

Convenience Translation

This version of the Joint Report on the Profit and Loss Transfer Agreement, prepared for the convenience of English-speaking readers, is a translation of the German original. For purposes of interpretation the German text will be authoritative and final.

Joint Report

by the Management Board of

Formycon AG,

Munich,

and the Management of

FYB202 Project GmbH,

Planegg-Martinsried,

pursuant to Section 293a of the German Stock Corporation Act on the

Profit and Loss Transfer Agreement of 29 April 2026

between

Formycon AG,

Munich,

and

FYB202 Project GmbH,

Planegg-Martinsried

I. Preliminary remarks

The Management Board of Formycon AG, whose registered office is in Munich, registered in the commercial register of the Munich Local Court (*Amtsgericht München*) under no. HRB 200801 (also referred to below as the “**Controlling Company**”), and the Management of FYB202 Project GmbH, whose registered office is in Planegg-Martinsried, registered in the commercial register of the Munich Local Court under no. HRB 276520 (also referred to below as the “**Controlled Company**”), hereby jointly submit the following report pursuant to Section 293a of the German Stock Corporation Act (*Aktiengesetz*) (also referred to below as the “**Agreement Report**”) regarding the Profit and Loss Transfer Agreement (*Gewinnabführungsvertrag*) dated 29 April 2026 between the Controlling Company and the Controlled Company (also referred to below as the “**Agreement**”). The Agreement is attached to this Agreement Report as **Appendix 1**. The purpose of the Agreement Report is to inform the Controlling Company’s shareholders in preparation for the Annual General Meeting of the Controlling Company on 10 June 2024

II. Introduction

The Agreement between the Controlled Company, as the company transferring its profits, and the Controlling Company as the other party was signed on 29 April 2026 by the Controlled Company’s Management and the Controlling Company’s Management Board. In the Agreement the Controlled Company agrees to transfer its entire profits to the Controlling Company. The Controlling Company itself agrees to assume the Controlled Company’s losses. The Agreement requires the consent of the Controlling Company’s general meeting and the consent of the Controlled Company’s shareholders’ meeting in order to be effective. The Annual General Meeting of the Controlling Company will be holding a resolution on whether to approve the Agreement on 10 June 2026. However, the shareholders’ meeting of the Controlled Company will subsequently hold a resolution on whether to approve the Agreement.

The Agreement will become effective when its existence is entered in the commercial register of the Munich Local Court (*Amtsgericht München*) at the location where the Controlled Company’s registered office is situated. The duties to transfer profits and assume losses will apply from the start of the financial year in which the Agreement becomes effective.

III. Parties to the Agreement

The parties to the Agreement are Formycon AG, as the Controlling Company, and FYB202 Project GmbH, as the Controlled Company. The Controlled Company has been receiving license royalties since the market launch of the biosimilar FYB202 in the US and EU. The aim of the Agreement is to secure this financially successful development, lay the foundations for further organic growth, and realize further benefits arising from the consolidation.

Both parties are subject to unlimited corporate income and trade tax liability in Germany.

1. Corporate purpose and business fields of the parties

The Controlling Company is a stock corporation (*Aktiengesellschaft (AG)*) incorporated under German law, whose registered office is situated in Munich. It is registered in the commercial register of the Munich Local Court under no. HRB 200801. The Controlling Company was incorporated in 2010 as Nanohale AG following a change of legal form from Nanohale GmbH. Subsequently, in 2012 Nanohale AG was renamed Formycon AG. The Controlling Company's share capital amounts to EUR 17,672,927.00 and is divided into 17,672,927 no-par value shares. All shares in the Controlling Company are traded on the Regulated Market of Frankfurt Stock Exchange in the Prime Standard sub-segment under ISIN DE000A1EWVY8. The shares are also admitted to trading over the counter on the Düsseldorf, Hamburg, Munich, Stuttgart and Tradegate BSX stock exchanges and can be traded on the Oslo Stock Exchange. The objects of the Controlling Company are to develop pharmaceutical and biopharmaceutical products, develop drug transportation systems, provide laboratory services and work for third parties, and to carry out diagnostic laboratory services. The Controlling Company's financial year is the calendar year.

The Controlled Company is a limited liability company (*Gesellschaft mit beschränkter Haftung (GmbH)*) incorporated under German law, whose registered office is situated in Planegg-Martinsried. It is entered in the commercial register at the Munich Local Court under no. HRB 276520. The Controlled Company was initially incorporated in 2017 as a shelf company under the name Blitz B17-562 GmbH and was effectively re-incorporated in the same year under the name FYB 202 Project GmbH (the Controlled Company's name was changed to FYB202 Project GmbH in 2022). The Controlled Company's share capital amounts to EUR 25,000.00. The objects of the Controlled Company are to develop the biosimilar ustekinumab and to perform associated research, with the ultimate aim of obtaining approval for a human medical treatment that then can be and is to be commercialized. The Controlled Company's financial year is the calendar year.

