

Formycon & ATHOS

A long-term Partnership
to accelerate Formycon's
Path to become a Global
Biosimilar Leader



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PRE-DEAL OVERVIEW

FORMYCON AT A GLANCE



Key Data

- Established 2012 in Munich, Germany
- Publicly listed company (Open Market)
- Royalty & Joint-Venture Model
- Revenues between 30 and 40 Million €



Core Competences

- Exceptional pool of Biosimilar Experts
- Focus on Protein Analytics, Formulation, DP and DS Process Science
- Capable of developing up to 5 Biosimilar Projects in parallel



Strong Pipeline

- Three late-stage Biosimilars, one preclinical Biosimilar, and one innovative COVID-19 Drug
- Late stage pipeline addresses > 20bn USD target market

STRONG PIPELINE

Clear Visibility of major Launches

	<div> <div>201</div> <div>FYB</div> </div>	<div> <div>202</div> <div>FYB</div> </div>	<div> <div>203</div> <div>FYB</div> </div>	<div> <div>206</div> <div>FYB</div> </div>	<div> <div>207</div> <div>FYB</div> </div>
Reference Product	Ophthalmology Lucentis® Sales USD 3.6 billion*	Immunology Stelara® Sales USD 9.1 billion*	Ophthalmology Eylea® Sales USD 9.0 billion*	Undisclosed Biosimilar	Covid-19 Innovative SARS-CoV-2 Blocker
Status	Approval Process with FDA and EMA ongoing	Phase III ongoing	Phase III ongoing	Preclinical Phase	Preclinical Phase
Ownership	Out-licensed to Bioeq AG, Royalty Model	Joint Venture with Aristo Pharma GmbH, 24.9% Participation	Out-licensed to Klinge Biopharma GmbH, Royalty Model	Fully owned by Formycon	Fully owned by Formycon for regulated Markets
Patent Status	Estimated Launch with strong Commercialization Partner US Q3 / 2022 → Coherus BioSciences Inc. EU Q3 / 2022 → Teva Pharmaceutical Industries	Patent Expiration** US 09 / 2023 EU 07 / 2024	Patent Expiration** US 05 / 2024 EU 05 / 2025	Patent Expiration** Undisclosed	Strategy Advance out-licensing for regulated markets

*Global Sales 2021

**Patent expiry in the key markets depending on SPCs

Lucentis® is a registered trademark of Genentech Inc - Stelara® is a registered trademark of Johnson & Johnson
 Eylea® is a registered trademark of Regeneron Pharmaceuticals Inc

THE BIOSIMILAR MARKET IS AT AN INFLECTION POINT

Biosimilar Revenue USD Billion*



*IQVIA European Thought Leadership; IQVIA™ MIDAS®12/2019; Global Growth / Year in LCUS\$ (Local Currency US\$ without taking exchange rate fluctuations into account); <https://www.businesswire.com/news/home/20210615005585/en/Global-Biosimilars-Market-2020-to-2025---Impact-Analysis-of-COVID-19---ResearchAndMarkets.com>

** <https://www.mckinsey.com/industries/pharmaceuticals-and-medical-products/our-insights/an-inflection-point-for-biosimilars>

WELL-PROVEN MANAGEMENT TEAM

Complementary Skills and Experience



**Dr. Carsten Brockmeyer,
CEO of Formycon since 2013**

- Held senior positions at Baxter, Hexal, Sandoz, Novartis
- Development of the world's first biosimilar ESA Binocrit® (epoetin alfa)
- Baxter Science and Technology Award / Novartis Leading Scientist Award
- Ranked repeatedly as Top 100 Pharma Leader by British Journal "The Medicine Maker"



**Dr. Nicolas Combé,
CFO of Formycon since 2008**

- Has managed multiple successful financing rounds, as well as the company's change in corporate form and exchange listing
- Ph.D. of business administration at Philipps University in Marburg, Germany, and in Canterbury, UK
- Co-founder of several start-up companies



