the outstanding principal into SDRs at the initial Conversion Price of $5.9224, subject to customary anti-dilution adjustments and a single reset mechanism linked to certain future equity issuances (the "Conversion Feature"). As the Conversion Feature does not meet the fixed-for-fixed criterion, it is accounted for separately as a derivative financial liability measured at fair value through profit or loss.

The derivative financial liability is remeasured at each reporting date, with changes in fair value recognized in profit or loss.

The Conversion Feature had a fair value of $38.7 million as of 31 December 2025, resulting in $3.1 million of finance costs for the year ended 31 December 2025.

The fair value of the Conversion Feature is determined using a binomial option-pricing model that incorporates both observable market inputs and significant unobservable inputs.

The following table presents the assumptions and inputs that were used for the model in valuing the Conversion Feature:

	31 December 2025
Share price	$5.13
Volatility rate	30.7 %
Risky Yield	16.2 %

Predecessor Earn Out Shares

In February 2024, the first tranche of Predecessor Earn Out Shares vested resulting in the issuance of 19,165,000 Ordinary Shares. The issuance of Ordinary Shares for the first tranche was accounted for as an extinguishment of a financial liability in the consolidated statements of profit or loss and other comprehensive income or loss.

The Predecessor Earn Out Shares had a fair value of $8.8 million as of 31 December 2025, resulting in $170.5 million of finance income for the year ended 31 December 2025.

The fair value of the Predecessor Earn Out Shares was determined using Monte Carlo analysis that incorporated inputs and assumptions as further described below. The inputs and assumptions associated with the valuation of the instruments are determined based on all relevant internal and external information available and are reviewed and reassessed at each reporting date.

The following table presents the assumptions and inputs that were used for the model in valuing the Predecessor Earn Out Shares:

	31 December 2025	31 December 2024
Number of shares	19,165,000	19,165,000
Share price	$5.13	$13.23
Volatility rate	60.0 %	52.0 %
Risk-free rate	3.50 %	4.26 %

OACB Warrants

During the year ended 31 December 2024, holders of the OACB Warrants exercised their warrant rights for an exercise price of $11.50 for the rights to one Ordinary Share per warrant. The exercises resulted in the issuance of 419,660 Ordinary Shares and cash proceeds of $4.8 million. The Company recognized the transaction as an extinguishment of the derivative financial liabilities. The difference between the equity issued and carrying value of the derivative financial liabilities was recognized in the consolidated statements of profit or loss and other comprehensive income or loss.

The remaining OACB warrants had a fair value of $6.5 million as of 31 December 2025. The fair value of the warrants was derived from the publicly quoted trading price at the valuation date. The change in fair value of the OACB Warrants resulted in $24.5 million of finance income for the year ended 31 December 2025.

Capital management

The capital structure of the Group consists of equity, debt and cash. For the foreseeable future, the Board of Directors will maintain a capital structure that supports the Group’s strategic objectives through managing the budgeting process, maintaining strong investor relations and managing the financial risks of the Group, as further described below. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2025 and 2024.

Financial risk management

The Group's corporate treasury function provides services across the organization, coordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the Group's operations through internal risk reports which analyze exposures by degree and magnitude of risks. These risks include market risk (including interest rate risk and foreign currency risk), credit risk and liquidity risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of fluctuations in market interest rates primarily relates to the cash in bank and borrowings that are subject to floating interest rates.

The following table provides an interest rate sensitivity analysis for the effect on loss before tax. The analysis assumes that all other variables, such as foreign currency exchange rates, remain constant.

	2025	2024
Variable-rate financial instruments +100	(9,894)	(9,873)
Variable-rate financial instruments -100	9,894	9,873

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group uses the U.S. dollar as its reporting currency and conducts business on a global basis in various currencies. As a result, the Group is exposed to foreign currency exchange movements, primarily in European, Icelandic, Swedish and UK market currencies.

Below are the foreign currencies that have the most significant impact on the Group's operations.