2. Economic situation of the parties

In the 2023 financial year, the Controlling Company's annual financial statements reported a net loss of EUR -166,148,000. For the 2024 financial year, the Controlling Company's annual financial statements reported a net loss of EUR -129,019,000, and for the 2025 financial year a net loss of EUR -53,669,000. The consolidated financial statements of the Controlling Company reported a consolidated profit of EUR 75,795,000 for the 2023 financial year, a consolidated loss of EUR -125,672,000 for the 2024 financial year and a consolidated loss of EUR -64,696,000 for the 2025 financial year.

The Controlling Company's consolidated balance sheet reported a consolidated balance sheet total of EUR 739,527,000 as at 31 December 2025. With equity of EUR 399,136,000, its equity ratio stood at around 54% as at 31 December 2025.

The financial statements of the Controlled Company reported a net loss of EUR -19,506,000 for the 2022 financial year, a net loss of EUR -2,912,000 for the 2023 financial year, and a net profit of EUR 21,280,000 for the 2024 financial year.

The Controlled Company's balance sheet total as at 31 December 2024 was EUR 40,271,000. With equity of EUR 35,358,000, the equity ratio as at 31 December 2024 was approximately 88%.

Subject to the occurrence of unforeseen events and based on the current scope of business activities, the management of the Controlled Company anticipates a positive result for the Controlled Company for both the 2026 financial year and subsequent years.

IV. Legal and commercial reasons for entering into the Profit and Loss Transfer Agreement

The Controlling Company holds all the shares in the Controlled Company. This means that entering into a profit and loss transfer agreement provides the possibility of establishing a tax group between the Controlling Company and the Controlled Company for both corporate income and trade tax purposes. Due to the tax group relationship, the Controlled Company's income will be directly attributed to the Controlling Company for the purposes of corporate income tax and trade tax. Consequently, positive and negative results within the tax group can be offset for tax purposes at the level of the Controlling Company. This can lead to tax advantages, depending on the tax situation of the companies included in the tax group in terms of their results. Without a profit and loss transfer agreement, offsetting earnings for tax purposes in this way is not possible; profits of the Controlled Company could at best be distributed to the Controlling Company by way of a profit distribution. In this case, under current tax law the Controlling Company would in principle be liable for corporate income tax and trade tax on 5% of the profits distributed.

V. Alternatives to entering into the Agreement

There is no economically reasonable alternative to entering into the Agreement. According to Section 14(1), first sentence of the German Corporate Income Tax Act (*Körperschaftsteuergesetz*) in conjunction with Section 17(1), first sentence of the German Corporate Income Tax Act and Section 2(2), second sentence of the German Trade Tax Act (*Gewerbsteuergesetz*), entering into the Agreement is a mandatory requirement for a corporate income and trade tax group between the Controlled Company and the Controlling Company. The tax advantages explained above can only be realized through the Agreement.

In particular, changing the Controlled Company's legal form into a partnership would not lead to an equivalent result for tax purposes because the Controlled Company's income would be subject to taxation at the level of the partnership for trade tax purposes, whereas in the case of a tax group, the income is taxable at the level of the Controlling Company and can be offset by it against any of its negative income.

Merging the Controlled Company into the Controlling Company is also not a preferable alternative because the Controlled Company would then lose its legal independence. Such a change in the legal organization of the Formycon Group is currently not intended.

VI. Effects

Conclusion of the Agreement does not result in any change to the ownership structures of the companies entering into it.

Apart from the Controlling Company's obligation to assume losses, there are no particular consequences for the interests of the Controlling Company's shareholders, since the Controlled Company does not have any external shareholders, and consequently it is not required to make any compensation or settlement payments.

Since the Controlled Company is already included in the Controlling Company's VAT group, transactions between the Controlled Company and the Controlling Company, and where applicable other controlled companies of the Controlling Company, that are attributable to the domestic market are non-taxable intra-group sales for which no VAT is payable. The Controlling Company is the trader for the purposes of the VAT Act. The VAT for the tax group is payable by the Controlling Company, or where applicable it is entitled to tax refunds. In the internal relationship between the Controlling Company and the Controlled Company a settlement is made based on the principle of causation.

The existing VAT group results in particular in simplified administrative processes.