**Dr. Stefan Glombitza,
COO of Formycon since 2016**

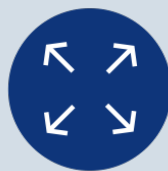
- Held leading management positions at Hexal, Sandoz/Novartis
- More than 20 years of extensive experience in pharmaceutical industry
- Implemented Project Management at Hexal and headed Global Project Management in D&R Sandoz
- Led global development center of Sandoz in Austria

DEAL HIGHLIGHTS

STRONG PARTNERSHIP FOR GROWTH IN BIOSIMILARS



Long-term **strategic partnership** with **ATHOS** as largest future shareholder with 26.6 %.



Transaction volume approx. **650 Million Euro**, Fair Value valuation of **83.41 € per Formycon share**.



Complete **acquisition of** biosimilar candidate **FYB202** (ustekinumab) as well as **acquisition of 50 %** in biosimilar candidate **FYB201** (ranibizumab).



Integration of **complementary expertise** through acquisition of **Bioeq GmbH**.



ATHOS and Active Ownership to provide **line of credit of up to 50 million €** strengthen liquidity.



Full Transaction Closing expected in **H1 / 2022**.

SHAPING A GLOBAL PURE PLAY BIOSIMILAR POWERHOUSE



Strengthening strategic Position

- Deal enhances **Formycon's pure play position** as a global player in the **growth segment of biosimilars** by taking over biosimilar assets of **ATHOS KG**.
- The **targeted uplisting** will give Formycon **better visibility** and **attractiveness** for future investors.



Increasing economic Upside

- Significant **increased revenue share of FYB201 and FYB202** via integration in Formycon Group.
- **Additional cash inflows** will predominantly be invested in the **accelerated expansion of the development pipeline**.



Expanding the Pipeline

- Future biosimilar candidates can be **self-financed**. This results in **higher returns** being generated by the company leading to **sustainable value creation and further growth**.
- **Strengthening** the development organization by **integration of experts** in areas such as clinical, IP, regulatory affairs and commercialization.

FORMYCON TO ACQUIRE 50 % STAKE IN FYB201 FROM ATHOS



Pre-Deal Structure FYB201

- Bioeq AG, a 50/50 Joint Venture between ATHOS KG and Polpharma Biologics Group B.V. holds exclusive commercialization rights in the FYB201 Project.
- Formycon currently receives Sales Participation (Royalties) in average high single-digit percentage share of marketing revenues.



Post-Deal Structure FYB201

- **Formycon acquires 50 % Stake in Bioeq AG** via shares and project-tied payment obligations to ATHOS.
- Compared to the previous compensation structure **Formycon increases income potential by > 40 %** in FYB201.

FORMYCON WILL HOLD 100 % IN FYB202



Pre-Deal Structure FYB202

- FYB202 GmbH & Co. KG, a joint venture between Formycon and Aristo Pharma GmbH (a company of ATHOS) holds exclusive commercialization rights in the FYB202 Project.
- Formycon contributes development budget and receives sales participation according to JV share of 24.9 % each.



Post-Deal Structure FYB202

- Formycon acquires **75.1 % stake in FYB202 GmbH & Co. KG** via shares and project-tied payment obligations to Aristo Pharma resp. ATHOS.
- **Formycon owns 100% of FYB202 project** and increases income potential significantly.

FORMYCON AND ATHOS COMBINE THEIR BIOSIMILARS ACTIVITIES



Pre-Deal Relationship Bioeq GmbH

- Bioeq GmbH is a 100% affiliate of Klinge Biopharma GmbH (a company of ATHOS) and an operative biosimilar development unit with strong focus on clinical development, IP affairs, regulatory affairs, project- and business-development as well as commercial affairs.
- Formycon's and Bioeq's teams are already working closely for the current Biosimilar Projects FYB201, FYB202 and FYB203.