	Closing rate		Average rate		
	2025	2024	2025	2024	Change
EUR	1.176	1.038	1.130	1.082	13.3%
GBP	1.347	1.251	1.318	1.278	7.7%
ISK	0.008	0.007	0.008	0.007	11.0%
CHF	1.264	1.103	1.207	1.136	14.6%
INR	0.011	0.012	0.011	0.012	(5.1%)
SEK	0.109	0.091	0.102	0.091	20.1%

The Group's assets and liabilities that are denominated in foreign currencies as of 31 December 2025 are as follows:

	Assets	Liabilities	Net assets
EUR	56,573	45,247	11,326
GBP	334	4,610	(4,276)
ISK	5,417	178,058	(172,641)
CHF	6,043	10,126	(4,083)
INR	—	26	(26)
SEK	253	4,801	(4,548)

The Group's assets and liabilities that are denominated in foreign currencies as of 31 December 2024 are as follows:

	Assets	Liabilities	Net assets
EUR	49,968	23,847	26,121
GBP	315	3,669	(3,354)
ISK	3,162	154,048	(150,886)
CHF	2,522	2,837	(315)
INR	881	536	345

A reasonable possible strengthening or weakening of the Group's significant foreign currencies against the U.S. dollar would affect the measurement of financial instruments denominated in a foreign currency and affect profit or loss and equity by the amount shown in the sensitivity analysis table below. The analysis assumes that all other variables, such as interest rates, remain constant.

	EUR	GBP	ISK	CHF	INR	SEK
Year ended 31 December 2025						
-10% weakening	(1,133)	428	17,264	408	3	455
+ 10% strengthening	1,133	(428)	(17,264)	(408)	(3)	(455)
Year ended 31 December 2024						
-10% weakening	(2,612)	335	15,089	32	(35)	—
+ 10% strengthening	2,612	(335)	(15,089)	(32)	35	—

Credit risk

Credit risk is the risk that a counterparty will not fulfill its contractual obligations under a financial instrument contract, leading to a financial loss for the Group. The maximum credit risk exposure for the Group's financial assets as of 31 December 2025 and 2024 is as follows:

	2025	2024
Cash and cash equivalents	172,359	51,428
Trade receivables	69,740	160,217
Other assets	10,263	6,692
	252,362	218,337

The Group's cash and cash equivalents are deposited with high-quality financial institutions. Management believes these financial institutions are financially sound and, accordingly, that minimal credit risk exists. The Group has not experienced any losses on its deposits of cash and cash equivalents and restricted cash yet monitors the credit rating of these financial institutions on a periodic basis.

Other assets primarily consist of other current assets, as described in Note 18, other long-term assets that primarily consist of deposits and other long-term financial assets which relate to a bond to Klettagarðar 6 ehf. In 2024, the Group recognized a receivable of $18.5 million in other current assets following the termination of the co-development agreement with Biosana which was fully reserved as of 31 December 2024 due to the uncertainty of its collection. In 2024, the Group collected $1.1 million of the receivable, which was recognized through profit and loss during the year. There are no other significant amounts past due as of 31 December 2025 and 2024 and the Group concludes that any expected credit losses with respect to these assets, except as described above, is immaterial.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables.

Contractual maturities of financial assets and liabilities as of 31 December 2025 are as follows:

	Within one year	One to two years	Thereafter	Total
Financial assets				
Non-interest bearing	71,422	—	—	71,422
Fixed-interesting bearing	—	—	3,604	3,604
Variable-interest bearing	172,359	—	—	172,359
Total financial assets	243,781	—	3,604	247,385
Financial liabilities				
Non-interest bearing	222,246	1,264	1,059	224,569
Fixed-interest bearing - Borrowings	21,057	121,038	140,463	282,558
Derivative liabilities	—	15,262	38,732	53,994
Variable-interest bearing - Borrowings	152,150	134,833	1,332,967	1,619,950
Total financial liabilities	395,453	272,397	1,513,221	2,181,071

Contractual maturities of financial assets and liabilities as of 31 December 2024 are as follows:

	Within one year	One to two years	Thereafter	Total
Financial assets				
Non-interest bearing	166,696	—	—	166,696
Variable-interest bearing	51,428	213	—	51,641
Total financial assets	218,124	213	—	218,337
Financial liabilities				
Non-interest bearing	126,029	—	—	126,029
Fixed-interest bearing - Borrowings	—	—	—	—
Derivative liabilities	—	210,224	—	210,224
Variable-interest bearing - Borrowings	75,235	127,313	1,470,805	1,673,353
Total financial liabilities	201,264	337,537	1,470,805	2,009,606

Refer to Note 13 for the maturity analysis of the Group’s undiscounted lease payments.