VII. Explanations on the contents of the Agreement

The Agreement involves a profit and loss transfer agreement within the meaning of Section 291(1), first sentence, second alternative of the German Stock Corporation Act. The key terms of the Agreement, the contents of which are largely prescribed by tax rules and the statutory provisions in Section 291 and following of the German Stock Corporation Act are explained below:

1. Profit transfer under Section 1 of the Agreement

Section 1.1 of the Agreement contains the obligation characteristic of a profit and loss transfer agreement for the controlled company to transfer its entire profits to the other party. According to the clause, the Controlled Company agrees to transfer its entire profits (subject to the creation and release of other retained earnings under subsection 2) to the Controlling Company. The transfer of profits pursuant to Section 14(1), first sentence of the German Corporate Income Tax Act in conjunction with Section 17(1), first sentence of the same Act is essential for the tax group between the Controlled Company and Controlling Company to be effective.

The extent of the profits transferred is described in more detail in Sections 1.1, 1.2, 1.3 and 1.4 of the Agreement. According to Section 301 of the version of the German Stock Corporation Act currently in force to which Section 1.1 of the Agreement refers, a company can transfer no more than the net profit for the year arising before profits are transferred, less any loss carried forward from the previous year, the amount that has to be allocated to the statutory reserves under Section 300 of the German Stock Corporation Act and the amount excluded from distributions under Section 268(8) of the German Commercial Code (*Handelsgesetzbuch*), as its profits.

The income tax group in principle requires the entire profits of the Controlled Company to be transferred; creating revenue reserves from the earnings generated by

the Controlled Company is only permitted under certain circumstances. According to Section 1.2 of the Agreement, the Controlled Company may only place amounts from the annual net profits in other retained earnings within the meaning of Section 272(3) of the German Commercial Code with the approval of the Controlling Company to the extent permitted under commercial law and economically justified based on reasonable commercial judgement. This wording is based on the wording of Section 14(1), first sentence, paragraph 4 of the German Corporate Income Tax Act in conjunction with Section 17(1), first sentence of the German Corporate Income Tax Act. A specific reason for creating the reserves must exist. Thus the profits to be transferred by the Controlled Company to the Controlling Company are then reduced.

Other retained earnings that are established during the term of this Agreement are to be released in accordance with the provision in Section 1.3 of the Agreement upon request by the Controlling Company and are to be used to offset any net loss for the year or to be transferred as profits. Pursuant to Section 1.4 of the Agreement, transferring any amounts from the release of capital reserves, retained earnings established and/or any profits carried forward established before this Agreement comes into force is excluded. These amounts may also not be used to offset a net loss for the year. Alternative arrangements only apply if this is required under Section 302 of the German Stock Corporation Act, as amended from time to time.

Under Section 1.5 of the Agreement, the Controlled Company's claim to transfer of profits arises at the end of each financial year of the Controlled Company and becomes due at the time the annual financial statements of the Controlled Company are approved.

2. Assumption of losses under Section 2 of the Agreement

The transfer of profits reflects the Controlling Company's obligation provided for under the law on public limited companies in Section 302 of the German Stock Corporation Act to compensate losses at the Controlled Company. Under Section 302 of the German Stock Corporation Act, an assumption of losses is the mandatory consequence of a profit and loss transfer agreement.

As a result of the obligation to compensate losses, the Controlling Company effectively bears the economic risk of the Controlled Company (see Section A.III.2 above of this Agreement Report regarding the economic situation of the Controlled Company). This ensures that the balance sheet equity of the Controlled Company existing at the time the Agreement becomes effective is not reduced during the term of the Agreement. This obligation to offset losses serves to safeguard the pecuniary interests of the Controlled Company, its shareholders and creditors during the existence of the Agreement.

According to Section 2 of the Agreement, the provisions of Section 302 of the German Stock Corporation Act, as amended from time to time, apply to the requirement to assume any losses. Section 17(1), second sentence, paragraph 2 of the German Corporate Income Tax Act provides that it is essential that the assumption of losses is agreed by reference to the provisions of Section 302 of the German Stock Corporation Act, as amended from time to time, so that the tax group between the Controlled Company and the Controlling Company is effective.

Under the version of Section 302(1) of the German Stock Corporation Act in force at the time this Agreement Report is submitted, the Controlling Company's obligation to assume losses only applies to the extent that a net loss for the year that would otherwise arise is not offset by withdrawing amounts from other revenue reserves that were allocated to them during the term of the Agreement. Thus if other revenue reserves were formed during the term of the Agreement, they may be released in order to offset losses in subsequent years instead of the Controlling Company making compensation payments to offset them.

The obligation to assume losses arises at the end of each financial year of the Controlled Company (currently 31 December). The claim to compensation of losses becomes due at this time.