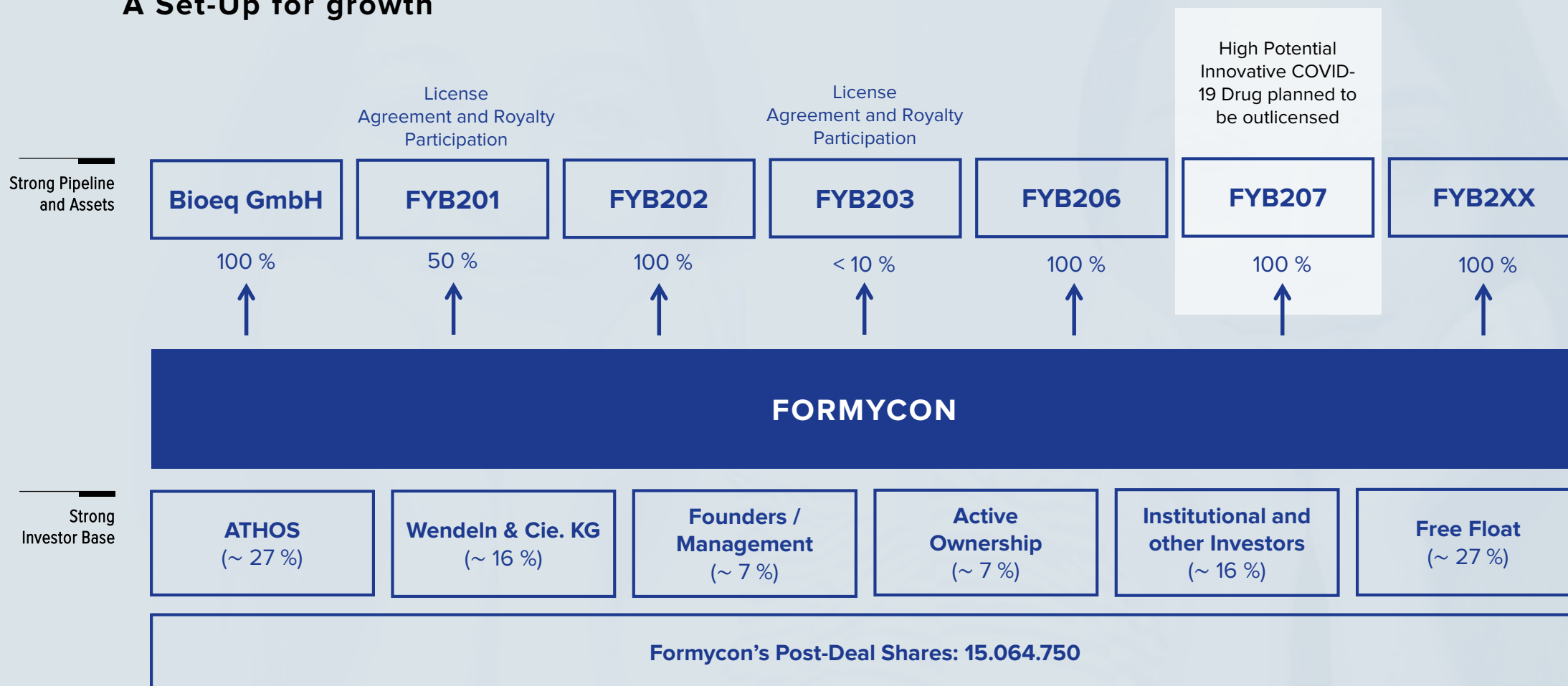
Post-Deal Structure

- **Formycon acquires 100% of Bioeq GmbH** via shares to Klinge Biopharma resp. ATHOS.
- The existing teams will be complemented in particular by **experienced experts for the late development stages up to commercialization.**

ROAD TO BIOSIMILAR POWERHOUSE

FORMYCON AFTER THE TRANSACTION

A Set-Up for growth



THIS IS HOW WE WILL LEVERAGE OUR CAPABILITIES

Our Vision:

Fully integrated and globally operating company
in the growth segment of biosimilars.