28. Supplemental cash flow information

Supplement cash flow information as of 31 December 2025, 2024, and 2023 is included below. (see Note 21 for non-cash movements in borrowings).

Non-cash investing and financing activities	2025	2024	2023
Acquisition of property, plant and equipment in trade payables and other current liabilities	4,084	13,917	2,266
Acquisition of intangibles in trade payables and other current liabilities	15,701	—	930
Right-of-use assets obtained through new leases	24,594	41,506	74,109
Sale of joint venture	—	5,950	
Acquisition of intangible assets with shares	13,686	—	—
Acquisition of property, plant and equipment with shares	1,147	—	
Settlement of borrowings through refinancing	173,380	118,330	—
New borrowings through refinancing	179,547	—	
Settlement of transaction cost through refinancing	794	28,365	—
Equity issued through conversion of borrowings	—	263,969	—
Capitalized borrowing costs in trade payables and other current liabilities	2,254	—	—
Settlement of RSUs with shares	3,691	5,076	678
Settlement of SARs with shares	—	—	13,767

29. Subsequent events

The Group evaluated subsequent events through 30 March 2026, the date that the consolidated financial statements were available to be issued.

On 29 January 2026, the Group announced that it had entered into a settlement and licensing agreement with Regeneron and Bayer regarding AVT06, its proposed biosimilar to Eylea (aflibercept), which is approved for marketing in the European Economic Area, United Kingdom and Japan. The agreement provides the Group with commercial certainty in global markets and forms part of the ongoing preparations for future regulatory submissions and market entry.The settlement agreement allows Alvotech and its commercial partners to market and sell the biosimilar as of 1 January 2026 in the United Kingdom and Canada, as well as in Japan (excluding the diabetic macular edema indication) starting 1 May 2026 in the European Economic Area and all other countries in the world (other than the U.S.), and from 1 November 2026 in Japan with all approved indications.

On 2 February 2026, the Group entered into new supply and commercialization agreements with Sandoz for Canada, Australia, and New Zealand. In Canada, the agreement covers one biosimilar candidate in ophthalmology supplied as a prefilled syringe for intravitreal injection. In Australia and New Zealand, the agreement encompasses three biosimilar candidates across immunology and gastroenterology, in multiple formulations. The agreement covers multiple biosimilar candidates and further expands the Group’s geographic commercial footprint.

On 5 February 2026, the Group announced positive top-line results from its pivotal pharmacokinetic study for AVT80, a proposed biosimilar to Entyvio (vedolizumab). The study met all primary endpoints, demonstrating pharmacokinetic similarity as well as comparable safety, tolerability, and immunogenicity profiles. These results enable the Group to progress toward regulatory submissions for both AVT16 and AVT80, the intravenous and subcutaneous biosimilar candidates, respectively.

On February 11, 2026, the Company issued 12,500,000 new shares, all of which were subscribed by its wholly-owned subsidiary Alvotech Manco ehf. and classified as treasury shares without voting or dividend rights. The increase in treasury shares was undertaken to restore the number of treasury shares available following settlement of shares lent under the stock-lending facility that supported investors’ hedging of the Convertible Bonds issued in December 2025 (refer to Note 21) and to ensure the Company maintains a sufficient pool of shares for outstanding financial commitments, including warrants, convertible instruments, and share-based compensation programs.

In February 2026, the Board approved an additional restructuring plan affecting several functions across the Group, with related employee notifications issued in early 2026. The Group expects to incur termination benefits and related restructuring costs in 2026 in connection with this plan.