The provisions agreed under Section 2 of the Agreement correspond to the typical provisions regarding compensation for losses contained in profit and loss transfer agreements and are based closely on the statutory provisions.

3. Effective date and term under Section 3 of the Agreement

Under Section 3.1 of the Agreement, the Agreement will become effective upon being entered in the commercial register responsible for the Controlled Company and will then apply retroactively from the start of the financial year of the Controlled Company in which the Agreement becomes effective.

The remainder of the Agreement contains provisions on the term and termination of the Agreement. The Agreement is entered into for an indefinite period pursuant to Section 3.2 of the Agreement. Under Section 3.2, the Agreement may be terminated observing a notice period of one (1) month to the end of a financial year of the Controlled Company, but no earlier than at the end of the financial year after the expiry of which the minimum tax term of a profit and loss transfer agreement prescribed in Section 14(1)(3) of the German Trade Tax Act that is required for recognition of the corporate income and trade tax group has been fulfilled (five (5) years (60 months) as the law currently stands), calculated from the start (00:00 hours) of the financial year of the Controlled Company in which this Agreement became effective ("**Minimum Term**"). If the Agreement is entered in the commercial register during the financial year starting on 1 January 2026, the Minimum Term will expire at the end (24:00 hours) of 31 December 2030 or, if no financial year of the Controlled Company ends on this date, at the end of the financial year ongoing on this date. This ensures that the Minimum Term required for recognition of a tax group relationship is complied with.

The right to give notice of termination for cause without observing a notice period remains unaffected under Section 5.3 of the Agreement. Cause exists in particular but not exclusively if the Controlling Company no longer holds a majority of the voting rights in the Controlled Company, the Controlling Company sells its interest in the Controlled Company or transfers it as an equity contribution, the Controlling Company or Controlled Company is merged, split, converted into a partnership or liquidated, or an outside shareholder within the meaning of Section 307 of the German Stock Corporation, as amended from time to time, acquires an interest in the Controlled Company for the first time. Apart from this, under Section 297 of the German Stock Corporation Act and Section 14(1), first sentence, paragraph 3, second sentence in conjunction with Section 17(1), first sentence of the German Corporate

Income Tax there is a possibility to give early or immediate notice of termination for cause that cannot be contractually excluded. Section 3.4 of the Agreement states that any termination of the Agreement must be made in writing and signed.

4. Final provisions under Section 4 of the Agreement

Sections 4.1 and 4.2 state that the latest version of the statutory provisions referred to apply and that in particular when interpreting individual provisions of the Agreement Section 14 and following of the German Corporate Income Tax Act and Section 2(2), second sentence of the German Trade Tax Act, as amended from time to time, or any relevant successor provisions are to be observed.

Section 4.3 governs the priority of the obligation of the Controlled Company's obligation as set down in Section 1.1 to transfer its entire profits to the Controlling Company in line with the provisions of Section 301 of the German Stock Corporation Act, as amended from time, over other provisions of the Agreement should they conflict with Section 1.1 of the Agreement.

Section 4.4 contains an exclusive legal venue and provides that the Munich Regional Court has exclusive jurisdiction for any disputes arising out of and in connection with the Agreement.

According to Section 5 of the Agreement, any amendments or additions to the Agreement, including the clause regarding signed written form and the declarations to be made under it must be in writing and signed in order to be effective.

Finally, Section 4.6 of the Agreement contains a typical severability clause and is intended to ensure that the Agreement is upheld if any of the provisions or parts of the provisions of the Agreement should turn out to be ineffective or unenforceable or incomplete.

5. No compensation and no settlement, no review of the Agreement

As the Controlling Company is the Controlled Company's sole shareholder and the Controlled Company does not have any external shareholders, no terms regarding compensation payments under Section 304 of the German Stock Corporation Act or settlement offers under Section 305 of the Act to external shareholders of the Controlled Company had to be included in the Agreement.

For the same reason, the Agreement did not have to be reviewed by one or more expert auditors as contract auditors in accordance with Section 293b(1) of the German Stock Corporation Act. Such a review therefore did not take place and will not take place.

A summary assessment of the Agreement shows that the Agreement is advantageous for both Formycon AG as the Controlling Company and FYB202 Project GmbH as the Controlled Company for the reasons set out above.

Martinsried/Planegg, this 29 April 2026

Formycon AG

Gez. Dr. Andreas Seidl,
Management Board Member

gez. Enno Spillner,
Management Board Member

FYB202 Project GmbH

gez. Dr. Stefan Glombitza,
Managing Director

gez. Nicola Mikulcik,
Managing Director

Appendix:

Profit and Loss Transfer Agreement dated 29 April 2026 between Formycon AG, Munich,
and FYB202 Project GmbH, Planegg-Martinsried