Expertise

- **Bioeq teams** from areas clinic, IP, regulatory affairs, and commercialization will **complement Formycon's R&D Organization**. There is already a trusting **long-term cooperation** with these teams.



Activities

- Activities spanning the **entire range from technical-pharmaceutical development to clinical trials** all the way through to preparation and submission of dossiers for **regulatory approval**.

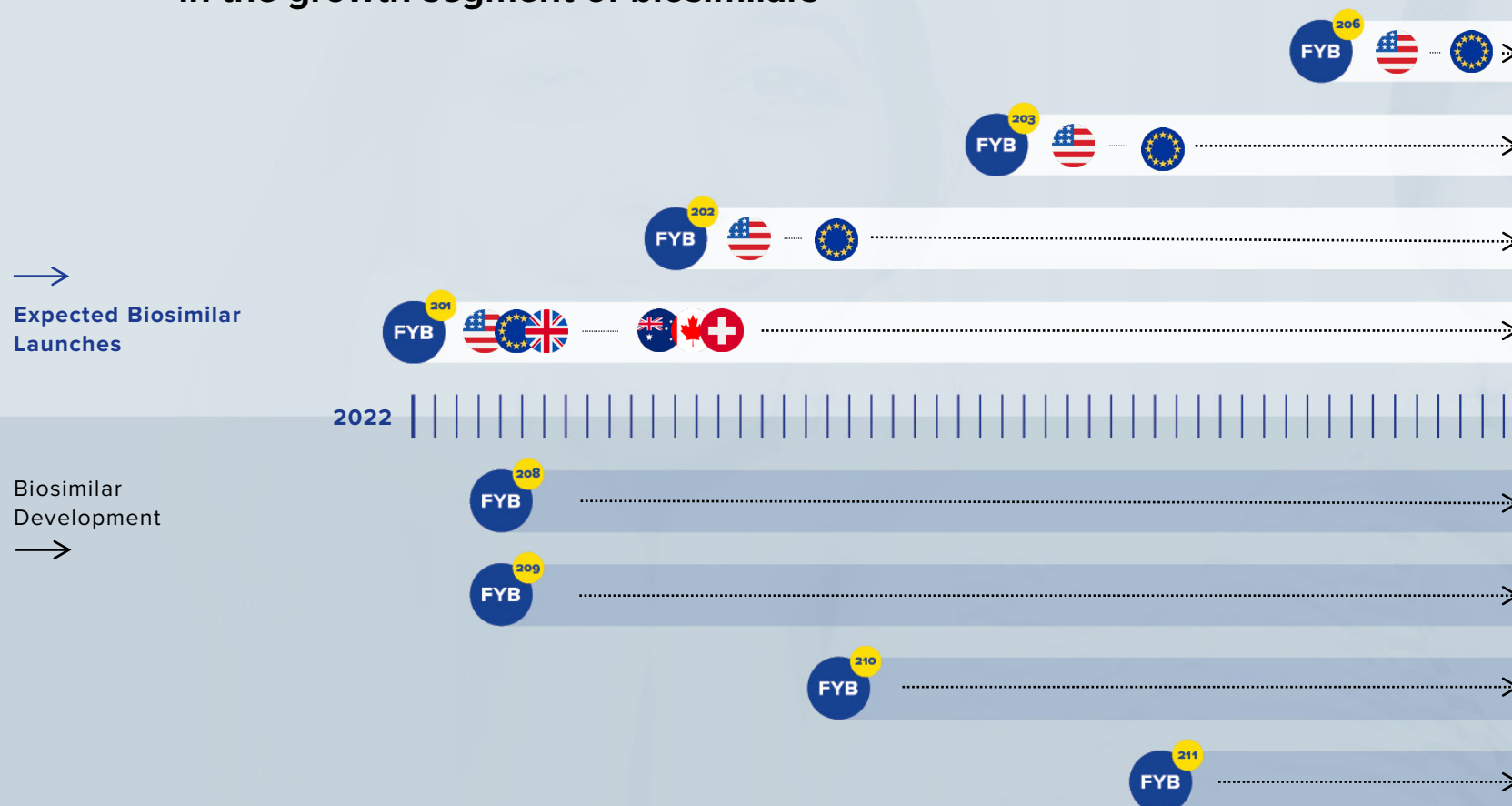


Organization

- Future Organization > 200 employees.

ROAD TO A GLOBAL BIOSIMILAR POWERHOUSE

Organic as well as potential anorganic pathway
in the growth segment of biosimilars



Cornerstones of future growth

- **Strong pipeline** with high visibility
- **Higher stake** in assets after transaction means that launches drive cash flows even more
- Cash flows are invested in **new pipeline projects**

POST TRANSACTION – FORMYCON ON THE STOCK MARKET

- Listed on **Frankfurt Stock Exchange** since June 2012 / SME segment “**Scale**”
- **Registered capital: € 15.064.750*** / Shares outstanding: 15,064,750 (w/o par value)*
- **Market price / Market capitalization: ~ € 1 billion***
- **Research coverage:** Kepler Cheuvreux, Hauck & Aufhäuser Privatbankiers, First Berlin Equity Research, Edison Investment Research Limited, B. Metzler seel. Sohn & Co. KGaA, AlsterResearch

Shareholder Structure*

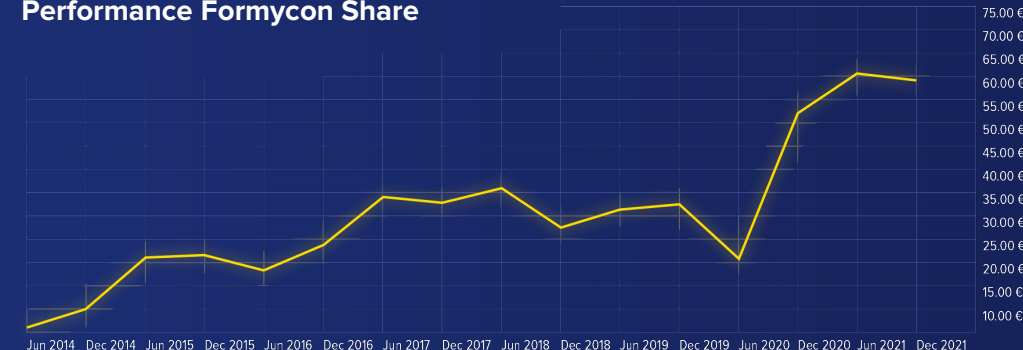
- 07 % Founders & Management
- 43 % Family Offices
- 23 % Institutional and other Investors
- 27 % Free Float



Key Financial Figures / € million

Y/E 31.12	2014	2015	2016	2017	2018	2019	2020
Sales	12.6	16.9	19.5	29.0	43.0	33.2	34.2
EBITDA	1.9	1.5	-3.4	-0.8	8.0	-1.4	-4.8
EBIT	0.9	0.5	-4.1	-1.5	7.1	-2.3	-5.7
Net Income	0.9	0.6	-4.1	-1.6	7.1	-2.3	-5.9

Performance Formycon Share



* Figures after successful closing of the transaction

KEY TAKEAWAY

This transaction enables Formycon to ...

1.

... **drive its position in the global biosimilars market** through the added know-how and capital of ATHOS.

2.

... **reap higher cash flows** of FYB201 and FYB202 that will be invested in growing the pipeline.

3.

... **be a financially strong, sizable, pure play commercial stage biosimilar-developer** with a clear **path to uplisting** and **significant profitability**.

DISCLAIMER

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